



BOARD OF EDUCATION
December 10, 2018
Administration Center Board Room
640 A Street
Springfield, OR 97477

7:00 pm Board Meeting		
AGENDA		TAB
1. Call Meeting to Order and Flag Salute	Board Chair Zach Bessett	
2. PBIS Report	Brian Megert/Nicole Nakayama	
3. School Presentation: Guy Lee Elementary School	Principal Amber Mitchell	
4. Public Comments (Three (3) minutes each; maximum time 20 minutes. Speakers may not yield their time to other speakers.)		
5. Consent Agenda		
A. November 1, 2018 Special Work Session Minutes		1
B. November 13, 2018 Board Meeting Minutes		2
C. Financial Statement	Brett Yancey	3
D. Personnel Action, Resolution #18-19.020	Dustin Reese	4
6. Action Items		
A. Consolidated Annual Fin Rpt & 2017-18 Audit, Res #18-19.021	Brett Yancey/Kenny Allen	5
7. Reports and Discussion		
A. District Goals Update	Bruce Smolnisky	
B. Student Communication		
C. Superintendent Communication	Bruce Smolnisky	
D. Board Communication	Chair Bessett	
• Superintendent and Board Working Agreements		6
• Board Committee Reports		
8. Other Business	Chair Bessett	
9. Next Meeting:		
January 14, 2018, 7:00 pm, Business Meeting	Chair Bessett	
January 28, 2018, 4:00 pm, Mid-Year Planning Meeting		
10. Adjournment	Chair Bessett	

WORK SESSION MINUTES

Board members met in a work session on November 1, 2018.

1. CALL MEETING TO ORDER AND FLAG SALUTE

Board Chair Zach Bessett called the Springfield Board of Education special work session to order in the Board Room of the District Administration Center at 6:05 pm and led the Pledge of Allegiance.

Attendance

Board members present included Board Chair Zach Bessett, Board Vice Chair Michelle Webber, Laurie Adams, and Naomi Raven. Dr. Hernandez was excused from the meeting.

District staff and community members identified included Superintendent Bruce Smolnisky, David Collins, Jenna McCulley, Brett Yancey, Whitney McKinley, Brian Megert, Suzy Price, Jeff Michna, Judy Bowden, Dustin Reese, Anne Goff, Sally Storm, Mark Van Den Hende, Peter Raven, Jonathan Light and Marina Brassfield.

2. SUPERINTENENT SEARCH

Chair Bessett introduced Dr. Steven Lowder and Mr. Richard Parker from McPherson and Jacobson who would assist the district in its search process for a new superintendent. Dr. Lowder and Mr. Parker provided some background on themselves and the firm. Dr. Lowder said that he would cover the following items:

- Set search calendar
- Identify selection criteria
- Discuss advertising media
- Identify community members to receive personal invitations
- Compensation and benefits

Dr. Lowder explained the search timeline. He stated they could post the superintendent position as early as the following week. The deadline for applications would be the middle or end of January 2019.

The team would take three weeks for reference checks to reach the maximum amount of people.

The process was confidential until the final interview process. The board report would be given during an executive session in which the search firm discussed candidates.

Dr. Lowder added that if the newly hired superintendent left the district within three years, McPherson and Jacobson would conduct another search.

Site visits would happen after interviews. There would be five to ten highly qualified people vetted. All candidates would be suitable for the job, although some would more closely match the district's needs. Dr. Lowder explained criteria from the community would inform the firm's candidate choices and screening process. By February 20, 2019 the district would hire a new superintendent, however, that timeline could be extended if necessary. He concluded the district was beginning their search very early and would likely attract many highly qualified candidates.

Ms. Raven was pleased to hear the process could be completed by the end of February 2019. She was happy they would have flexibility, if needed. Dr. Lowder said the process had the flexibility to extend to March 2019.

Ms. Raven wondered when the firm would start community visits, and when they would be completed. Dr. Lowder said the listening sessions would occur before the screening process. The firm used information from the meetings to hear community concerns. During the sessions, Dr. Lowder and Mr. Parker asked structured questions: 1) Tell us the good things about your community; 2) Tell us the good things about your schools; 3) What issues should the superintendent be aware of as he/she comes into the district? and 4) What skills, qualities or characteristics should the new superintendent possess to be successful here? He said it was interesting because answers between different groups tended to be consistent. The information told them what qualities the superintendent should embody, and allowed people to be part of the process. The new superintendent wanted to have support of the larger community; it was a big part of their future success.

Mr. Parker added the sessions allowed him to really learn about the community. As consultants, they needed to understand the community and its culture. He explained that during the work session, the board would develop criteria statements which would be used to measure applicants. Then, stakeholder groups helped the consultants understand the nuances. The questions asked of the candidates would come from the input from the stakeholder meetings.

Ms. Raven wondered how the community meetings were structured, and how community members learned of the session. Dr. Lowder said the board would develop a list of people they wanted to invite. There were several different ways to reach stakeholders. In general, there were separate meetings for teachers, administrative staff, and parents and community groups.

Ms. Raven asked about the online survey. Dr. Lowder responded an online survey, with the same questions, would be open for a certain period of time. After the survey closed, the board would receive a summary.

Ms. Raven wondered if board members attended the community session. Dr. Lowder said board members did not normally attend. In the past, board members had their own listening sessions.

Chair Bessett asked if someone from the board could introduce the process at the beginning of the meetings. He wanted the community to know the board was there for them. Dr. Lowder told him that would be fine.

Chair Bessett asked about the interview process. He asked if the community helped move candidates forward. Dr. Lowder said the board would need to narrow the list of candidates to three or five for the interview piece. He explained the site visit process, which involved both a formal and an informal time for the candidate and the board.

Ms. Raven asked when the stakeholder meetings would finish. Dr. Lowder said they would ideally finish as much as possible within a day or two. He hoped to complete some work prior to Thanksgiving break. In response to Mr. Parker, Dr. Lowder said he would email Ms. Bowden with scheduling conflicts to set a date.

Ms. Raven asked what the standard four questions were. Mr. Parker said they were similar to a Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis. There were key questions around potential challenges and desired characteristics. Dr. Lowder added feedback was anonymous and grouped by department, demographic and organization. Dr. Parker said if groups were too small, the comments would be mixed into others, in order to preserve anonymity. It was difficult to determine beforehand how many people, and from which population segments, would show up.

Dr. Lowder noted it would be important to recognize the different languages within the district and provide translators for the community meetings.

Dr. Lowder shared the various websites where the posting would be advertised, including the firm's website, Facebook and twitter pages. If other websites were wanted, the board could make that decision. He suggested lots of coverage. Ms. Raven asked which website would be best for the district. Mr. Parker said the majority of applicants found listings on McPherson and Jacobson's website, the district website, or American Association of School Administrators (AASA).

Chair Bessett asked if metrics were available. Mr. Parker would locate some used by other districts and provide a chart for the board.

Ms. Raven asked for recommendations on important information to include in advertising. Dr. Lowder said it was mostly focused on the district's characteristics. Mr. Smolnisky said staff had already begun creating a brochure. Ms. Raven wondered what superintendents wanted in a district. She was told in general, superintendents wanted a strong and supportive board.

Ms. Raven noted three board positions were up for re-election in June 2019. She hoped for some guidance in those conversations. Her inclination was to be transparent. Dr. Lowder said yes, it was best to be upfront during the process. He added the board didn't want to hire someone scared of those changes as nothing was guaranteed. The superintendent was the board's only employee.

In response to Chair Bessett, Mr. Smolnisky said there was a list of stakeholders created at the work session in August 2018. The board would use it for outreach. Chair Bessett wondered how many community members each board member would invite. He was told the decision was up to the board. The consultants only needed to know how to group individuals. Ms. Raven requested a copy of the list from the August meeting.

Dr. Lowder would eventually need a salary range from the board. He advised a competitive salary, but only as high as the community could bear. The hiring process would be one of the only opportunities to raise the superintendent's salary significantly. Other payment incentives for teachers and superintendents could include salary steps, compensation packages or retention and success bonuses.

For comparison, Dr. Lowder shared the superintendent of Eugene 4J School District made over \$200,000 with incentives. Sometimes contracts included step increases, plus whatever raise other administrators received. Salaries were also based on comparable market rates.

Ms. Raven asked about the last salary raise at SPS. She wondered how vocal the community was regarding the raise. Mr. Yancey said the last situation was an assistant superintendent who was asked to become interim superintendent. Negotiations were not in public. Mr. Smolnisky added prior to that time, he hadn't recalled negative feedback from the community.

Ms. Raven asked how the superintendent's salary increases occurred within the district. Mr. Yancey responded the superintendent typically received a Cost of Living Adjustment (COLA) which was equal to what the administrators received. For example, if the administrative staff received a 3% COLA, so did the superintendent.

Chair Bessett asked when the consultants needed salary information. Dr. Lowder responded they wouldn't need a figure until active recruitment started. On the actual posting, the salary could say, "To be determined," or "Based on experience."

Ms. Raven asked if staff identified suggested ranges or salaries in comparative districts. Mr. Smolnisky said not all districts freely provided the superintendent salary information. Staff would ensure the board saw comparative information on Eugene 4J, as well as other districts closer to Springfield's size and community. Dr. Lowder added applicants would want to know what benefits would be part of the package.

Dr. Lowder introduced an activity in which board members were asked to write down characteristics, qualities and experiences desired in a superintendent. There was a total of 24 items.

After, board members read their priorities for key identifiers (some similar bullets have been combined), which included:

- Diverse background.
- Experience creating equity within a district.
- Cultural sensitivity.
- Ability to transcend language barriers and unify the entire community.
- Successful record working with high poverty schools.
- Kid centric personality; an advocate for children.
- Ability and confidence to think outside the box.
- Inspirational for families, staff and students.
- Charismatic and connects to staff.
- Strong, collaborative leadership skills.
- Provides opportunities for staff empowerment (i.e. site-based management rather than centralized)
- Ability to hold ground under pressure.
- Transformational leader; instructional leader.
- Strong communication skills.
- Advocate for district and higher educational standards.
- Experience in the teaching profession.
- Values community partnerships.
- Understanding of district finances.
- Committed and connected to Springfield.
- Sense of humor.
- Understanding of district priorities.

Ms. Raven noted the district completed important work over the past couple years. SPS had a large vision and she felt people were on board. The new superintendent needed to be able to have humility. The district had put a lot of thought into the direction it was going and needed someone to recognize and support that objective.

The board completed a prioritization activity where members put colored dots next to their top five traits. The five most popular overall would become the criteria moving forward.

The board discussed the identified traits and characteristics desired. With guidance from Dr. Lowder and Mr. Parker, the board began narrowing their priority list.

Ms. Raven explained her thought process. There were four main groups: staff, community, students, and the district. Nine key identifiers related to staff, seven related to community, five related to students, and five to the district as a whole. She thought if those four areas were put into words from the key identifiers, the board would clearly articulate who they sought in a superintendent. Dr. Lowder said the consultants would put the five items into a few cohesive sentences for the board.

Chair Bessett added that an equity lens was necessary. Mr. Parker wondered if equity was an issue within the district. Chair Bessett thought it was something the board needed to be aware of. Not all demographics were represented on the board or staff. He explained there was not equity among socio-economic groups either.

Dr. Lowder explained candidates would be answering essay questions around the items. Dr. Lowder suggested having five headers, and then subsets for each. Mr. Parker suggested having staff, district, community, relationships, and communication. Students as a focus could weave through each section.

Ms. Raven thought a logistical need of committing to the greater community was missing. Mr. Parker said candidates would need to commit to five to seven years in the position. Ms. Raven liked the list so far, but she thought it might be too vague. She wanted specificity in applicant responses. Dr. Lowder said the consultants would structure the application to address the list of qualities. During interviews the candidates would be asked very specific questions around these qualities.

Ms. Adams asked if a similar process would be done with staff or at stakeholders meeting. Mr. Parker said four specific questions would be asked and answers were written down verbatim. Dr. Lowder would wordsmith the criteria chosen by the board, and then return it for review. He didn't want to expand items; the purpose was to be clear by condensing. The four questions at public meetings would be based off criteria.

There was continued discussion about desired traits as the board worked to narrow their choices.

Mr. Parker said every superintendent had strengths and weaknesses. Often boards entered this process thinking they wanted someone skilled in all areas. However, that was not always the reality. The board indicated they were not looking for a manager. Mr. Parker saw qualities emerging that indicated they were looking for someone with heart, who was inspirational and acted as the face of district.

Ms. Raven agreed. She added the district had a wonderful cabinet of people who managed operations and staff. She wanted someone who recognized the issues within the district, but stayed positive and continually worked to improve the district.

Mr. Parker wondered if they wanted someone with more teaching and instructional experience, or management experience. Dr. Lowder said during interviews, the board would begin to see how candidates lined up with their vision.

As an interview question, Ms. Raven hoped to ask candidates to describe the ideal relationship between the superintendent and various groups, such as teachers. Dr. Lowder said yes. The board set the vision and people worked to reach that vision. The superintendent held people accountable.

Dr. Lowder wrapped up the session.

Mr. Smolnisky said staff would distribute a stakeholder list to board members and consultants.

Ms. McCulley was working on an advertising brochure and she was close to having it finished. Criteria statements would be added once they were finalized.

Mr. Parker provided a timeline for November 2018 and December 2018 meetings with the board and stakeholders. Exact dates would be decided. By late 2018 or early 2019, the consultants would provide a report to the board based on information gathered at the stakeholder meetings.

Mr. Smolnisky added that if needed, the district could invite the consultants to Eugene for another meeting.

Ms. Webber asked about advertising and media, and how close the district was to completing the new website. Mr. Michna said the website would be launched within the next couple days.

During the work session, the board chose the following criteria:

1. Strong, inspirational leader.
 - 1a. Respects teachers and the profession. (Balance between district and site-based; understands empowerment for all staff. Someone who knows how to lead and has backbone.)
 - 1b. Relationship building skills for all stakeholders.
 - 1c. Strong communicator and advocate for the district.
2. Recognizes and embraces the strategic plan and goals.
3. Advocate for higher standards for students and staff. Accountability for all.
4. Values community partnerships.
5. Equity – advocates for every student’s success.

3. ADJOURNMENT

With no other business, the Work Session was adjourned by Chair Bessett at 9:14 pm.

Minutes prepared by Marina Brassfield

WORK SESSION MINUTES

Chair Zach Bessett called the work session to order at 5:35 pm, in the Board Room of the District Administration Center, 640 A Street, in Springfield and led the Pledge of Allegiance.

Board members present included Board Chair Zach Bessett, Vice Chair Michelle Webber, Laurie Adams, Dr. Emilio Hernandez and Naomi Raven.

District staff and community members identified included Bruce Smolnisky, Jenna McCulley, David Collins, Dustin Reese, Suzy Price, Brian Megert, Whitney McKinley, Jeff Michna, Anne Goff, Mike Eyster, Jonathan Light, Shawn Walker, Judy Bowden, and Erin Hagen.

Board members met in a work session on November 13, 2018 to continue their work on the superintendent search process with Dr. Steve Lowder from MacPherson and Jacobson.

Dr. Lowder began by giving the board an overview of the search process. He said that Phase 1 was where they would establish characteristics of the new superintendent, created a timeline for the search and determined advertising venues. He stated that in Phase II they would host input meetings with stakeholder groups identified by the board, as well as would develop and distribute application and advertising materials. Additionally, Phase II included recruiting and tracking applicants.

Dr. Lowder noted that they had already met with the district administrative team.

Laurie Adams asked if the administrative team referred to more than the Cabinet.

Superintendent Bruce Smolnisky replied they had met with all administrators with the exception of the Cabinet.

Dr. Lowder said they would place the announcement of vacancy after they discussed parameters.

Dr. Emilio Hernandez asked about the wording "if desired" on page seven, bullet-point five in the executive summary. He expressed concern that this language would prevent them from keeping the pool open to non-traditional candidates.

Dr. Lowder said they were able keep the pool open to non-traditional candidates and stated that it would depend on what the board preferred.

Dr. Hernandez said he would not like to see anyone excluded that met the criteria.

Dr. Lowder clarified that they would not leave anyone out that met the initial criteria and noted that this went a step beyond that by including people who had not had any previous education experience.

Dr. Hernandez said for him, non-traditional was a term that denoted inclusivity in relation to race and gender.

Jenna McCulley arrived at 5:43pm.

Dr. Lowder replied that in this instance, it referred to candidates with no previous education experience.

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Dr. Hernandez said he would prefer to ask their legal counsel to comment on the ambiguity of the language.

Shawn Walker suggested they include an amendment or addendum to the packet that further clarified the term.

Board Chair Zach Bessett asked Dr. Lowder if he could send the board an amendment clarifying the language.

Dr. Lowder replied that they could create an amendment that clarified the term non-traditional.

Dr. Lowder stated that they would assist the board in determining interview procedures and noted that their process was to keep the names of the candidates confidential until the finalists were named. He said that in Phase III they evaluated each applicant against the selection criteria and conducted deep reference checks.

Ms. Adams asked if the board would be involved in the reference checks.

Dr. Lowder responded that the board would not be involved in reference checks. He said they would bring between five and ten highly qualified candidates to the board. At that meeting the board would be able to select their finalists for interviews.

Mr. Bessett asked if the board could be involved earlier in the process.

Dr. Lowder said they could, but surmised they would prefer to not be involved before they received the short list.

Mr. Bessett asked how many applicants were expected.

Dr. Lowder responded it was hard to say, but he expected they would get about thirty-five applicants. He said they could screen out those who were not qualified to be in the pool, and then share the candidates who met the initial qualifications with the board. He added that they could have time to review the initial list prior to the short-list presentation if they would like.

Mr. Bessett said the board had spoken about internal candidates and allowing interim candidates to interview.

Dr. Lowder said that request was on their list. He noted the next item in Phase III was to develop interview questions and stated that the board had the option to write their own interview questions, use questions his organization had developed, or a combination of both.

Mr. Bessett asked how many questions they should be prepared to ask.

Dr. Lowder responded it was largely dependent on time and suggested including questions that addressed issues the board and stakeholders had identified as important. He said that if the interview was an hour, they would probably ask ten or fifteen questions.

Dr. Lowder said that Phase IV included selecting applicants to be interviewed, interviewing, having the candidates meet with the stakeholders and the selection of the new superintendent. He suggested they allow a full day for each of the finalists to go around and view the schools, meet with community members, and see a presentation from staff. He cautioned to ask stakeholder groups to give the board their general impressions of candidates rather than rank them, so it would not bias their own views before the interview. He added that this would provide a check and balance to ensure the board had the same impression as the community.

Dr. Hernandez asked what the process was between the first screening group and choosing the five or ten finalists.

Dr. Lowder replied that they try to make the best match based on characteristics expressed by the board and the experience of the candidate.

Dr. Hernandez said he would prefer to see the what criteria rankings were.

Mr. Bessett asked if they would be able to have that information before the interviews.

Dr. Lowder replied that they could provide it beforehand.

Dr. Lowder stated that his organization would notify applicants if they were or were not selected and conduct background checks. He said that in Phase V they would help establish performance objectives for the new superintendent. He added that they provided a two-year guarantee to conduct the search free of charge that if the person leaves the position before the two-year period ends.

Dr. Hernandez asked if they were using the previous goals for the superintendent.

Mr. Bessett said they planned to keep the same goals, but change the process of evaluation for superintendent.

Mr. Smolnisky clarified that the Cabinet had been updating the goals throughout the year and could send that information over to the board.

Ms. Raven asked if they had articulated what they would accept as evidence of progress toward the accomplishment of the superintendent's objectives.

Mr. Smolnisky said that information would also be included in what he sent the board.

Mr. Bessett said the board had a proposal for a salary.

Ms. Adams asked how much the previous superintendent was making when she left.

Mr. Smolnisky replied that this year she would have been earning about \$165,000.

Ms. Raven said she was not clear how comfortable the community would be with the salary range in the proposal.

Mr. Bessett responded that the community had given feedback that they felt the base salary of \$200,000 was a lot.

Ms. Adams said she did not want to start someone off with a bad feeling from the community.

Dr. Hernandez asked what a community this size would typically pay a superintendent.

Dr. Lowder said their situation was unique in that they had two communities of different sizes side-by-side. He stated that it was important to have a range based on qualifications and then set the salary after negotiating with the successful candidate.

Ms. Raven wondered if they would not attract great candidates if they provided a cap on the salary range.

Dr. Lowder said it was better to provide a range that they felt comfortable with. He cautioned that if they did not provide a cap to the range, they might not attract qualified candidates (who would assume the cap was much lower than it actually was).

Mr. Bessett proposed a salary range of \$170,000 to \$185,000.

Ms. Adams said she thought the proposed range was too low.

Dr. Hernandez said considering the growth they were expecting, he believed the cap should be \$200,000. He added that he wanted to pay a salary suitable for someone who desired to stay in the district.

Dr. Lowder noted that if someone came in with no experience as a superintendent, they would not be expected to pay them \$200,000. Ultimately it was the board's decision based on what they thought the community was comfortable with.

Dr. Hernandez asked what was available in the budget.

Mr. Smolnisky replied that they would build what was directed by the board into the budget. He added that it was also dependent on what funding they received from the state.

Ms. Raven asked if the salary would be in proportion to what the rest of the staff was making.

Mr. Smolnisky replied he could not answer the question because it was a collective bargaining issue.

Vice Chair Michelle Webber said she thought it was important to set a large enough range to accommodate what they thought the final candidate deserved.

Ms. Adams shared that in years past, the board wanted to increase the superintendent's salary, but the previous superintendent did not want a salary increase. She stated that she thought they should make the salary high enough to entice someone to want to be in their district.

Mr. Bessett proposed a salary range of \$175,000 to \$195,000 based upon experience and qualifications.

Dr. Lowder listed the characteristics and qualities desired in the superintendent, including:

- A visionary, ethical and inspirational leader who demonstrates honesty, empathy, trust, humor and hard work
- An outspoken leader of "Equity" who is mission-driven to ensure success for each student
- Successful track record of improving social and academic success for communities of color, diversity and poverty
- A leader who will embrace and promote the current strategic plan and will employ courageous conversations to improve and achieve its objectives
- A community leader who is dedicated to making a long-term commitment to the District, students and community
- Demonstrates superior written and verbal communication skills
- A collaborative yet decisive decision maker who holds him or herself and others to the same high expectations and accountability

Mr. Bessett stated he thought they did a good job capturing the characteristics the board was looking for.

Dr. Lowder went over notable dates in the superintendent search timeline, which included: posting the opening the week of November 12, closing applications on January 16, reference checks between January 17 and February 7, a shortlist presentation to the board on February 12 or 13, interviews the week of February 18, callbacks the following week, a board discussion on March 11, and an announcement the following day. He highlighted that these were flexible target dates.

Ms. Adams asked where opportunities were for the community to tell the board what they would like to see in a candidate.

Mr. Bessett said the community would have this opportunity the first week of December in listening sessions.

Dr. Lowder added that on the day of the interview, the candidate would meet with constituent groups and there was also a second interview team that would provide the board with feedback.

Dr. Lowder noted that the groups involved in the superintendent search listening sessions (held the first week of December), included the Cabinet, student leadership classes, building representatives from the Springfield Education Association (SEA) and the Oregon School Employees Association (OSEA), the Student V.O.I.C.E., a community forum, elected officials, United Front, and education partners.

Ms. Adams asked who the education partners were.

Ms. Bowden replied that they could potentially include someone from Lane Community College, superintendents from other districts, and someone from the University of Oregon Education Department.

Dr. Lowder said the board would receive a summary and consensus report from each of the groups.

Mr. Smolnisky noted there was also an online survey available.

Mr. Bessett asked about creating a list for personal invitations.

Dr. Lowder said they had the option of sending personal invitations to people to attend the community forums.

The work session was adjourned at 6:36 pm.

BUSINESS MEETING MINUTES

A Regular Meeting of the Lane County School District No. 19 Board of Education was held on November 13, 2018.

1. CALL MEETING TO ORDER

Board Chair Zach Bessett called the Springfield Board of Education meeting to order in the Board Room of the District Administration Center at 7:00 pm.

Chair Bessett asked if there were any changes or additions to the agenda. There were none.

Attendance

Board Members present included Board Chair Zach Bessett, Vice Chair Michelle Webber, Laurie Adams, Dr. Emilio Hernandez and Naomi Raven.

District staff and community members identified included Bruce Smolnisky, David Collins, Brett Yancey, Judy Bowden, Jenna McCulley, Whitney McKinley, Suzy Price, Brian Megert, Jeff Michna, Dustin Reese, Lesa Haley, Tim Vian, McKenzie Smith, Robin Erickson, Chad Towe, Jessica Auxier, Anne Goff, José da Silva, Ame Beard, Mike Eyster, Jonathan Light, Joan Bolls, Kevin Wright, Rachel Allen, Angela Brewer, Kayleena Buster, Cadence Rose, Sonny Molinari, Ian Ker, Madisen Hill and Erin Hagen.

2. RECOGNITION: AMERICAN EDUCATION WEEK PROCLAMATION

Chair Bessett read the following proclamation in honor of American Education Week, November 12-16, 2018.

WHEREAS, public schools are the backbone of our democracy, providing young people with the tools they need to maintain our nation's precious values of freedom, civility and equality; and

WHEREAS, by equipping young Americans with both practical skills and broader intellectual abilities, schools give them hope for, and access to, a productive future; and

WHEREAS, education employees, be they teachers, administrators, or other education professionals, work tirelessly to serve our children and communities with care and professionalism; and

WHEREAS, schools encourage community, bringing together adults and children, parents, mentors, community leaders, local businesses, and elected officials in a common enterprise to foster a love of learning in our students, spark creativity, instill a positive work ethic, and give our children the tools needed to realize their full potential.

NOW, THEREFORE, BE IT RESOLVED that we, the Springfield Board of Education, do hereby proclaim November 12 – 16, 2018 as the observance of American Education Week.

DATED this 13th Day of November 2018.

3. SCHOOL PRESENTATION: HAMLIN MIDDLE SCHOOL

Chair Bessett introduced Hamlin Middle School (HMS) Principal Kevin Wright. Mr. Wright began his presentation by introducing his colleagues, Assistant Principal Rachel Allen and Title I Coordinator Angela Brewer.

Mr. Wright shared they were presenting on three board goals. He noted that HMS served approximately 687 kids and stated they were part of the Community Eligibility Program that allowed 100% of students to eat breakfast for free.

Mr. Wright said that they had a desire to connect the district vision with the HMS Guiding Principles and HMS Vision as well as the 2018-2019 HMS Focus. Most importantly, they wanted to ensure any staff member could answer the following questions: What is Hamlin all about? What are you working on this year, what are you focusing on? What are your school's shared beliefs?

Mr. Wright shared that the 2018-2019 focus included: growth-mindset goal setting, processing time, and explicit vocabulary instruction. He noted that their guiding principles included: teacher effectiveness and student effort are essential to student growth; a safe environment where students are valued, and mistakes are recognized as opportunities to learn is essential to student growth and achievement; and all students have worth and can grow—regardless of race, disability, socioeconomic status, and all other variables.

Mr. Wright highlighted that Multi-Tiered Systems of Support, specifically Student Learning Goals and Tiers 2 and 3, supported the Board Goals to promote growth and success for every student as well as provide personalized learning opportunities for every student.

Ms. Brewer shared that to promote student success for every student, the staff wrote two learning goals around Literacy and Math. They offered the two goals to teachers to align with their personal goals around processing time. Additionally, they worked to align personal goals with the building and district goals, so everyone was working towards the same goal.

Ms. Brewer walked through the Multi-Tiered Systems of Support that were designed to provide personalized learning opportunities for every student. She shared that the process began by collecting the most recent student data in a google spreadsheet. They then used the profiling rules from the middle school reading intervention handbook to determine if students needed support in one of the four reading profiles in addition to core instruction. Once they had the data, they built their master schedule of what teachers would be teaching based on student need. Students were progress monitored on a bi-weekly basis to check for growth and data teams met every three data points (or six weeks) to monitor student growth and recommend options for change. She noted they were also working on establishing a similar process for the Math goal.

Dr. Hernandez asked what was meant by the term Flex on the previous slide.

Mr. Wright said it was an opportunity to give every student what they need (enrichment or intervention) and was driven by data.

Ms. Allen shared that one of their big goals was student safety and moving into the new building had improved safety.

Ms. Allen said that National Positive Behavioral Interventions and Supports (PBIS) goals for referrals were Tier 1: 80%, Tier 2: 15%, and Tier 3: 5%. She noted that they had met these goals for three years, but the mid-year transition had prevented them from meeting it this past year. She stated that their school layout now allowed students to be more visible.

Ms. Allen explained that PBIS Tier 1 involved providing students with constant feedback, which included pride tickets, pride awards, positive phone calls home, growth mindset breakfast, pride recognition assemblies, pride and gold cards, student of the month, quarter social celebration, mid-quarter rewards, and video announcement shout-outs. She added that Tier 2 included check-ins, check-out point cards, peer mentoring, high school mentors, adult mentoring, community partners, planner checks, weekly binder

organization, and weekly StudentVUE reports. Tier 3 involved even more support, which included the GRIT program (explicit behavior teaching and support, functional behavior assessments), behavior support plans, individual goals and incentive plans for attendance/academics/behavior, transition services, study hall, and tutor/mentor services.

Dr. Hernandez asked what the Tier 3 percentage was at HMS.

Mr. Wright replied that it ranged from 5% to 10% of their student body.

Dr. Hernandez asked if the PBIS plan followed students to Springfield High School.

Ms. Allen responded that it did.

Ms. Allen briefly talked about their community partnerships. She stated that they wanted to ensure kids associated school with success and their partnerships with community programs helped with this. She shared that their community partners included: Centro Latino Americano, Oregon Community Programs, Ophelia's Place, and Food for Lane County, which provided food during the holidays.

Mr. Wright added that they were always looking for ways to engage the community. He shared that they had three days where families could come to HMS for parenting classes and were looking for additional ways to remove barriers that prevented families from coming to campus.

Ms. Brewer explained that one of the core values at HMS was the belief that all students could learn. She stated that they taught a Growth Mindset curriculum that they called Brainology. She shared that they had recently attended a *Teaching with the Brain in Mind* conference presented by Eric Jensen. After returning from the conference, they developed a team with the purpose of building a system of curriculum that all students would take at the beginning of the school year.

Ms. Brewer shared that their Growth Mindset program included: staff professional development on building-directed days (energizers & working memory), Growth Mindset 2-week curriculum, weekly grade checks in all classes, quarterly goal setting and reflection, data chats in English Language Arts and Math after benchmarking, high expectations teaching and a monthly Growth Mindset Breakfast celebration.

Mr. Wright said someone from the administration read the following statement to their students every Monday: "Listen carefully to me; you belong at Hamlin Middle school. Mrs. Allen and I are so glad you're here. This year, your ability and skills will grow as long as you work hard. You can and will succeed at Hamlin. We absolutely refuse to let you fail. The class work you do has value as you grow up and succeed in life. We are committed to each one of you unconditionally, no matter how many mistakes you make, we are always on your side. We are also committed to insuring our actions match our words."

Mr. Wright shared that they were also developing cross-curricular units in each grade level. He noted that every other year they developed six-week units that included all the content and standards for each core teacher.

Ms. Raven asked what the mentorship programs looked like.

Mr. Wright replied they developed partnerships with organizations in the community that adopted grade levels. He shared that they used a series of data points—including GPA and attendance—to ensure students were on track to graduate. He added that the partnership with the high school was a way to connect middle and high school students to help bridge the transition gap.

4. PUBLIC COMMENT

There was no one wishing to speak.

4. CONSENT AGENDA

A. October 22, 2018 Board Meeting Minutes

B. Financial Statement

C. Magnet Schools and Programs AR

As the Springfield School District believes in supporting multiple pathways to student's success, the district is investigating the option of including magnet programming as an option for high school students. In order to support this, the Superintendent must first provide administrative guidelines for submission and approval for magnet programming as an optional educational mode. IGBJ-AR is provided to identify the application and approval process.

D. Personnel Action, Resolution #18-19.012

Dustin Reese recommended the Board of directors approve the personnel action for licensed employees as reflected in this resolution and any addendum presented along with this resolution. Categories include:

Retirement

Jeannette Chabot

Change of Contract Status

Jeanette Chabot

E. Open Enrollment & Inter-District Transfer Update

In 2011 Legislature passed House Bill 3681 (HB3681), which took effect for the 2012-2013 school year. HB 3681 allows school districts to enroll out-of-district students without charging tuition, securing a one-to-one exchange or obtaining consent from the resident school district through an Open Enrollment Transfer process.

The 2018-2019 school year has a net gain of 30 students through Open Enrollment.

Students enrolled in a Springfield school through Open Enrollment guidelines are allowed to continue through graduation. However, students changing school levels, i.e., elementary to middle or middle to high school; reapply for the coming year.

Inter-District transfers, previously referred to as 1:1 Exchange transfers, are processed outside the Open Enrollment window. While IDTs no longer require an even exchange with the resident district, they do require consent from both districts.

To date, for the 2018-19 school year, we have 62 students attending Springfield schools from other districts. There are currently 49 students from Springfield attending other districts through Inter-District transfer guidelines.

F. Budget Calendar Approval, Resolution #18-19.013

The Springfield Public Schools Board of Directors annually reviews the proposed budget calendar for the upcoming year.

Below is a recommended budget calendar for this year's budget meetings to deliberate on the 2019-2020 proposed budget. Please note that we have scheduled the meetings during the months of May and June. The budget Hearing is scheduled for the first board meeting in June and we are proposing to begin all meetings at 6:00pm.

Budget Calendar 2019-2020

December 13, 2018

Budget Committee/Board Work Session at 6:00 PM

January 17, 2019

Budget Committee/Board Work Session at 6:00 PM

February 21, 2019

Budget Committee/Board Work Session at 6:00 PM

April 18, 2019

First Notice of First Budget Committee Meeting

November 13, 2018

May 2, 2019	Second Notice of first Budget Committee Meeting
May 9, 2019	First Budget Committee Meeting at 6:00 PM
May 16, 2019	Second Budget Committee Meeting at 6:00 PM
May 23, 2019	Third Budget Committee Meeting at 6:00 PM (If necessary)
May 30, 2019	Publish Notice of Budget Hearing

June 10, 2019	BUDGET HEARING* Resolutions adopting the budget, making appropriations, and declaring the tax levy
July 15, 2019	Deadline to certify tax levy to the county assessor (ORS 294.444 and ORS 310.060)

- * Board of Directors may revise the approved budget by 10% in any one fund.
- Calendar built on the following assumptions:
Meetings of the Budget Committee on Thursday evenings and regular Board meetings are held on second and fourth Monday evenings.

G. OSBA Elections: Legislative Priorities and Policies, Resolution #18-19.014

Between November 12, 2018 and December 14, 2018, school boards across the state must take official action on Oregon School Boards Association Board and Legislative Policy Committee positions. School boards must take official action by December 14, 2019 and submit its vote at Oregon School Board's E-Voting Center, using the information provided to Board secretaries and superintendents.

Bruce Smolnisky recommended that the Springfield Board of Directors adopt the proposed 2019-2020 Oregon School Boards Association's Legislative Priorities and policies as recommended by the Legislative policy Committee.

He further recommended that the Board direct the Superintendent or designee to submit this vote at OSBA's E-Voting Center no later than midnight on December 14, 2018.

H. OSBA Elections: amend Bylaws, Resolution #18-19.015

Between November 12, 2018 and December 14, 2018, school boards across the state must take official action on Oregon School Boards Association's Bylaws relating to composition of the Board of Directors. School boards must take official action by December 4, 2018 and submit its vote at Oregon School Board's E-Voting Center, using the information provided to Board secretaries and superintendents.

Bruce Smolnisky recommended that the Springfield Board of Directors adopt to amend OSBA bylaws relating to the composition of the Board of Directors by adding a voting seat for a representative of the Oregon School Board Members of Color Caucus.

He further recommended that the Board direct the Superintendent or designee to submit this vote at OSBA's E-Voting Center no later than midnight on December 14, 2018.

I. Out of State Trip THS Cabaret, Resolution #18-19.016

The objective of the trip is for THS Cabaret team to travel to Anaheim, California for the opportunity to perform and learn while experiencing Disneyland's theme parks.

David Collins recommended the Board of Directors approve Thurston High School Cabaret Team's request to travel to Anaheim, California to participate in the Disney Youth Performing Arts Trip. Dates of Travel will be April 19-23, 2019.

Students will miss Two (2) school days.

The Cabaret Team has fundraised approximately half the monies needed to cover the cost of this trip.

November 13, 2018

There is no cost to the district for this trip. Monies fundraised will also cover costs for substitute teachers.

J. Out of State Trip THS Varsity Cheer and Stunt, Resolution #18-19.017

The objective of the trip is for THS Varsity Cheer and Stunt team to travel to Anaheim, California to compete in the USA High School Spirit Nationals.

David Collins recommended the Board of Directors approve Thurston High School Varsity Cheer and Stunt Team's request to travel to Anaheim, California to participate in the USA High School Spirit Nationals. Dates of Travel will be February 21-25, 2019.

Students will miss three (3) school days.

The Varsity Cheer and Stunt team has fundraised no money yet that is needed to cover the cost of this trip. However, the program has successfully fundraised monies needed for previous trips and are confident they will do so again.

There is no cost to the district for this trip. Monies fundraised will also cover costs for substitute teachers.

K. Out of State Trip THS Band and Orchestra, Resolution #18-19.018

The objective of this trip is for THS Band and Orchestra students to travel to Santa Cruz, Santa Clara and San Francisco, California for the opportunity to perform in front of a large audience, possibly be rehearsed by the director of bands at a Conservatory of Music and listen to one of the premier symphonies of the world – San Francisco Symphony.

David Collins recommended the Board of Directors approve Thurston High School's Band and Orchestra students' request to travel to Santa Cruz, Santa Clara and San Francisco California to perform and learn. Dates of travel will be April 10-14, 2019.

Students will miss three (3) school days.

The Band and Orchestra students have fundraised nearly half the monies needed to cover the cost of this trip.

There is no cost to the district for this trip. Monies fundraised will also cover costs for substitute teachers.

Motion: Ms. Adams moved, seconded by Ms. Webber for approval of the Consent Agenda. The motion carried 5:0.

5. Action Items

A. Low Income Rental Housing Property Tax Exemption, Resolution #18-19.019

Springfield City Council has identified housing as a key community issue within the boundaries of the school district and city. Additionally, they have found that there is a shortage of housing; rental vacancy rates are very low and waiting lists for income-qualified housing are either very long or completely closed. To address this challenge, City Council created a Housing Strategy to incentivize the creation of housing at all price points. One strategy to develop income-qualified housing is the reinstatement of Low-Income Rental Housing Property Tax Exemption. This tool assists in making it more feasible for developers to make rental units affordable to the renters in our community who face the greatest cost burdens.

In June 2018, the Springfield City Council reinstated the City's Low-Income Rental Housing Property Tax Exemption program, exempting income-qualified rental housing from ad valorem real property taxes for twenty (20) years. The City's ordinance and resolution to reinstate the program applies only to the tax levy of Springfield; per statute, in order for the exemption to apply to the tax levy of all other taxing district, there

must be support from the governing bodies of this taxing district such that their combined rates total at least 51% of the combined rate of all taxing districts.

Under this request, the program provides an exemption for the development of *new* rental housing, however the Council may consider the inclusion of existing housing in the program. The state statute defines low-income for this program as income at or below 60 percent of the area median income in our community. Additionally, the City requires that this property tax exemption is passed on to renters of these qualifying developments.

Brett Yancey recommended that the Springfield School District, Board of Directors approve the following resolution authorizing City of Springfield to provide tax exemptions for low income rental housing properties under ORS 307.515 to 307.535 and Sections 3.500 - 3.508 of the Springfield Municipal Code, as presented.

Whereas, in 2018 the City of Springfield amended Springfield Municipal Code sections 3.500 - 3.508 related to the City's Tax Exemption for Low-Income Rental Housing program established in 1993. This change was required due to legislative updates to ORS 307.515 to 307.535.

WHEREAS, the standards and guidelines enable the City of Springfield to grant 20-year property tax exemptions to qualified low income rental housing properties constructed after April 5, 1993. These tax exemptions facilitate the development of affordable housing for low-income Springfield residents.

WHEREAS, pursuant to ORS 307.519(2), for County Assessor to exempt all property taxes under this program there must be support from enough taxing districts such that their combined rates total at least 51% of the combined rate of all taxing districts. The governing boards of a sufficient number of local taxing districts must agree to the tax exemption program in order for the County Assessor to exempt all property taxes.

WHEREAS, ORS 307.519(2) is applicable to the Springfield School District #19 and, therefore, before the County Assessor will completed apply the tax exemptions to properties granted exemptions by the City of Springfield, the Springfield School District Board of Directors must concur with the exemption.

NOW, THEREFORE, BE IT RESOLVED THAT the Springfield School District Board of Directors agrees to the standards and guidelines established by the City of Springfield providing tax exemptions for low income rental housing properties under ORS 307.515 to 307.535 and Sections 3.500 - 3.508 of the Springfield Municipal Code.

Motion: Ms. Adams moved, seconded by Ms. Webber for approval by the Springfield School District Board of Directors the attached resolution authorizing the City of Springfield to provide tax exemptions for low income rental housing properties under ORS 307.515 to 307.535 and Sections 3.500 - 3.508 of the Springfield Municipal Code, as presented.

The motion carried 5:0.

7. REPORTS AND DISCUSSION

A. Student Communication

Mr. Ker gave an update for Springfield High School: The theater program performed *Don't Tell Mother* on Thursday and Friday. The pep rally and homecoming dance in October both had the biggest turnout in recent history. The Boys and Girls Cross-County made State for the first time in twelve years and the Girl's Cross-Country team had a top ten finish. The blood drive was a huge success and was entirely organized by Springfield students in the Advanced Health Occupations class. They would be adopting sixty kids from their feeder elementary school for the Tree of Joy beginning on November 29.

Ms. Hill gave an update for Thurston High School: There was a high attendance at scholarship night on October 13. On October 26, they won their homecoming football game and were now moving onto State. Parent-teacher conferences had an attendance of 409 families. The Thurston student paper created a survey to give to all students. They were grateful to the school board for providing funding for a new ventilation system in the welding classroom. Thurston has a new academic coach that connects with students who have lower grades.

Mr. Molinari gave an update for Gateways High School: They had their first student-led conferences. Five of their students graduated early. They were planning their first winter dance. Science classes were taking a field trip to a creek to study fish and egg samples. Many students were recognized for good attendance at the end of first quarter recognition assembly.

Ms. Rose gave an update for Academy of Arts and Academics (A3): The robotics team just went to the midwestern league match. They just started a multi-ethnic club and dungeons and dragons club. The soccer season was starting in a week. The Halloween Dance had a large turnout. Last year the average attendance was 76% while this September and October, it was over 80%—the goal is to have the attendance rate reach 95%. The Aspire Program coordinated parent volunteers to assist students with college applications. They have launched an online credit recovery opportunity. There would be a Night of the Arts on November 30 and December 1.

Ms. Buster gave an update for Willamette Leadership Academy: They recently sent students from the Career Explorations class to a conference at Lane Community College (LCC). They implemented a Good Night Ticket program to reward students for doing the right thing. They had a basketball tournament coming up for students and the community. There would be a blood drive on November 29.

B. Superintendent Communication

Superintendent Bruce Smolnisky said that he attended the Oregon School Board Association Conference. At the pre-conference, they talked about the upcoming legislative session and the Promise of Oregon campaign. He noted that the goal of the campaign was revenue reform that would fully fund the Quality Education Model for schools in Oregon. He stated there would be a chance for the board to join in the campaign.

Mr. Smolnisky shared that last week at LCC, they partnered with the Chamber of Commerce to bring in community members to talk about different career opportunities with over a hundred students.

Mr. Smolnisky remarked that they had just finished conference week in grades 6-12, and the school principals reported that they had met with over 2,000 parents. The elementary school conferences would be coming up soon.

Mr. Smolnisky stated that they had received a request from the City of Springfield to use the former Administration Building as an Egan Warming Center. He shared that they had agreed and were in the process of working out a memorandum of understanding.

Dr. Hernandez asked where they planned to have the entrance for the Egan Warming Center.

Ms. McCulley responded that the entrance would be changed to the north parking lot side through the old Nutrition Services department.

Dr. Hernandez asked if the board could have more information to respond to questions.

Ms. McCulley replied that they were currently working on developing expectations and procedures and at that time the district would be in a place to publicly announce the decision.

C. Board Communication

Chair Zach Bessett shared that the best part of the Oregon School Board Association Conference was learning about data-driven practices. He said he felt Springfield was already engaged in many of these practices.

Dr. Emilio Hernandez shared that the diversity and equity sessions he went to at the Oregon School Board Association Conference brought up that there was work left to do in the district to ensure all students could work together. He summarized that he felt it was a good conference that raised questions they needed to ask in their own community. He added that he would like to see a conference devoted to student leaders.

Mr. Ker noted that there had recently been an Oregon Association of Student Councils (OASC) conference that he was unable to attend.

Ms. Hill added that she had attended an OASC conference in the past. She expressed that it was an informative experience she believed would benefit other students.

Mr. Collins let the board know he could get an administrative group together to see about sending students to OASC conferences.

Ms. Raven shared that she enjoyed the Oregon School Board Association Conference as well. She was also impressed by the student-led conferences. She stated that she asked what happened if parents were not able to attend the conferences and discovered that every student was able to present their portfolio to someone, whether that be a parent or staff member.

11. OTHER BUSINESS

There was no other business.

12. NEXT MEETING

Mr. Bessett said the next Board meeting would be on December 10, 2018.

13. ADJOURNMENT

With no other business, Chair Bessett adjourned the meeting at 8:07pm.

(Minutes recorded by Erin Hagen)

BOARD REPORT**December 10, 2018****SPRINGFIELD PUBLIC SCHOOLS
2018-2019 Revenue/Expenditure Forecast
As of November 30, 2018******Please see attached report******REVENUES:**

- Approximately 62% of our (current year) property taxes have been received during the month of November, with remaining collections throughout the remainder of the year. Additionally, it is estimated that approximately \$375,000 of prior year property taxes are to be received on behalf of the District. Prior year collections are estimated to be lower than originally anticipated. This report is based on the information received through the Lane County Tax and Assessment office.
- During the 2017-18 and 2018-19 fiscal year, a federal ruling was issued whereby Comcast was ordered to pay a significant amount in taxes. This has a positive impact on our District and the revenue is being received as a payment in lieu of property taxes. The total for the 2018-19 school year is approximately \$649,000, however this will be counted in local revenue and offset the Basic School fund payment in the equalization formula.
- The District's most significant portion of revenue is the District's scheduled Basic School Support payments. According to Oregon Department of Education's estimate (10/24/2018), the District is scheduled to receive approximately 100.7% of the adopted budget. This estimate includes the additional students enrolled in the SPS Online program, as well as a declining Charter School enrollment at Willamette Leadership Academy.
- The District is anticipating receiving approximately \$190,000 in County School Funds. To date the District has not received anticipated funds.
- The District is anticipating receiving approximately \$1.126 million in Common School Funds. To date the District has received approximately \$601,000 of the anticipated revenue.

EXPENDITURES:

- Salary amounts are based upon staff allocations adopted during the budgeting process. This is estimated using actual data (per year-end estimates). These projections reflect anticipated and realized retirements.
- Benefit amounts are based upon staff allocations revised during the budgeting process, along with budgeted salaries.
- The purchased services, supplies and capital outlay expenditure projections are based upon budgeted expenditures and anticipated to be expended similar to past trends. While historically the District has under spent these budget areas, reductions in discretionary budget no longer afford for significant under-expending.
- Other objects include the cost for property and liability insurance and is based upon premiums negotiated after the 2017-2018 adopted budget.

Additional Notes: For the 2018-2019 budget year the current estimate of ending fund balance is \$6,704,321. Included in this number is the un-audited ending fund balance estimate from the 2017-2018 fiscal year (\$10,235,350).

Submitted by:
Brett M. Yancey
Chief Operations Officer

Reviewed by:
Bruce Smolnisky
Superintendent

SPRINGFIELD SCHOOL DISTRICT 19
2018-2019 REVENUE/EXPENDITURE FORECAST
as of
11/30/18

	BUDGET	ACTUAL through 11/30/18	ESTIMATED from 11/30/18 to year end	PROJECTED 2018-2019	PROJECTED as % of BUDGET
REVENUES:					
Property taxes - current	25,236,816	15,652,137	9,769,939	25,422,076	100.73%
Property taxes - prior years	425,000	88,329	286,671	375,000	88.24%
Payment in lieu of property taxes	0	649,001	0	649,001	N/A
Other local sources	730,100	442,480	287,620	730,100	100.00%
Lane ESD Apportionment	1,806,126	585,391	1,220,735	1,806,126	100.00%
County School Fund	190,000	0	190,000	190,000	100.00%
State School Fund	75,893,821	38,376,421	38,062,139	76,438,560	100.72%
Common School Fund	1,065,886	601,639	524,850	1,126,489	105.69%
Total revenues	105,347,749	56,395,397	50,341,954	106,737,351	101.32%
Beginning fund balance	10,602,129	0	10,235,350	10,235,350	96.54%
Total Beginning fund balance	10,602,129	0	10,235,350	10,235,350	96.54%
Total resources	115,949,878	56,395,397	60,577,304	116,972,701	100.88%
EXPENDITURES:					
Personal services	57,494,622	15,992,496	41,087,105	57,079,601	99.28%
Employee benefits	36,886,691	9,376,585	27,235,005	36,611,590	99.25%
Purchased services	9,717,273	2,843,304	6,873,969	9,717,273	100.00%
Supplies & materials	3,216,751	1,172,459	1,982,963	3,155,422	98.09%
Capital outlay	143,000	8,609	134,391	143,000	100.00%
Other objects	790,972	737,229	53,743	790,972	100.00%
Fund transfers	2,721,164	2,721,164	0	2,721,164	100.00%
Total expenditures	110,970,473	32,851,847	77,367,175	110,219,022	99.32%
Unappropriated	4,000,000	0	0	0	-
Contingency	979,405	0	0	0	0.00%
Total appropriations	115,949,878	32,851,847	77,367,175	110,219,022	95.06%
Total resources		56,395,397	60,577,304	116,972,701	
Total appropriations		32,851,847	77,367,175	110,219,022	
Ending fund balance		23,543,551	(16,789,871)	6,753,679	
Less: contingency			0	0	
Net fund balance		23,543,551	(16,789,871)	6,753,679	

PERSONNEL ACTION

RELEVANT DATA:

Each month the board of Directors is asked to approve personnel action involving licensed employees. Tonight the Board is being asked to approve the attached resignation, retirement and change of contract status. If the Board of Directors would like to discuss any of these recommendations in executive session, in accordance with ORS 192.660(2)(f) Exempt Public Records, the employee should be identified by the number preceding the name and it will be withdrawn pending further instruction from the Board. Dustin Reese is available for questions.

RECOMMENDATION:

It is recommended the Board of Directors approve the personnel action for licensed employees as reflected in this resolution and any addendum presented along with this resolution. Categories include:

- Resignation
- Retirement
- Change of Contract Status

SUBMITTED BY:

Dustin Reese
Director of Human Resources

APPROVED BY:

Bruce Smolnisky
Interim Superintendent

NO	NAME	CURRENT BUILDING ASSIGNMENT	CURRENT STATUS	FTE	EFFECTIVE DATE	NOTES
	RESIGNATION					
1	CARMEN CYBULA	THS	PROBATIONARY 1	FT	11/21/2018	RESIGNATION
	RETIREMENT					
2	NELSON FARRIER	HMS	CONTRACT TEACHER	FT	12/31/2018	RETIRING
	CHANGE OF CONTRACT STATUS					
3	NELSON FARRIER	HMS	TEMPORARY	FT	1/01/19-6/30/19	TEMPORARY REHIRE OF RETIREE

RESOLUTION: #18-19.021

DECEMBER 10, 2018

2017-2018 AUDIT REPORT

RELEVANT DATA:

Oregon State law requires an annual audit of all financial transactions of the School District for all operating funds, including grant funds and trust funds. The independent accounting firm of Pauly, Rogers and Co., PC conducted the 2017-2018 fiscal year-end audit and a copy of this document was made available to the School Board prior to tonight's meeting. A copy of the report is published on the District website, as well as available tonight. In addition to the Consolidated Annual Financial Report (CAFR) is the management letters for the District addressed to the School Board.

RECOMMENDATION:

It is recommended that the Board of Directors accept the audited financial reports for 2017-2018 as presented by the firm of Pauly, Rogers and Co., PC.

Brett Yancey and a representative from the auditing firm will be available for presentation and questions.

SUBMITTED BY:

RECOMMENDED BY:

Brett M. Yancey
Chief Operations Officer

Bruce Smolnisky
Superintendent

Springfield Public Schools
Lane County • Springfield, Oregon



Comprehensive Annual Financial Report

For The Year Ending - June 30, 2018



SPRINGFIELD
PUBLIC SCHOOLS
Every Student, Every Day

Prepared by:
Financial Services

**SPRINGFIELD SCHOOL DISTRICT NO. 19
SPRINGFIELD, LANE COUNTY, OREGON**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Year Ended June 30, 2018**

Prepared by Financial Services Department

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON

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INTRODUCTORY SECTION



November 28, 2018

Board of Directors

Springfield Public Schools District No. 19
Springfield, Lane County, Oregon 97477

In accordance with the provision of Oregon Revised Statutes Section 297.405 to 297.555 and 297.990, known as Municipal Audit Law, there is submitted herewith the Comprehensive Annual Financial Report (CAFR) of Springfield School District No. 19, Lane County, Oregon for the fiscal year ended June 30, 2018. This report was prepared by the District's Financial Services Department. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the District. To provide a reasonable basis for making these representations, the District's management has established an internal control framework that is designed to protect assets from loss, theft or misuse, as well as to compile sufficient reliable information for the preparation of the District's financial statements. The District's internal control framework has been designed to provide reasonable assurance that the financial statements will be free from material misstatement. Internal control over financial reporting cannot provide absolute assurance of achieving financial reporting objectives because of its inherent limitations. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk. Because the cost of a control should not exceed the benefits to be derived, the objective is to provide reasonable, rather than absolute assurance, that the financial statements are free of any material misstatements. We believe that the report and its data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the District as measured by the financial activity of its various funds and that all disclosures necessary to enable the reader to gain maximum understanding of the District's financial affairs have been included.

Generally accepted accounting principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

THE DISTRICT

Springfield School District No. 19 is in the Eugene/Springfield metropolitan area, and covers approximately 185 square miles within Lane County. The City of Springfield is located at the southern end of the Willamette Valley, midway between the Cascade Mountain Range and the Pacific Ocean. With the exception of a small northwestern corner, the City lies entirely within the District boundaries.

The District is an independent entity, with a Board of Directors composed of five elected members. For the 2017-18 school year, the District budgeted 629.12 Full-time Equivalent (FTE) teachers, counselors and librarians and 550.74 FTE classified staff members (educational assistants, office and support staff, nutrition services staff, custodians and various maintenance and technical workers). Administrative staff

includes a Superintendent, an Assistant Superintendent, a Chief Operations Officer, 5.0 FTE Department Directors, 26.5 FTE principals and vice-principals, and 27.0 FTE supervisors and exempt employees.

During the 2017-2018 school year, the District served 10,133 K – 12 students in twelve (12) elementary schools, four (4) middle schools, and three (3) high schools, as well as students participating in alternative education programs. Charter schools (2) served an additional 658 middle and high school students. The District operates a transportation/maintenance center and administration facilities at locations other than school sites. The District also owns Brattain House in the City of Springfield's Historic Washburne District, and leases office space to several organizations providing service to Springfield youth.

There are various governmental agencies and special service districts, which provide services within the District's boundaries. Three of these entities could potentially be considered component units of the District. There are two charter schools operating within the District boundaries; the Academy of Arts and Academics and Willamette Leadership Academy. The District is not financially accountable for the charter schools and the nature and significance of their financial relationship with the District is such that their exclusion would not cause the financial statements to be misleading or incomplete. Therefore, the District does not consider the charter schools to be component units of the District. Additionally, the Springfield Education Foundation provides financial support to the District but is not a component unit of the District.

ECONOMIC CONDITIONS

Local Economy

The economy of Springfield (population approximately 62,353) is closely linked with that of the adjacent community of Eugene and other economic activities within Lane County. As of June 30, 2018 local unemployment was at 4.2% (seasonally adjusted), which is slightly above the State average of 4.0% (seasonally adjusted) and is above the national average of 4.0%.

Historically, lumber and wood products dominated the local economy. In recent years, however, and due to reductions in the lumber and wood products industry, the local economy has diversified into other industries. Currently, major industries in Lane County are health care and social assistance, retail trade, education services, accommodation and food services, and professional, scientific and tech services.

Construction, having the largest portion of job openings due to growth (17%), has picked up following several years of lag due to the recession. Within the District boundaries is the largest portion of undeveloped property available in Lane County and the District continues to see pockets of housing development. The houses that are being constructed are positioned as affordable housing for families. However, the tight housing market has driven up housing prices.

Enrollment Growth

District enrollment decreased during the 2017-18 year (10,366 in 2016-17 and 10,133 in 2017-18). We are anticipating a decrease in District enrollment in 2018-19. Charter school enrollment increased from 642 in 2016-17 to 658 in 2017-18 with enrollment expected to increase slightly through 2018-19.

MAJOR INITIATIVES

For the Year

For the 2018-19 fiscal year, the District continues to focus on several key initiatives and projects. The following is a brief explanation of what some of those are:

- 1) District Goals: For the 2018-19 year the Springfield School District is focusing on the following goals: a) Provide personalized learning opportunities for all students, b) Support the needs of families so that all students are ready to learn, c) Create future ready facilities that inspire learning, d) Promote growth and success for every student, e) Engage students in a technology rich environment that enhances teaching and learning, f) Advocate for funding and policies that support education.
- 2) Academy of Arts & Academics (A3): The School District Board of Directors revoked A3's Charter status during the 2017-18 school year following a tumultuous year. Beginning in fall 2018 A3 began the year as an additional District High School and is moving toward a magnet program during the early weeks of 2019. All employees of the school are now District employees and the school is fully governed by the policies and procedures of the Springfield School District.
- 3) Collective Bargaining: The Springfield Education Association (Certified) collective bargaining contract expires on June 30, 2019. Beginning in January 2019 the District and Certified Association will begin a facilitated, interest-based process to bargain a successor agreement.
- 4) Superintendent Vacancy: Following the late departure of the District's Superintendent in 2018, the District hired an Interim Superintendent for the 2018-19 school year. Beginning in November 2018, the District's Board of Directors began a comprehensive search process for a permanent replacement. The timeline for this process began in November 2018, with the initial posting/recruitment and concludes in March 2019 with the anticipated hiring of the next District Superintendent.

RELEVANT FINANCIAL POLICIES

The District's Internal Control Document provides the framework for its financial accounting system. In addition, Board policy related to fiscal management and financial reporting assures that there is accountability within the system. Administrative regulations related to investment of District assets assures that the following objectives are met; 1) to preserve the capital of the District through diversification in the types of securities purchased and in the number of institutions, 2) to provide sufficient liquidity to meet the District's reasonably anticipated cash requirement, and 3) to attain a market rate of return on the investment portfolio.

On an annual basis, the Board and Budget Committee meet to address upcoming budget issues for the following year. As part of its duties, the group is responsible for setting a targeted ending fund balance for the District. The group bases its recommendation on known budget factors as well as projections of future economic conditions.

Financial Condition of the District

All obligations were met during 2017-2018 and the District does not face any judgments for past actions. The most recent rating by Moody's is "A1." For the year ended June 30, 2018, the District's General Fund ending fund balance was 9.5% of annual operating revenues. The Board of Directors has set a targeted minimum floor for ending fund balance of 4% of annual operating revenues.

INDEPENDENT AUDIT

State Statutes require an annual audit by independent certified public accountants. The District's Board of Directors selected the accounting firm of Pauly, Rogers and Co., P.C. They have completed their audit of the District's financial statements, and their opinion is included in the financial section of this report. The auditors' reports on internal control and compliance with applicable laws and regulations are located in the Single Audit Section.

Government Finance Officers Association Award

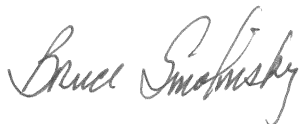
For the fourteenth consecutive year, the District applied for and received a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association. The Award is valid for one year.

In order to be awarded the certificate, the District must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements. We believe that this award represents the District's continuing efforts to achieve excellence in the performance of public service and financial reporting. We also believe that the District's current Comprehensive Annual Financial Report meets the program requirements and are therefore submitting it to the Government Finance Officers Association to determine its eligibility.

ACKNOWLEDGMENTS

We wish to extend our appreciation to the citizens, parents, school board members, administrators, teachers and employees of the District whose continued support and assistance have contributed to another successful year for Springfield School District No. 19. Specifically, we wish to express our appreciation to the financial services staff for their efforts and contributions to our Comprehensive Annual Financial Report.

Sincerely,



Bruce Smolnisky
Superintendent of Schools



Brett M. Yancey
Chief Operations Office



Government Finance Officers Association

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

Presented to

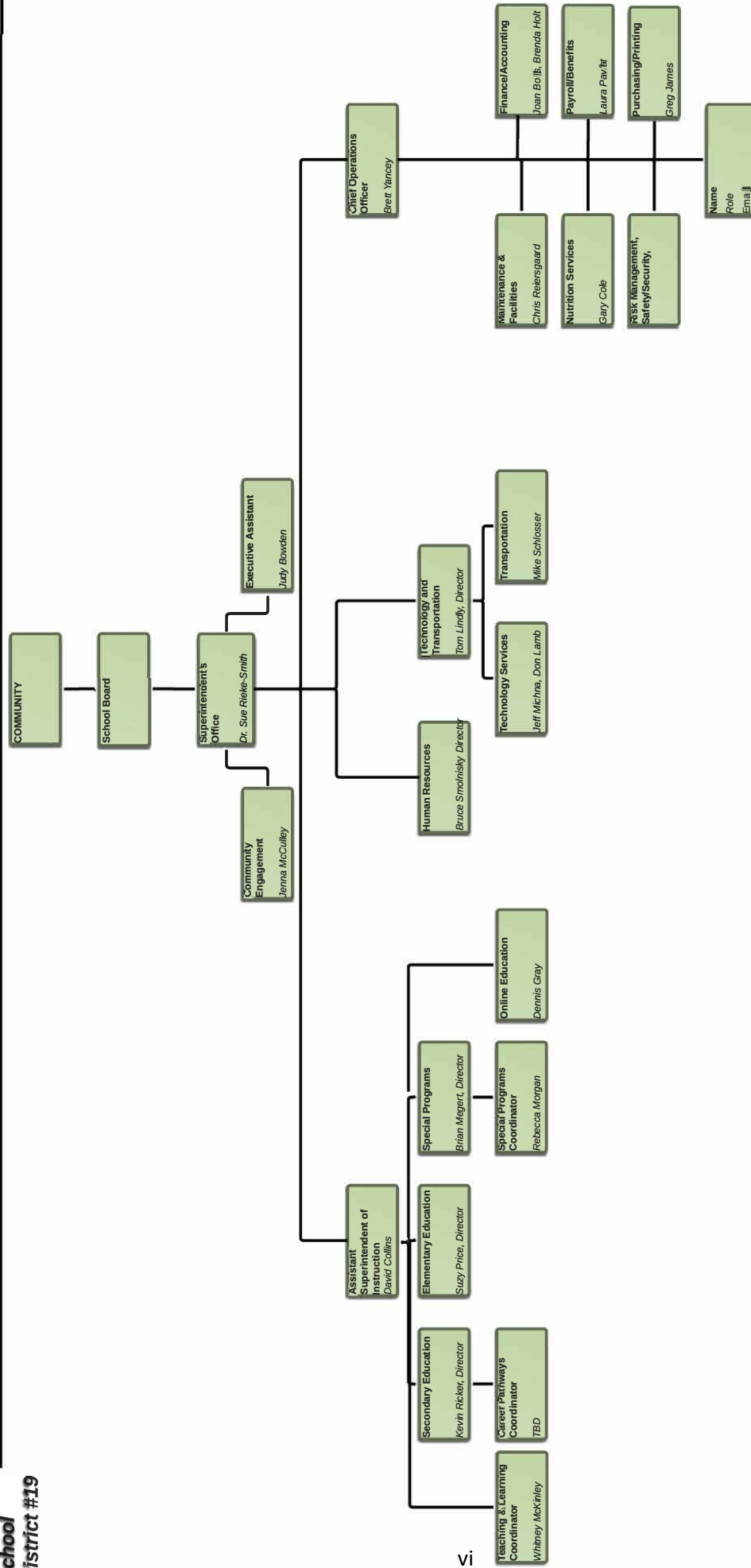
**Springfield Public Schools
Oregon**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morill

Executive Director/CEO



SPRINGFIELD SCHOOL DISTRICT NO. 19
LIST OF ELECTED AND APPOINTED OFFICIALS
SPRINGFIELD, LANE COUNTY, OREGON

Administrative Office:

525 Mill Street
Springfield, Oregon 97477

Susan Rieke-Smith, Ed.D.
Brett M. Yancey

Superintendent
Chief Operations Officer

School Board as of June 30, 2018

Name	Term Expires
Laurie Adams, Position 1	June 30, 2019
Emilio Hernandez, Position 2	June 30, 2021
Zachary Bessett, Chair, Position 3	June 30, 2021
Tony Jobanek, Position 4	June 30, 2019
Michelle Webber, Position 5	June 30, 2021

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FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT



PAULY, ROGERS AND CO., P.C.
12700 SW 72nd Ave. ♦ Tigard, OR 97223
(503) 620-2632 ♦ (503) 684-7523 FAX
www.paulyrogersandcocpas.com

November 28, 2018

To the Board of Directors
Springfield School District

INDEPENDENT AUDITORS' REPORT

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 Springfield School District as of and for the year ended June 30, 2018, 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 Springfield School District, as of June 30, 2018, and the respective changes in financial position, where applicable cash flows and budgetary comparisons for the general fund and grants and contracts fund, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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.

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 expenditures 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 not a required part of the basic financial statements.

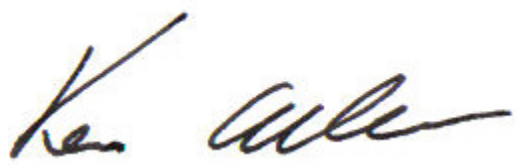
The supplementary information, as listed in the table of contents and the schedule of expenditures of federal expenditures are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 expenditures, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory, statistical and the other information, 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 report dated November 28, 2018 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 that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated November 28, 2018, 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 blue ink, appearing to read "Ken Allen", is written over a horizontal line.

Kenneth Allen, CPA
PAULY, ROGERS AND CO., P.C.

MANAGEMENT DISCUSSION AND ANALYSIS

**SPRINGFIELD SCHOOL DISTRICT NO. 19
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018**

The discussion and analysis presents the highlights of financial activities and financial position for the Springfield School District No. 19 (District). The discussion and analysis is designed to:

- 1) Assist the reader in focusing on significant financial issues;
- 2) Provide an overview of the District's financial activities;
- 3) Identify changes in the District's financial position;
- 4) Identify any material deviations from the adopted financial plan (budget); and,
- 5) Identify specific issues related to individual funds and the economic factors affecting the District.

The Management's Discussion and Analysis (MD & A) is designed to focus on current year activities, resulting changes and currently known facts. Please read it in conjunction with the Transmittal Letter (Introductory Section, page i) and the District's financial statements (Financial Section, beginning on page 13).

FINANCIAL HIGHLIGHTS

- In the government-wide statements, the liabilities of the District exceeded its assets at June 30, 2018 by \$57.65 million. Of this amount, \$19.90 million represents the District's investment in capital assets, \$12.08 million is restricted for debt service, \$2.24 million is restricted for other purposes and the balance, \$(91.87) million, is an unrestricted deficit.
- The District's total net position decreased by \$4.86 million.
- The District's governmental funds report a combined ending fund balance of \$24.69 million, a decrease of \$24.15 million in comparison with the prior year. Approximately 39.41 percent of this total amount, \$9.73 million is restricted, 40.64 percent, \$10.03 million is unassigned and the remainder is nonspendable, committed or assigned.
- At the end of the fiscal year, unassigned fund balance for the General Fund was \$10.03 million, or about 9.69% of total General Fund expenditures.
- The District's total bonded debt decreased by \$7.99 million during the 2017-2018 fiscal year.

REPORT LAYOUT

The District's annual financial report consists of several sections. Taken together they provide a comprehensive financial look at the District. The components of the report include the following:

Management's Discussion and Analysis. This section of the report provides financial highlights, overview and economic factors affecting the District.

Basic Financial Statements. Includes three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

- **Government-Wide Financial Statements.** The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. These statements include:
 - The *Statement of Net Position*. The statement of net position presents information on all of the assets and liabilities of the District as of the date on the statement. Net position is what

remains after the liabilities have been paid or otherwise satisfied. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

- The *Statement of Activities*. The statement of activities presents information showing how the net position of the District changed over the most recent fiscal year by tracking revenues, expenses and other transactions that increase or reduce net position. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes). In the government-wide financial statements, the District's activities are shown in one category, governmental activities. The District's basic functions are shown here, including instruction services, support services, community services, and facilities services. These activities are primarily financed through property taxes, Oregon's State School Fund and other intergovernmental revenues.

The government-wide financial statements can be found on pages 13 and 15 of this report.

- **Fund Financial Statements.** The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Springfield School District No. 19, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and proprietary funds.
 - *Governmental Funds.* The governmental funds are used to account for essentially the same function reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and government-wide financial statements. The District maintains four individual major governmental funds. Information is presented separately in the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Grants and Contracts Fund, Debt Service Fund and Bond Fund all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 16 and 20 of this report.

There is budgetary comparison information for the General Fund, and Grants and Contracts Fund that can be found on pages 23 and 24 of this report.

- *Proprietary funds.* The District maintains one proprietary fund type. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses two internal service funds - one to account for printing and publishing services and one to account for the District's self-insured health insurance plans. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide statements.

The basic proprietary fund financial statements can be found on pages 25 through 27 of this report.

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

The basic fiduciary fund financial statements can be found on pages 28 and 29 of this report.

- **Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 31 through 68 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. This Management's Discussion and Analysis, is considered required supplementary information.

Required supplementary information concerning contributions and funding progress for the District's Voluntary Early Retirement, Other Post Employment Benefit plans, and PERS Pension Plan is presented on pages 69 through 74. Other supplemental information including combining statements and detail budget reports is presented on pages 75 through 98.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, liabilities exceeded assets by \$57.65 million at June 30, 2018. Capital assets, which consist of the District's land, buildings and improvements, vehicles and equipment, represent the largest portion of the District's total assets, 75.30 percent. Cash and investments represent 19.88 percent of total District assets. The remaining assets consist mainly of, grants and property taxes receivable, prepaid items, accrued interest and inventories.

The District has five deferred outflows. One is related to its refunded debt, one is related to the Public Employees Retirement System (PERS) pension liability, two are related to the District's Voluntary Early Retirement plan; a pension liability and a liability for other post-employment benefits, and one is related to the District's implicit medical benefit.

SPRINGFIELD SCHOOL DISTRICT No. 19
MANAGEMENT'S DISCUSSION AND ANALYSIS

The District's largest liability, 61.29 percent, is for the repayment of general obligation bonds, pension tax bonds, full faith and credit bonds and qualified zone academy bonds. A liability for the District's proportionate share of net pension liability for the Oregon Public Employees Retirement System represents 27.63 percent of total liabilities. Other liabilities, representing 11.08 percent of the District's total liabilities, consist of payables on accounts, accrued salaries and benefits, accrued insurance claims, unearned grant revenue, leases payable, liabilities related to pension and other post-employment benefits for the District's Voluntary Early retirement plan and a liability for other post-employment benefits related to the District's implicit medical benefits.

The District has two deferred inflows. One is related to the pension liability for the Oregon Public Employees Retirement System and the other is related to other post-employment benefits for the District's implicit medical benefit.

A large portion of the District's net deficit, -34.51 percent, reflects its investment in capital assets (e.g. land, buildings, vehicles and equipment), net any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to students and other District residents. Consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources (generally property taxes), since the capital assets themselves cannot be used to liquidate these liabilities. Assets restricted for repayment of debt and for other restricted purposes represents -24.83 percent of the District's net Deficit.

Net Position at June 30, 2018

	Govt Activities 2018	Govt Activities 2017	Variance from 2017
Current assets	\$ 45,327,098	\$ 65,586,944	\$ (20,259,846)
Capital assets	138,211,082	114,605,752	23,605,330
Total assets	183,538,180	180,192,696	3,345,484
Deferred outflows of resources	36,514,366	54,814,922	(18,300,556)
Current liabilities	17,014,608	9,824,802	7,189,806
Leases payable	3,672,938	2,275,297	1,397,641
Long Term Debt	166,990,517	174,984,910	(7,994,393)
Pension & OPEB Obligations	84,777,492	99,764,807	(14,987,315)
Total liabilities	272,455,555	286,849,816	(14,394,261)
Deferred inflows of resources	5,249,980	952,880	4,297,100
Net position			
Net investment in capital assets	19,896,217	16,768,317	3,127,900
Restricted for:			-
Debt service	12,079,679	13,002,698	(923,019)
Other purposes	2,237,107	1,982,397	254,710
Unrestricted	(91,865,992)	(84,548,490)	(7,317,502)
Total net position	\$ (57,652,989)	\$ (52,795,078)	\$ (4,857,911)

During the current fiscal year, the District's net position decreased by \$4.86 million. Current assets decreased by \$20.26 million while capital assets increased by \$23.61 million. The District used a substantially portion of cash from bond funds on various projects during the 2017-18 school year.

SPRINGFIELD SCHOOL DISTRICT NO. 19
MANAGEMENT'S DISCUSSION AND ANALYSIS

Current liabilities increased by \$7.19 million during the year. Accrued payroll and benefits increased by \$7.74 million and other current liabilities decreased slightly. In the prior year, the District paid balance of contract payments on salaries in June rather than pay them in July and August as PERS rates increased July 1st. In 2017-18, balance of contract payments were paid in July and August and salaries and associated payroll costs were accrued at June 30, 2018. The District's long term debt decreased by \$7.99 million during 2017-18, due to required payments on long term debt. Leases payable increased by \$1.4 million, because the District entered into new leases for buses and for copier equipment. The other significant changes to net position were due to liabilities and deferred inflows and outflows related to pension and other post-employment benefits. There was a \$6.68 million decrease in net assets related to pension and other post-employment benefit adjustments in 2017-18.

Changes in Net Position For the year ended June 30, 2018

	Governmental Activities 2018	Governmental Activities 2017	Variance from Fiscal 2017
Revenues:			
Program Revenues:			
Charges for services	\$ 4,207,545	\$ 4,751,218	\$ (543,673)
Operating grants and contributions	13,438,298	13,337,859	100,439
Capital grants and contributions	755,960	289,906	466,054
General Revenues:			
Property taxes	31,591,510	30,778,508	813,002
State school fund - general support	78,425,621	72,972,224	5,453,397
Other state and local sources	2,885,769	3,519,492	(633,723)
Federal sources	473,101	130,233	342,868
Earnings on investments	1,183,236	1,202,882	(19,646)
Other	1,612,980	2,026,351	(413,371)
Total revenues and transfers	134,574,020	129,008,673	5,565,347
Expenses:			
Instructional services	79,368,304	77,606,769	(1,761,535)
Support services	49,106,362	42,123,060	(6,983,302)
Nutrition and community services	5,523,045	4,243,111	(1,279,934)
Facilities services	-	13,208	13,208
Interest on long-term debt	5,434,220	5,631,473	197,253
Total expenses	139,431,931	129,617,621	(9,814,310)
Changes in net position	(4,857,911)	(608,948)	(4,248,963)
Net position - beginning	(52,795,078)	(52,186,130)	(608,948)
Net position - ending	<u>\$ (57,652,989)</u>	<u>\$ (52,795,078)</u>	<u>\$ (4,857,911)</u>

Governmental activities: The key elements of the change in the District's net position for the year ended June 30, 2018 are as follows:

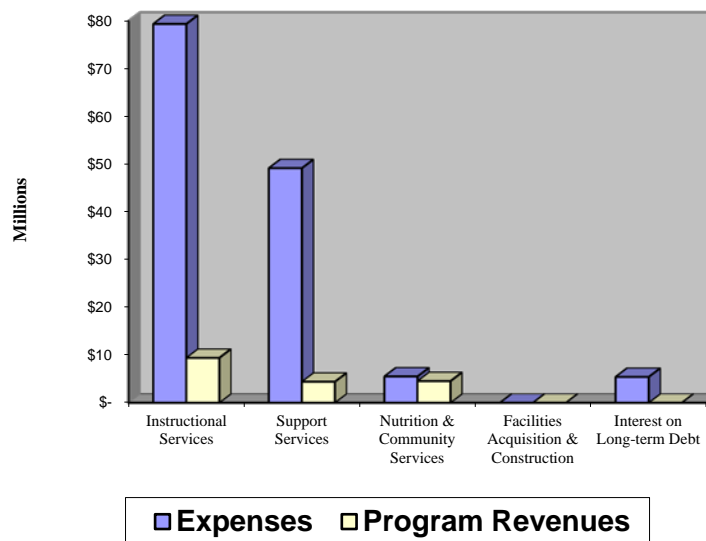
- Total program revenues remained almost the same as the prior year. Grant funds increased by \$.57 million. Increases were in both State and Federal sources. Charges for services decreased by \$.54 million. Part of the decrease, \$.12 million was in services provided to charter schools as one of the District's charter school was in the process of dissolving during the 2017-18 year. Rental

SPRINGFIELD SCHOOL DISTRICT NO. 19
MANAGEMENT'S DISCUSSION AND ANALYSIS

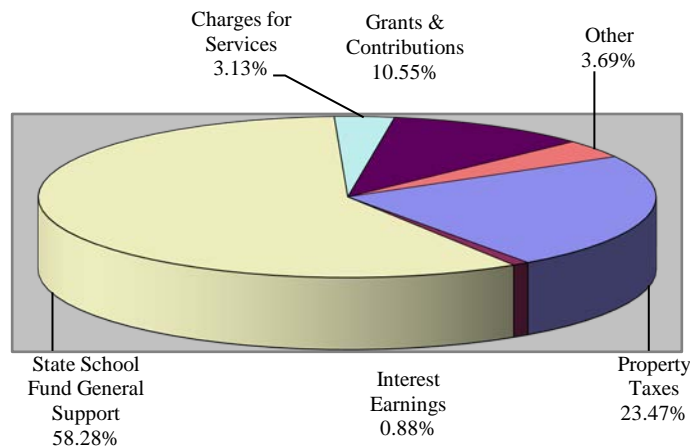
income also decreased during 2017-18, because in 2016-17 the District sold property, which previously generated rental income.

- State school fund revenue increased by \$5.45 million in 2017-18. The State increased funding for K-12 education for the 2017-19 biennium.
- Property tax revenues increased by \$.81 million in 2017-18. This increase was due to increases in property values.
- The increase in Federal revenue was due to an additional \$.39 million received in Federal Forest fees for 2017-18
- Investment earnings remained about the same as the prior year. Although earnings rates were slightly better than in the prior year, there was less money to invest because the District spent down bond funds.
- Total expenses increased by \$9.81 million in 2017-18. Most of this increase, \$8.94 million, is due to increases in salaries and benefits. This was partially due to an increase in staffing levels along with negotiated increases in salaries and benefits. Additionally, the District is self-insured for health insurance benefits. Claims for health insurance and associated fees increased by \$3.12 million in 2017-18.

Expenses and Program Revenues - Governmental Activities



General and Program Revenues - Governmental Activities



FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

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

At June 30, 2018, the District's governmental funds reported combined ending fund balances of \$24.69 million, a decrease of \$24.15 million in comparison with the prior year. Approximately 40.64 percent of combined fund balances, \$10.03 million, constitutes *unassigned fund balances*, which are available for spending at the District's discretion. Approximately 39.41 percent of combined fund balances, \$9.73 million are restricted for spending by legal restrictions. The remaining 19.95 percent, \$4.93 million are nonspendable, committed or assigned.

General Fund: The General Fund is the chief operating fund of the District. As of June 30, 2018, unassigned fund balance was approximately \$10.03 million. Fund balance increased by approximately \$.85 million in 2017-18. Revenues increased by \$6.50 million in 2017-18. The majority of this increase, \$5.20 million, is attributable to an increase in money from State sources, however, the District is responsible for collecting and distributing State funding to District charter schools and payments of funding to charter schools increased by \$.26 million in 2017-18. Current year property tax collections increased by approximately \$1.27 million due to increases in property values. Prior year collections remained stable. Interest earnings increased \$.19 million in 2017-18. This was due to higher account balances and an increase in interest rates. Expenditures increased by \$6.57 million in 2017-18. A large portion of the increase, approximately \$5.29 million, was in salaries due to bargained increases and also to an increase in General Fund staffing levels. Expenditures for supplies increased by \$1.01 million in 2017-18. The District increased supply budgets in the 2017-18 year and added some additional funding for upgrades to classroom furniture and improvements to classrooms. Transfers increased by \$.46 million in 2017-18. \$.50 million was transferred to the technology fund in 2017-18. The transfer to the Debt Service fund decreased slightly and other transfers remained the same as in 2016-17.

Grants and Contracts Fund: The Grants and Contracts Fund has a total fund balance of approximately \$4.61 million at June 30, 2018 which was a \$1.58 million increase over the prior year fund balance of \$3.03 million. Revenue for 2017-18 was \$12.01 million which was an increase of \$.33 million over 2016-17. State revenue increased by \$.35 million and Federal revenue increased by \$.25. There were two new grants in 2017-18 related to high school graduation and career readiness and preschool education. Miscellaneous revenue and other local revenue was down slightly. Expenditures in the Grants and Contracts Fund increased by \$1.81 million as additional grant revenue was expended.

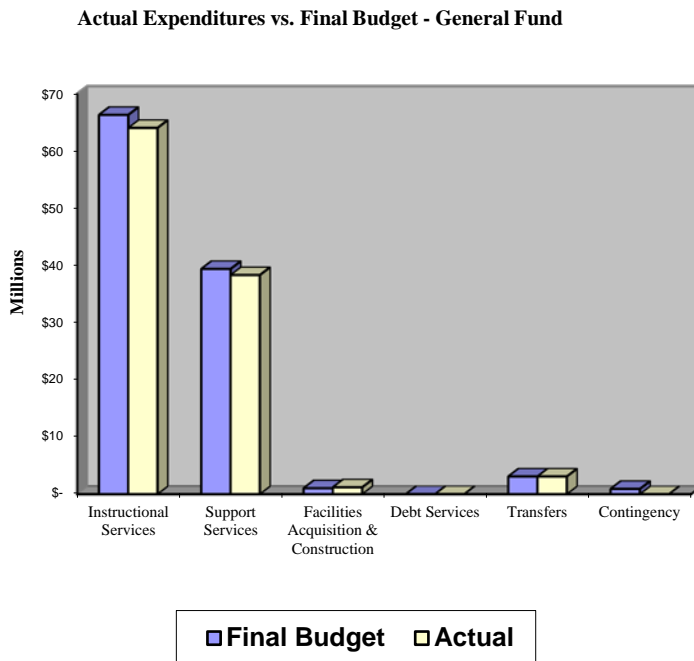
Debt Service Fund: The Debt Service Fund has a total fund balance of \$1.16 million at June 30, 2018, all of which is restricted to the payment of debt service.

Bond Fund: The Bond Fund has a total fund balance of \$6.55 million at June 30, 2018. Expenditures for 2017-18 totaled \$25.15 million. Fund balance is restricted for bond projects, including the building of a new middle school, other capital improvement projects and technology infrastructure and equipment.

SPRINGFIELD SCHOOL DISTRICT NO. 19
MANAGEMENT'S DISCUSSION AND ANALYSIS

Other Governmental Funds: Other Governmental Funds have a combined ending fund balance of \$2.14 million at June 30, 2018. The combined ending fund balance decreased by \$2.22 million in the Other Governmental Funds. The funds include: Nutrition Services, Co-curricular, Student Body and Capital projects. All funds, other than the Capital Projects Fund showed very little change in ending fund balances. The Capital Projects Fund decreased by \$2.5 million. Total expenditures were \$3.14, which were mostly for construction costs related to the remodel of the District administration building.

GENERAL FUND BUDGETARY HIGHLIGHTS



There was one change to the general fund adopted budget for the fiscal year ended June 30, 2018. Appropriations totaling \$450,000 were moved from support services to facilities acquisition and construction to fund capital projects including costs related to the remodel of the District administration building, costs related to the Thurston High School art room, the Thurston High School concession stand, and various improvement projects at the schools.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: The District's investment in capital assets includes land, buildings and improvements, as well as vehicles and equipment. As of June 30, 2018, the District had invested \$138.21 million in capital assets, net of depreciation, as shown in the following table:

	Governmental Activities 2018	Governmental Activities 2017	Increase (Decrease) from Fiscal 2017
Land	\$ 6,077,430	\$ 6,077,430	\$ -
Buildings and improvements	173,642,517	118,919,295	54,723,222
Construction in progress	390,684	30,318,330	(29,927,646)
Vehicles and equipment	16,011,231	14,206,963	1,804,268
Total capital assets	196,121,862	169,522,018	26,599,844
Accumulated depreciation	(57,910,780)	(54,916,266)	2,994,514
Total capital assets, net of depreciation	\$ 138,211,082	\$ 114,605,752	\$ 23,605,330

SPRINGFIELD SCHOOL DISTRICT NO. 19
MANAGEMENT'S DISCUSSION AND ANALYSIS

In fiscal year 2017-2018, the District's investment in capital assets increased by \$23.61 million. Major capital asset events for the year ended June 30, 2018 include the following:

- Building and improvement adds totaling \$54.72 million. This includes \$47.29 million for the construction of the new Hamlin Middle School, \$4.96 million for the administration building remodel, \$2.0 million in classroom additions at Maple Elementary School and \$.47 million in other various capital improvement projects.
- There were various projects completed in 2017-18. Construction in progress decreased by \$29.93 million in 2017-18. Completed projects totaling \$30.29 million were capitalized and removed from construction in progress. Various school projects totaling \$.36 million were added to construction in progress in 2017-18. Projects should be completed within the next fiscal year.
- Purchase of 6 new buses totaling \$.85 million. The District sold 5 buses during the 2017-18 year.
- Purchase of vehicles totaling \$.10 million, including a forklift, a truck and a cargo van. The District sold 4 fully depreciated vehicles during the fiscal year.
- Equipment purchases totaling \$2.40 million including \$1.11 million for a Districtwide intercom and telecommunications system, \$.86 million for other technology upgrades and \$.43 million in other equipment upgrades including purchases for classroom career and technical education equipment, and upgrades to District printing, nutrition services and facilities equipment. The District disposed of \$1.22 million in mostly fully depreciated and obsolete equipment during the fiscal year.
- Current year depreciation totaled \$4.44 million

See the notes to the basic financial statements on page 42 for additional detail on capital assets.

Long-term debt:

Bonds: At the end of the 2017-2018 fiscal year, the District had total bonds payable of \$166.99 million. Of this amount, \$46.17 million is associated with the series 2005A pension bond issue, \$.31 million is associated with the Qualified Zone Academy Bonds, \$40.41 million is associated with the series 2015 refunding bonds, \$69.17 million is associated with the series 2015 general obligation bond issue, \$3.62 million is associated with the 2015 Full Faith and Credit bond issue and \$7.31 million is unamortized premium.

Capital Leases: At the end of the 2017-18 fiscal year, the District had total capital leases payable of \$3.67 million. Of this amount, \$3.50 million were leases for the purchase of school buses, \$.14 million was a lease for the purchase of copiers, and \$.03 million was a lease for the purchase of a new mower. The District maintains an "A1" rating from Moody's for purposes of general obligation debt.

State statutes limit the amount of general obligation debt a K-12 school district may issue to 7.95 percent of its total true cash valuation. The current debt limitation for the District is \$579.84 million, which is significantly in excess of the District's outstanding general obligation debt.

See the notes to the basic financial statements on pages 43 through 46 for additional detail on long-term debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Springfield School District is one of the larger school districts in the State of Oregon with an enrollment that has decreased over this past few year, but is stabilizing and anticipated to remain steady in the

SPRINGFIELD SCHOOL DISTRICT No. 19
MANAGEMENT'S DISCUSSION AND ANALYSIS

upcoming school year. Enrollment within the District's catchment area is projected to remain static, and Charter School enrollment has sustained a decrease as well. The Springfield School District eliminated the Academy of Arts and Academics, one of the two Charter Schools within the District and has opened up an additional High School within the District's boundaries that has a focus on the Arts. The District's Budget Committee and School Board considered these factors as they deliberated on future budget decisions.

The U.S. economy continues to perform well and the near-term outlook for economic growth is good. Job gains remain strong enough to pull down the unemployment rate even as more individuals continue to seek jobs. A tight labor market is driving wage growth higher; and as the economy approaches capacity, inflation is set to rise after five years of running below target. From a relatively strong cyclical vantage point, recently approved legislation by the federal government will continue to boost near-term growth even further. The economic expansion continues and economic data remains healthy, as the U.S. embarks on a fiscal experiment of stimulating a relatively strong economy.

The State of Oregon readies itself for the upcoming 2019-2021 biennial budget process. While the current economic outlook for Oregon remains positive, there is an ongoing challenge to meet rising pension and health care costs. Oregon is expected to continue to transition down to a more sustainable rate of economic growth over the medium term. Boosts from federal fiscal policy is expected to raise the near-term outlook slightly even as employment and wages have come in a bit below expectations to end the prior year. This upcoming session is expected to continue to focus on growth and an increased commitment to education funding, although national fiscal policy will strain these conversations. Springfield School District continues to adopt a funding strategy that expends resources in a manner that supports our District goals and remains conservative. PERS continues to be challenging to public employees with very few reform efforts withstanding the legal system. The PERS rate for Springfield School District is anticipated to increase by approximately 4.0% over the course of the 2019-2021 biennium. Looking toward the future, the PERS rate is forecasted to continue to rise over the next several bienna.

The focus for the upcoming budget will be to support the five areas of focus for the School District. These five areas of focus are; 1) Provide personalized learning opportunities for all students, 2) Support the needs of families so all students are ready to learn, 3) Create future ready facilities that inspire learning, 4) Promote growth and success for every student, and 5) Engage students in a technology rich environment that enhances teaching and learning.

REQUESTS FOR INFORMATION

This financial report is designed to present the user (citizens, taxpayers, investors and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Financial Services, 640 A Street, Springfield, Oregon 97477.

BASIC FINANCIAL STATEMENTS

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
STATEMENT OF NET POSITION
June 30, 2018

	Governmental Activities
ASSETS	
Cash and investments	\$ 36,488,631
Receivables	7,643,995
Accrued interest	50,068
Prepaid items	619,655
Inventories	524,749
Capital assets, net	
Land	6,077,430
Buildings and improvements	124,888,490
Equipment	3,498,944
Buses	2,969,823
Other motor vehicles	385,711
Work in progress	390,684
Total capital assets, net	<u>138,211,082</u>
Total assets	<u>183,538,180</u>
DEFERRED OUTFLOWS OF RESOURCES:	
Deferred outflow, pension liability, Public Employers Retirement System	25,857,265
Deferred outflow, pension liability, Voluntary Early Retirement plan	2,148
Deferred outflow, other post employment benefit liability, Voluntary Early Retirement plan	15,896
Deferred outflow, other post employment benefit liability, implicit medical benefit	114,991
Deferred refunded debt	<u>10,524,066</u>
Total deferred outflows of resources	<u>36,514,366</u>
LIABILITIES	
Accounts payable	2,389,836
Retainage payable	699,051
Accrued payroll and benefits	11,405,123
Accrued insurance claims	1,770,483
Interest payable	156,014
Unearned revenue	594,101
Leases payable	
Due within one year	587,080
Due in more than one year	3,085,858
Bonds payable, net of unamortized premium	
Due within one year	8,485,665
Due in more than one year	158,504,852
Proportionate share of net pension liability, Public Employees Retirement System	75,275,649
Net pension liability, Voluntary Early Retirement plan	182,886
Net other post employment benefit liability, Voluntary Early Retirement plan	2,188,569
Net other post employment benefit liability, implicit medical benefit	<u>7,130,388</u>
Total liabilities	<u>272,455,555</u>
DEFERRED INFLOWS OF RESOURCES:	
Deferred inflow pension liability, Public Employers Retirement System	2,562,196
Deferred inflow, other post employment benefit liability, implicit medical benefit	<u>2,687,784</u>
Total deferred inflows of resources	<u>5,249,980</u>
Net Position	
Net investment in capital assets	19,896,217
Restricted for:	
Debt service	12,079,679
Other purposes:	
Nutrition services	755,116
Student body expenditures	1,179,129
Other	302,862
Unrestricted (deficit)	<u>(91,865,992)</u>
Total net position	<u>\$ (57,652,989)</u>

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SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2018

Functions/Programs	Primary Government				Net (Expense) Revenue and Change in Net Position
	Expenses	Program Revenues			
		Charges for Services	Operating	Capital	
			Grants and Contributions	Grants and Contributions	
Governmental Activities:					
Instruction services	\$ 79,368,304	\$ 2,291,530	\$ 7,138,109	\$ -	\$ (69,938,665)
Support services	49,106,362	1,570,278	2,091,738	755,960	(44,688,386)
Community services	5,523,045	345,737	4,208,451	-	(968,857)
Facilities services	-	-	-	-	-
Interest on long-term debt	5,434,220	-	-	-	(5,434,220)
Total Primary Government	<u>\$ 139,431,931</u>	<u>\$ 4,207,545</u>	<u>\$ 13,438,298</u>	<u>\$ 755,960</u>	<u>\$ (121,030,128)</u>
General revenues:					
					24,802,337
					6,789,173
					78,425,621
					1,338,151
					1,547,618
					473,101
					1,183,236
					-
					1,612,980
					116,172,217
					(4,857,911)
					(52,795,078)
					\$ (57,652,989)

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2018

	<u>General</u>	<u>Grants and Contracts</u>	<u>Debt Service</u>
ASSETS			
Assets:			
Pooled cash and cash equivalents	\$ 16,123,723	\$ 4,409,305	\$ 805,114
Non-pooled cash and cash equivalents	555	-	328,863
Investments	-	-	-
Receivables:			
Property taxes	1,708,375	-	418,716
Grants, reimbursements, and accounts	205,590	4,377,247	-
Accrued interest	12,649	-	2,920
Due from other funds	5,229,877	-	-
Prepaid items	-	619,655	-
Inventories	202,063	-	-
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 23,482,832</u>	<u>\$ 9,406,207</u>	<u>\$ 1,555,613</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
Liabilities:			
Due to other funds	\$ -	\$ 3,425,043	\$ -
Accounts payable	1,346,783	375,236	-
Retainage payable	-	-	-
Accrued payroll and benefits	10,263,650	403,137	-
Unearned revenue	-	594,101	-
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>11,610,433</u>	<u>4,797,517</u>	<u>-</u>
Deferred inflows of resources:			
Unavailable revenue-property taxes	1,637,050	-	400,276
	<u> </u>	<u> </u>	<u> </u>
Fund Balances:			
Nonspendable	202,063	619,655	-
Restricted	-	302,862	1,155,337
Committed	-	325,874	-
Assigned	-	3,360,299	-
Unassigned	10,033,286	-	-
	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>10,235,349</u>	<u>4,608,690</u>	<u>1,155,337</u>
	<u> </u>	<u> </u>	<u> </u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 23,482,832</u>	<u>\$ 9,406,207</u>	<u>\$ 1,555,613</u>

See notes to basic financial statements

<u>Bond</u>	<u>Other Governmental</u>	<u>Total</u>
\$ -	\$ 696,262	22,034,404
538	920,936	1,250,892
9,000,088	-	9,000,088
	-	2,127,091
250,162	654,922	5,487,921
28,421	-	43,990
-	-	5,229,877
-	-	619,655
215,454	107,232	524,749
<u>\$ 9,494,663</u>	<u>\$ 2,379,352</u>	<u>46,318,667</u>

\$ 1,804,834	\$ -	5,229,877
531,808	62,102	2,315,929
603,309	95,742	699,051
-	84,854	10,751,641
-	-	594,101
<u>2,939,951</u>	<u>242,698</u>	<u>19,590,599</u>

<u>-</u>	<u>-</u>	<u>2,037,326</u>
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215,454	107,232	1,144,404
6,339,258	1,934,245	9,731,702
-	95,177	421,051
-	-	3,360,299
-	-	10,033,286
<u>6,554,712</u>	<u>2,136,654</u>	<u>24,690,742</u>

<u>\$ 9,494,663</u>	<u>\$ 2,379,352</u>	<u>46,318,667</u>
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SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO STATEMENT OF NET POSITION
June 30, 2018

TOTAL FUND BALANCES		\$ 24,690,742
Capital assets are not financial resources and so are not reported in the governmental funds:		
Cost	\$ 195,806,444	
Accumulated depreciation	<u>(57,696,500)</u>	138,109,944
Deferred outflows on refunded debt are not financial resources in governmental funds, but are reported in the statement of net assets.		10,524,066
The deferred outflow, pension is not recorded as an asset in the governmental funds but rather eligible salaries are assessed a rate determined by the Oregon Public Employers Retirement System Board and payments are remitted to the State when due.		25,857,265
Deferred outflows related to the District's voluntary retirement fund are not financial resources in governmental funds but rather governmental funds are assessed annually to pay stipends and insurance benefits when due.		18,044
Deferred outflows related to the implicit rate subsidy are not financial resources in governmental funds but rather are a result of differences between expected and actual experience over time.		114,991
A portion of the District's property taxes is collected after year-end but is not available soon enough to pay for the current year's operations and therefore not reported as a revenue in the governmental funds.		2,037,326
Internal service funds are used by the District to charge the costs of printing services and insurance assessments to the individual funds. The assets and liabilities of these funds are included in governmental activities in the statement of net assets.		2,353,398
A liability for vacation pay is not recognized in the governmental funds but vacation pay that is earned is recorded as a liability in the statement of net assets.		(647,971)
A Net Pension Liability for the Oregon Public Employers Retirement System is not recorded as a liability in the governmental funds but rather expenditures are recorded when payments to the system are due.		(75,275,649)
The Net Pension Liability, Voluntary Early Retirement plan is not recorded as a liability in the governmental funds but rather expenditures are recorded when payments are due.		(182,886)
The Net Other Post Employment Benefit Liabilities are not recognized as liabilities in the governmental funds but rather expenditures are recorded when payments are due.		(9,318,957)
The Deferred Inflow, pension is not recorded as a liability in the governmental funds but rather eligible salaries are assessed a rate determined by the Oregon Public Employers Retirement System Board and payments are remitted to the State when due.		(2,562,196)
The Deferred Inflow, Other Post Employment Benefits is not recorded as a liability in the governmental funds but rather insurance payments are made when due.		(2,687,784)
Long-term liabilities not payable in the current year are not reported as governmental fund liabilities. Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due. These liabilities consist of:		
Accrued interest payable	(155,669)	
Leases payable, governmental funds	(3,537,136)	
Bonds payable, net of related premium	<u>(166,990,517)</u>	<u>(170,683,322)</u>
TOTAL NET POSITION		\$ <u>(57,652,989)</u>

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2018

	<u>General</u>	<u>Grants and Contracts</u>	<u>Debt Service</u>
Revenues:			
Local sources:			
Taxes	\$ 25,107,857	\$ -	\$ 6,858,431
Investment earnings	625,124	23,342	104,271
Assessments from other funds	-	-	4,895,847
Services provided charter school	107,275	-	-
Miscellaneous	216,952	852,276	644
Other local sources	63,842	770,291	-
Intermediate sources	1,547,618	-	-
State sources	79,353,621	2,923,362	-
Federal sources	477,489	7,443,283	-
Total revenues	<u>107,499,778</u>	<u>12,012,554</u>	<u>11,859,193</u>
Expenditures:			
Current expenditures:			
Instruction	64,045,410	8,117,305	-
Support services	38,186,889	2,970,323	-
Community services	-	419,734	-
Facilities and acquisition	473,262	-	-
Debt service:			
Principal	10,922	461,634	7,806,936
Interest	1,366	60,472	4,400,894
Capital outlay	842,795	1,029,340	-
Transits	-	650,132	-
Total expenditures	<u>103,560,644</u>	<u>13,708,940</u>	<u>12,207,830</u>
Excess (deficiency) of revenues over (under) expenditures	3,939,134	(1,696,386)	(348,637)
Other Financing Sources (Uses):			
Transfers in	-	1,500,000	422,144
Transfers out	(3,089,144)	-	-
Sale of assets	3,540	7,026	-
Lease purchase receipts	-	1,763,078	-
Total Other Financing Sources (Uses)	<u>(3,085,604)</u>	<u>3,270,104</u>	<u>422,144</u>
Net Change In Fund Balance	853,530	1,573,718	73,507
Fund Balance, July 1, 2017	<u>9,381,819</u>	<u>3,034,972</u>	<u>1,081,830</u>
Fund Balance, June 30, 2018	<u>\$ 10,235,349</u>	<u>\$ 4,608,690</u>	<u>\$ 1,155,337</u>

See notes to basic financial statements

Bond	Other Governmental	Total
\$ -	\$ -	\$ 31,966,288
153,339	25,656	931,732
-	-	4,895,847
-	-	107,275
316,289	118,215	1,504,376
250,162	2,784,826	3,869,121
-	-	1,547,618
-	565,311	82,842,294
-	3,770,104	11,690,876
<u>719,790</u>	<u>7,264,112</u>	<u>139,355,427</u>
943,532	3,493,523	76,599,770
1,658,249	46,363	42,861,824
-	3,905,265	4,324,999
474,988	167,609	1,115,859
-	-	8,279,492
-	-	4,462,732
22,075,390	3,035,868	26,983,393
-	-	650,132
<u>25,152,159</u>	<u>10,648,628</u>	<u>165,278,201</u>
(24,432,369)	(3,384,516)	(25,922,774)
-	1,167,000	3,089,144
-	-	(3,089,144)
-	-	10,566
-	-	<u>1,763,078</u>
-	<u>1,167,000</u>	<u>1,773,644</u>
(24,432,369)	(2,217,516)	(24,149,130)
<u>30,987,081</u>	<u>4,354,170</u>	<u>48,839,872</u>
<u>\$ 6,554,712</u>	<u>\$ 2,136,654</u>	<u>\$ 24,690,742</u>

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2018

NET CHANGE IN FUND BALANCE \$ (24,149,130)

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

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

Expenditures for capital assets	\$ 28,099,252	
Less current year depreciation	<u>(4,415,610)</u>	23,683,642

The sale of capital assets which were not fully depreciated resulted in a decrease in net assets (91,999)

Governmental funds do not report a liability for earned but unused vacation pay. In the Statement of Net Position however, vacation pay earned increased liabilities. (95,952)

In the Statement of Activities, amortization is recorded on the deferred charges related to bond refunding, whereas in the governmental funds, no pension asset or related amortization is reported. (927,268)

In the governmental funds, lease purchase receipts are recorded as revenues, but in the Statement of Net Assets, the issuance of debt results in a liability. (1,763,078)

Repayment of principal on long-term debt and leases is an expenditure in the governmental funds but reduces the liability in the Statement of Net Assets. This is the amount of principal repaid in the current year. 8,279,492

Governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

Amortization of bond premium		187,457
------------------------------	--	---------

In the Statement of Activities, the adjustment to the net pension liability and deferred outflow and inflow related to the pension liability for PERS results in an increase in expenses in the current year. In the governmental funds, no adjustments to fund balance or expenses are reported. (8,034,084)

In the Statement of Activities, the adjustment to the net pension and net OPEB liabilities and deferred outflows and inflows related to the VER pension and OPEB liabilities results in a decrease in expenses in the current year. In the governmental funds, no adjustments to fund balance or expenses are reported. 1,351,011

In the Statement of Activities, interest is accrued on long-term debt, whereas in the governmental funds it is recorded as an interest expense when due. (43,552)

Property taxes that don't meet the measurable and available criteria are not recognized as revenue in the current year in the governmental funds. In the Statement of Activities, property taxes are recognized as revenue when levied. (374,777)

Internal service funds are used by the District to charge the costs of printing services and medical and dental insurance to the individual funds. The net income of the internal service fund is reported with governmental activities. (2,879,673)

CHANGE IN NET ASSETS \$ (4,857,911)

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended June 30, 2018

	<u>Budget Adopted</u>	<u>Budget Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Local sources:				
Taxes	\$ 24,642,552	\$ 24,642,552	\$ 25,107,857	\$ 465,305
Investment earnings	275,000	275,000	625,124	350,124
Services provided charter school	270,000	270,000	107,275	(162,725)
Miscellaneous	200,000	200,000	216,952	16,952
Other local sources	118,100	118,100	63,842	(54,258)
Intermediate sources	1,910,000	1,910,000	1,547,618	(362,382)
State sources	79,907,596	79,907,596	79,353,621	(553,975)
Federal sources	7,500	7,500	477,489	469,989
Total revenues	<u>107,330,748</u>	<u>107,330,748</u>	<u>107,499,778</u>	<u>169,030</u>
Expenditures:				
Current expenditures:				
Instruction	66,334,306	66,334,306	64,045,410	2,288,896
Support services	39,816,448	39,366,448	38,301,622	1,064,826
Facilities acquisition and construction	586,768	1,036,768	1,201,324	(164,556)
Debt services	12,290	12,290	12,288	2
Operating contingency	918,056	918,056	-	918,056
Total expenditures	<u>107,667,868</u>	<u>107,667,868</u>	<u>103,560,644</u>	<u>4,107,224</u>
Excess (deficiency) of revenues over (under) expenditures	(337,120)	(337,120)	3,939,134	4,276,254
Other Financing Sources (Uses):				
Sale of capital assets	1,000	1,000	3,540	2,540
Transfers out	<u>(3,089,144)</u>	<u>(3,089,144)</u>	<u>(3,089,144)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(3,088,144)</u>	<u>(3,088,144)</u>	<u>(3,085,604)</u>	<u>2,540</u>
Net Change In Fund Balance	(3,425,264)	(3,425,264)	853,530	4,278,794
Fund Balance, July 1, 2017	<u>9,000,000</u>	<u>9,000,000</u>	<u>9,381,819</u>	<u>381,819</u>
Fund Balance, June 30, 2018	<u><u>\$ 5,574,736</u></u>	<u><u>\$ 5,574,736</u></u>	<u><u>\$ 10,235,349</u></u>	<u><u>\$ 4,660,613</u></u>

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GRANTS AND CONTRACTS FUND
For the Year Ended June 30, 2018

	<u>Budget Adopted</u>	<u>Budget Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Local sources:				
Investment earnings	\$ 8,800	\$ 8,800	\$ 23,342	\$ 14,542
Donations	134,905	134,905	73,878	(61,027)
Miscellaneous	632,438	632,438	852,276	219,838
Other local sources	600,714	600,714	696,413	95,699
State sources	5,215,420	5,215,420	2,923,362	(2,292,058)
Federal sources	7,675,475	7,675,475	7,443,283	(232,192)
Total revenues	<u>14,267,752</u>	<u>14,267,752</u>	<u>12,012,554</u>	<u>(2,255,198)</u>
Expenditures:				
Current expenditures:				
Instruction	10,796,087	10,771,087	8,117,305	2,653,782
Support services	3,716,567	3,716,567	2,970,323	746,244
Community services	380,817	405,817	419,734	(13,917)
Debt services	529,000	529,000	522,106	6,894
Capital outlay	906,833	906,833	1,029,340	(122,507)
Transits	555,177	555,177	650,132	(94,955)
Total expenditures	<u>16,884,481</u>	<u>16,884,481</u>	<u>13,708,940</u>	<u>3,175,541</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,616,729)</u>	<u>(2,616,729)</u>	<u>(1,696,386)</u>	<u>920,343</u>
Other Financing Sources (Uses):				
Transfers in	1,500,000	1,500,000	1,500,000	-
Sale of capital assets	-	-	7,026	7,026
Lease purchase receipts	897,000	897,000	1,763,078	866,078
Total Other Financing Sources (Uses)	2,397,000	2,397,000	3,270,104	873,104
Net change in fund balance	(219,729)	(219,729)	1,573,718	1,793,447
Fund Balance, July 1, 2017	<u>2,202,064</u>	<u>2,202,064</u>	<u>3,034,972</u>	<u>832,908</u>
Fund Balance, June 30, 2018	<u>\$ 1,982,335</u>	<u>\$ 1,982,335</u>	<u>\$ 4,608,690</u>	<u>\$ 2,626,355</u>

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2018

	Internal Service Funds
ASSETS	
Current assets:	
Pooled cash and cash equivalents	\$ 2,702,806
Investments	1,500,441
Grants, reimbursements, and accounts receivable	28,983
Accrued interest	6,078
	<hr/>
Total current assets	4,238,308
Capital assets, net	101,139
	<hr/>
Total Assets	4,339,447
	<hr/>
LIABILITIES	
Current liabilities:	
Accounts payable	73,907
Interest payable	345
Accrued payroll and benefits	5,512
Accrued insurance claims	1,770,483
Current portion of lease payable	5,802
Lease payable	
Due in more than one year	130,000
	<hr/>
Total Liabilities	1,986,049
	<hr/>
NET POSITION	
Net investment in capital assets	(34,663)
Unrestricted	2,388,061
	<hr/>
Total Net Position	\$ 2,353,398
	<hr/>

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION
PROPRIETARY FUNDS
For the year ended June 30, 2018

	Internal Service Funds
Operating revenues:	
Services provided to other funds	\$ 707,179
Assessments from other funds	17,200,682
Revenues from other agencies	150,076
Miscellaneous revenue	<u>3,945</u>
Total operating revenues	<u>18,061,882</u>
Operating expenses:	
Salaries	323,591
Employee benefits	20,094,584
Purchased services	326,344
Supplies and materials	168,022
Other expenses	65,449
Depreciation	<u>24,706</u>
Total operating expenses	<u>21,002,696</u>
Operating income (loss)	(2,940,814)
Non-operating revenues (expenses):	
Earnings on investments	64,046
Loss on sale of capital assets	(2,237)
Interest on capital lease	<u>(668)</u>
Total non-operating revenues (expenses)	<u>61,141</u>
Change in net position	(2,879,673)
Net Position, July 1, 2017	<u>5,233,071</u>
Net Position, June 30, 2018	<u><u>\$ 2,353,398</u></u>

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the year ended June 30, 2018

	<u>Total Internal Service Funds</u>
Cash flows from operating activities:	
Received for services	\$ 18,045,687
Paid to suppliers	(19,856,549)
Paid to employees	<u>(499,584)</u>
Net cash provided (used) by operating activities	(2,310,446)
Cash flow from capital activities and related financing activities:	
Purchase of equipment	(40,630)
Capital lease	130,000
Payments on capital lease	<u>(23,340)</u>
Net cash provided (used) by capital and financing activities	66,030
Cash flow from investing activities:	
Interest received	<u>64,215</u>
Net cash provided (used) by investing activities	<u>64,215</u>
Net change in cash and cash equivalents	(2,180,201)
Cash and cash equivalents, July 1, 2017	<u>4,883,007</u>
Cash and cash equivalents, June 30, 2018	<u><u>\$ 2,702,806</u></u>
Reconciliation of operating income to net cash provided (used) by operating activities	
Operating income (loss)	\$ (2,940,814)
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation	24,706
Changes in assets and liabilities:	
Receivables	(16,195)
Accounts payable	63,907
Accrued insurance claims	552,438
Accrued salaries and benefits	<u>5,512</u>
Net cash provided (used) by operating activities	<u><u>\$ (2,310,446)</u></u>
Non-cash investing and financing activities:	
Change in investment value	<u><u>(168)</u></u>

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2018

	Voluntary Early Retirement Fund	Agency
ASSETS		
Pooled cash and cash equivalents	\$ 473,108	\$ 241,586
Non-pooled cash and cash equivalents	-	334
Investments	-	166,482
Accounts receivable	-	9,210
	<hr/>	<hr/>
Total assets	\$ 473,108	\$ 417,612
	<hr/>	<hr/>
LIABILITIES		
Accounts payable	5,750	84,386
Due to other groups	-	333,226
	<hr/>	<hr/>
Total liabilities	5,750	417,612
	<hr/>	<hr/>
NET POSITION		
Total net position	\$ 467,358	\$ -
	<hr/> <hr/>	<hr/> <hr/>

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the year ended June 30, 2018

	Voluntary Early Retirement Fund
Additions:	
Assessments from other funds	\$ 1,100,000
Total Additions:	\$ 1,100,000
Deductions:	
Benefit payments	113,197
Post employment health benefits	842,414
Administrative costs	5,750
Total deductions	961,361
Change in net position	138,639
Net position July 1, 2017	328,719
Net position restricted for pension and postemployment benefits, June 30, 2018	\$ 467,358

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NOTES TO BASIC FINANCIAL STATEMENTS

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Springfield School District No. 19 was organized under provision of Oregon Statutes pursuant to ORS Chapter 332 for the purpose of operating elementary and secondary schools. The District is governed by a separately elected five-member Board of Education (Board) who approves the administrative officials. The daily functioning of the District is under the supervision of the Superintendent. As required by generally accepted accounting principles, all activities of the District have been included in the basic financial statements.

The District qualifies as a primary government since it has a separately elected governing body, is a legally separate entity, and is fiscally independent. There are various governmental agencies and special service districts which provide services within the District's boundaries. Three of these entities could potentially be considered component units of the District. There are two charter schools operating within the District boundaries; the Academy of Arts and Academics and Willamette Leadership Academy. The District is not financially accountable for the charter schools and the nature and significance of their financial relationship with the District is such that their exclusion would not cause the financial statements to be misleading or incomplete. Therefore, the District does not consider the charter schools to be component units of the District. Additionally, the Springfield Education Foundation provides financial support to the District but is not a component unit of the District.

Basis of Presentation

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District. These statements include the governmental financial activities of the overall District, except fiduciary activities. Eliminations have been made to minimize the double counting of internal activities, except for interfund services. Governmental activities are financed primarily through property taxes, intergovernmental revenues, and charges for services.

The Statement of Activities presents a comparison between direct expenses and program revenues for each of its functions/programs. Direct expenses are those that are specifically associated with a function and, therefore, are clearly identifiable to that function. Program revenues include: (1) charges to students or others for tuition, fees, rentals, materials, supplies or services provided, (2) operating grants and contributions and (3) capital grants and contributions. Certain indirect costs are included as part of the program expenses reported for individual functions and activities. Revenues that are not classified as program revenues, including property taxes and state support, are presented as general revenues.

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.

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

Fund Financial Statements

The fund financial statements provide information about the District's funds including those of a fiduciary nature. Separate statements for each fund category – governmental, proprietary and fiduciary – are presented.

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

Fund Financial Statements, continued

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

The District reports the following major governmental funds:

- **General Fund** – This is the District’s primary operating fund and accounts for all revenues and expenditures except those required to be accounted for in another fund. Principal revenue sources are state school fund revenue and property taxes.
- **Grants and Contract Fund** – This fund accounts for revenues and expenditures of grants which are restricted and other funds which are committed and assigned for specific educational purposes. Principal revenue sources are federal and state grants.
- **Debt Service Fund** – This fund provides for the payment of principal and interest on debt. Principal revenue sources are property taxes for general obligation bonds and payroll assessments for limited tax pension bonds.
- **Bond Fund** – This fund accounts for revenues and expenditures from proceeds of voter approved General Obligation bonds.

Additionally, the District reports the following funds:

- Internal service funds which account for printing provided to other departments of the District on a cost reimbursement basis and the District’s medical and health insurance benefits program.
- The voluntary early retirement fund accounts for the accumulation of resources to be used for payments to employees who receive early retirement and post-employment health care benefits.
- Agency funds account for scholarship donations for which the District’s role is custodial in nature, transactions related to Sky Camp, which is owned by the Army Corps of Engineers and maintained by the District, and funds held by the District for the Academy of Arts and Academics charter school.

Measurement Focus and Basis of Accounting

Agency funds have no measurement focus. Government-wide, proprietary fund and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District receives value without giving equal value in exchange, include property taxes, grants, entitlements and donations. On the accrual basis of accounting, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Under terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the District’s policy to first apply cost-reimbursement grant resources to such programs and then general revenues.

Governmental fund financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year-end. Property taxes and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

Measurement Focus and Basis of Accounting, continued

principal and interest on general long-term debt and claims and judgments, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in the governmental funds and proceeds from general long-term debt and capital leases are reported as other financing sources. Private sector standards of accounting and reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that these standards do not conflict or contradict the guidance of the Governmental Accounting Standards Board.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's internal service fund are charges to other funds for printing services and assessments to other funds for insurance premiums. Operating expenses for the internal service fund include salaries, benefits, purchased services, supplies and insurance claims. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Cash Equivalents

For financial statement purposes, the District considers cash equivalents to include investments in the State of Oregon Local Government Investment Pool (LGIP) and other highly liquid investments with maturities of three months or less.

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, 2018. 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 Level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. As of June 30, 2018, the fair value of the position in the LGIP is 100.13% 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 to be collateralized.

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

Investments

Investments with maturities greater than three months, consisting of U.S. government and agency securities and commercial paper, are stated at cost, which approximates fair value. Discounts and premiums on investment purchases are amortized using the effective interest method without application of the susceptible to accrual criteria and are reported on the combined balance sheet at their net amortized cost, which approximates fair value.

Property Taxes Receivable

Ad Valorem property taxes are levied and become a lien on all taxable property as of July 1. Collection dates are November 15, February 15, and May 15. Discounts are allowed if at least two-thirds (2/3rds) of the full amount due is received by November 15. Taxes unpaid on May 16 are considered delinquent. Uncollected property taxes are shown on the combined balance sheet. Property taxes collected within sixty (60) days of fiscal year-end are recognized as revenue. The remaining balance of taxes receivable is recorded as unearned revenue.

Grants

Grants are recognized as revenue in the accounting period in which they become both measurable and available and in which the District has met all eligibility requirements. When expenditure is the prime factor for determining eligibility, the revenue is recognized when the expenditure is made. Cash received from grantor agencies in excess of related grant expenditures is recorded as a liability on the statement of net position.

Inventories

Purchased inventories are valued at average cost and donated inventories other than commodities are valued at their estimated fair market value at date of donation. Inventory items are charged to expenditures at the time of withdrawal from inventory. Federal food commodities are recorded in inventory and as revenue, at fair value as determined by the U.S. Department of Agriculture. The District pays processing and distribution costs on selected commodities upon receipt of the products.

Accrued Compensated Absences

Employees accumulate earned, but unused vacation and sick pay benefits. District policy does not allow carryover of unused vacation leave beyond one year. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, or are taken and paid from current resources. No liability is recorded for nonvested sick pay benefits.

Capital Assets

Capital assets are valued at historical cost, or estimated historical cost if actual cost is not available. Donated capital assets are valued at their estimated fair value on the date donated. Donated capital assets, donated works of art and similar items received in a service concession arrangement will be report at acquisition value rather than fair value. The District defines capital assets as assets with an initial cost of more than \$5,000 and an estimated life in excess of three years. Maintenance and repairs of a routine nature are charged to

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

Capital Assets, Continued

expenditures as incurred and are not capitalized. Land and construction in progress are not depreciated. Other capital assets are depreciated using the straight-line method over the following useful lives:

- Equipment: 5 to 10 years
- Vehicles: 10 years
- Buildings and Improvements: 10 to 60 years

Fund Equity

In March 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund-type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. Under this standard, the fund balance classifications of reserved, designated, and unreserved/undesignated were replaced with five new classifications – nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable fund balance represents amounts that are not in a spendable form. The nonspendable fund balance represents inventories and prepaid items.
- Restricted fund balance represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).
- Committed fund balance represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution. Modifying or rescinding a fund balance commitment would also require a Board resolution.
- Assigned fund balance represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body. The Board of Directors granted authority to classify portions of ending fund balance as Assigned to the Superintendent and the Director of Business Operations. This authority was granted by Board resolution and any changes to that authority would also be granted by Board resolution.
- Unassigned fund balance is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

The governing body has approved the following order of spending regarding fund balance categories: Restricted resources are spent first when both restricted and unrestricted (committed, assigned or unassigned) resources are available for expenditures. When unrestricted resources are spent, the order of spending is committed (if applicable), assigned (if applicable) and unassigned. To preserve a sound financial system and to provide a stable financial base, the governing body has adopted a minimum fund balance policy for the general fund of 4% of general fund expenditures.

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

Long-term Debt

In the government-wide financial statements, long-term debt is reported as a liability in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements bond premiums and discounts, as well as bond issuance costs, are recognized when incurred and not deferred. The face amount of the debt issued, premiums received on debt issuances, and discounts are reported as other financing sources and uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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. 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.

Voluntary Early Retirement Plan

Certified employees and administrative supervisors who were hired prior to July 1, 1994 and who have obtained ten years regular service with the District may elect to remain eligible for supplemental retirement benefits. For the purpose of measuring the net pension liability and net other post-employment benefit liability, deferred outflows of resources and deferred inflows of resources related to pensions and other post-employment benefits, and pension and other post-employment benefit expenses, information about fiduciary net position of the District's Voluntary Early Retirement (VER) Plan and additions to/deductions from the VER Plan's fiduciary net position have been determined on the same basis as they are reported by the VER Plan. Benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. GASB Statements 67 and 68 and Statements 74 and 75 have been implemented as of July 1, 2015.

Other Post-Employment Benefits

In accordance with Oregon Revised Statutes (ORS) 243.303, PERS employees who retire after June 30, 1994, and have not yet become eligible for Federal Medicare coverage are eligible to purchase insurance through the District's healthcare plan. Although retirees pay their own premium, there is an implicit cost due to increased group premiums when retirees are included in District insurance plans. For the purpose of measuring the net other post-employment benefit liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, and other post-employment benefit expenses, information about fiduciary net position of the implicit medical benefit Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. Benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. GASB Statement 75 has been implemented as of July 1, 2015.

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

Deferred Compensation Plan

The District offers its employees a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. In accord with the intent of IRS Act of 1996, the District considers the funds invested under the deferred compensation plan to be owned by the employee deferring such compensation. Thus, the assets of the plan and the offsetting liability to employees are not reported in the District's CAFR.

Budgeting and Appropriations

A budget is prepared and legally adopted for all funds on the modified accrual basis of accounting. Appropriations are generally adopted at the program level presented in the basic financial statements.

Expenditures cannot legally exceed appropriations except for certain situations, including the following:

- Expenditure of grants or other earmarked funds, which could not be estimated at the time of budget adoption (upon approval by resolution of the Board of Directors).
- Expenditure of proceeds of insurance settlements to replace involuntary destructions of property (upon approval by resolution of the Board of Directors).

The Board of Directors can authorize transfers of appropriations between expenditure categories via Board resolution. There was one such appropriation authorized during the year.

Supplemental appropriations may also be approved by the Board of Directors when unanticipated revenue is received. If a supplemental budget will adjust fund expenditures by more than 10 percent or will create a new fund or a new appropriation category, the appropriations must follow a process similar to that of the original adoption of the budget and must include a budget hearing. There were no such appropriations authorized during the year.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element 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 District has five items that qualify for reporting in this category. There is a deferred outflow related to the partial defeasance of the District's 2006-07 general obligation bonds and a deferred outflow which is the sum of total employer PERS expenditures for the year plus the differences between expected and actual experience and the differences between employer contribution and proportionate share of contributions for PERS. There are also deferred outflows related to the District's pension liability and other post employment benefits for the Voluntary Early Retirement plan and a deferred outflow related to other post employment benefits for the District's post employment health insurance subsidy. Deferred outflows were for the unamortized differences between the projected and actual earnings on investment assets.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has three items which qualify for reporting in this category. The first, which arises only under the modified accrual basis of accounting, unavailable revenue, is reported only in the governmental funds

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

Deferred Outflows/Inflows of Resources, continued

balance sheet. The governmental funds report unavailable revenues for property taxes. The amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The other deferred inflows represent acquisitions of net position that apply to future period(s) and so will not be recognized as inflows of resources (revenue) until that time. The District's statement of net position shows a deferred inflow which is equal to the difference between actuarially projected investment earnings and actual investment earnings and contributions that the District paid to PERS during 2017-18 and a deferred inflow which is equal to unamortized actuarial gains and losses due to changes in assumptions, investment earnings and assumed contributions related to the District's post employment health insurance subsidy,

Encumbrances

Encumbrance accounting, under which purchase orders and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as a formal budgetary tool by management. At year-end, remaining encumbrances are reversed.

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 upon 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 and 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.

CASH AND INVESTMENTS

The District maintains a cash and cash equivalent investment pool that is available for use by all funds. Each fund portion of this pool is shown on the balance sheet as pooled cash and cash equivalents. Transfers from the Local Government Investment Pool are made on a daily basis to cover checks presented to the bank.

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

CASH AND INVESTMENTS, continued

Individual funds may maintain cash and cash equivalents separate from the pool for convenience and control. Student activities accounts under the control of the schools are maintained in separate accounts in various banks and financial institutions. Petty cash and working funds are maintained for nonrecurring incidental purchases less than \$100. Such holdings are shown on the governmental balance sheet as non-pooled cash and cash equivalents.

Investments with maturities greater than three (3) months are shown on the balance sheet by fund type as investments.

Total cash and investments at June 30, 2018, is as follows:

	Statement of Net Position	Voluntary Early Retirement Fund	Agency Funds	Total
Total pooled cash and equivalents	\$ 24,737,210	\$ 473,108	\$ 241,586	\$ 25,451,904
Total non-pooled cash and equivalents	1,250,892	-	334	1,251,226
Total investments	10,500,529	-	166,482	10,667,011
Total cash and investments	<u>\$ 36,488,631</u>	<u>\$ 473,108</u>	<u>\$ 408,402</u>	<u>\$ 37,370,141</u>

Cash Equivalents and Deposits

Pooled cash and cash equivalents at June 30, 2018 consists of the following:

Demand deposits	\$ 641,342
LGIP	24,810,562
Total pooled cash and cash equivalents	<u>\$ 25,451,904</u>

Non-pooled cash and cash equivalents at June 30, 2018 consists of the following:

Cash on hand	\$ 1,214
Demand deposits	946,561
LGIP	303,045
Investment accounts	406
Total non-pooled cash and cash equivalents	<u>\$ 1,251,226</u>

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.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the District's cash equivalents and deposits may not be returned to the District. At year-end, the District's net carrying amount of deposits was \$1,587,903 and the bank balance was \$2,628,833. Of these deposits, \$514,863 was covered by federal depository insurance, the remainder is collateralized with the Oregon Public Funds Collateralization Program

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

CASH AND INVESTMENTS, continued

(PFCP). Oregon Revised Statutes and District policy require depository institutions to maintain on deposit, with the collateral pool manager, securities having a value not less than 10% of their quarter-end public fund deposits if they are well capitalized, 25% of their quarter-end public fund deposits if they are adequately capitalized, or 110% of their quarter-end public fund deposits if they are undercapitalized or assigned to pledge.

Investments

As of June 30, 2018, the District held the following investments and maturities:

Investment Type	Balance Sheet Classification	Carrying Value	Weighted Average Maturity In Months	% of Investment Portfolio
U.S. Agency Securities	Investments	10,667,011	0.73	29.81%
LGIP	Cash and Equivalents	25,113,607	4.91	70.19%
Money Market	Cash and Equivalents	406	-	0.00%
Total Investments		<u>\$ 35,781,024</u>		<u>100.00%</u>

The "weighted average maturity in months" calculation assumes that all investments are held until maturity.

Custodial Credit Risk

Custodial credit risk 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 will minimize custodial credit risk by limiting investments to the types of securities allowed by law; and pre-qualifying the financial institutions, broker/dealers, intermediaries and advisors 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 safe keeping by the financial institution counterparty in the financial institution's general customer account name.

Credit Risk

Oregon Revised Statute 294.035 and District policy authorizes the District to invest in general obligations of the U.S. government and its agencies, bankers' acceptances, sweep accounts, debt obligations rated A (A-2/P-2 commercial paper), or an equivalent rating, or better by Standard & Poor's Corporation or by Moody's Investors Service or any other recognized statistical rating organization for issuers within Oregon, debt obligations rated AA (A-1/P-1 commercial paper) for issuers not in Oregon, and the State of Oregon Local Government Investment Pool (LGIP), among others.

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

Investments, continued

At June 30, 2018, the District's investments were rated as follows:

Investment Type	Classification	Rating - Moody's Investors Service	Rating - Standard & Poors Investor Service	Not Rated	Total
		Aaa	AA+		
U.S. Agency Securities	Level 1	\$ 9,666,614	\$ 1,000,397	\$ -	\$ 10,667,011
LGIP	Level 2	-	-	25,113,607	25,113,607
Money Market	Level 2	-	-	406	406
		<u>\$ 9,666,614</u>	<u>\$ 1,000,397</u>	<u>\$ 25,114,013</u>	<u>\$ 35,781,024</u>

Interest Rate Risk

In accordance with its investment policy, the District will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by structuring the investment portfolio so that securities mature to meet the cash requirement for ongoing operations, thereby avoiding the need to sell securities in the open market, and investing operating funds primarily in shorter-term securities, money market accounts, or similar investment pools and limiting the average maturity in accordance with the District's cash requirements.

Concentration of Credit Risk

The District places no limit on the amount that may be invested in any one issuer, but will minimize concentration of credit risk, which is the risk of loss attributed to the magnitude of the District's investment in a single issuer, by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized.

<u>Investment Type</u>	<u>Maximum % of Portfolio</u>	<u>% of Portfolio</u>
U.S. Agency Securities	100%	29.81%
State of Oregon Local Government Investment Pool	100%	70.19%
Money Market	100%	0.00%

Foreign Currency Risk

The District is not authorized to invest in investments which have this type of risk.

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

ACCOUNTS AND OTHER RECEIVABLES

Accounts and other receivables consist primarily of claims for reimbursement of costs under various federal and states grant programs and open accounts on sales or services provided to agencies or individuals, mostly in the Lane County area. No allowance for doubtful accounts has been included in the financial statements because any uncollectible amounts are considered insignificant.

Receivables are comprised of the following as of June 30, 2018.

	Statement of Net		
	Position	Agency Funds	Total
Property taxes	\$ 2,127,091	\$ -	\$ 2,127,091
Grants, reimbursements, and accounts	5,516,904	9,210	5,526,114
Total receivables	<u>\$ 7,643,995</u>	<u>\$ 9,210</u>	<u>\$ 7,653,205</u>

CAPITAL ASSETS

The following is a summary of changes in capital assets:

	Balance July 1, 2017	Increases	Decreases	Balance June 30, 2018
Capital assets not depreciated:				
Land	\$ 6,077,430	\$ -	\$ -	\$ 6,077,430
Construction in progress	30,318,330	359,386	(30,287,032)	390,684
Total capital assets not depreciated	<u>36,395,760</u>	<u>359,386</u>	<u>(30,287,032)</u>	<u>6,468,114</u>
Capital assets being depreciated:				
Buildings and improvements	118,919,295	54,723,222	-	173,642,517
Equipment	5,547,479	2,397,552	(1,215,281)	6,729,750
Buses	7,241,636	845,702	(291,530)	7,795,808
Other motor vehicles	1,417,848	101,053	(33,228)	1,485,673
Total capital assets being depreciated	<u>133,126,258</u>	<u>58,067,529</u>	<u>(1,540,039)</u>	<u>189,653,748</u>
Less accumulated depreciation for:				
Buildings and improvements	(45,351,507)	(3,402,520)	-	(48,754,027)
Equipment	(3,908,762)	(443,089)	1,121,045	(3,230,806)
Buses	(4,584,903)	(532,612)	291,530	(4,825,985)
Other motor vehicles	(1,071,094)	(62,096)	33,228	(1,099,962)
Total accumulated depreciation	<u>(54,916,266)</u>	<u>(4,440,317)</u>	<u>1,445,803</u>	<u>(57,910,780)</u>
Total capital assets being depreciated, net	<u>78,209,992</u>	<u>53,627,212</u>	<u>(94,236)</u>	<u>131,742,968</u>
Total capital assets, net	<u>\$ 114,605,752</u>	<u>\$ 53,986,598</u>	<u>\$ (30,381,268)</u>	<u>\$ 138,211,082</u>

Depreciation expense was charged to the following programs:

Program	Depreciation
Instruction services	\$ 3,365,535
Support services	1,049,956
Community services	24,826
Total	<u>\$ 4,440,317</u>

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

LEASES

Capital Leases

The District has entered into the following lease agreements which all qualify as capital leases for accounting purposes and have, therefore, been recorded at the present value of future minimum lease payments.

Lease entered into on November 14, 2012 for \$829,380, with a payment of \$127,943 due upon commencement of the lease. Payments due annually through November, 2018.

Lease entered into on July 15, 2013 for \$730,606, with a payment of \$81,067 due upon commencement of the lease. Payments due annually through July, 2022.

Lease entered into on October 15, 2013 for \$110,000 with payments due quarterly through July, 2018.

Lease entered into on July 1, 2014 for \$566,688, with a payment of \$64,472 due upon commencement of the lease. Payments due annually through July, 2023.

Lease entered into on July 1, 2014 for \$78,875, with a payment of \$12,288 due upon commencement of the lease. Payments due annually through July, 2020.

Lease entered into on July 15, 2015 for \$940,000, with a payment of \$106,413 due upon commencement of the lease. Payments due annually through July, 2024.

Lease entered into on July 15, 2016 for \$398,613, with a payment of \$44,881.90 due upon commencement of lease. Payments due annually through July, 2025.

Lease entered into on July 27, 2017 for \$845,702 with a payment of \$97,330 due upon commencement of the lease. Payments due annually through July, 2026.

Lease entered into on June 6, 2018 for \$130,000 with payments beginning October 5, 2018 and due quarterly through July, 2023.

Lease entered into on June 7, 2018 for \$917,376 with a payment of \$108,312 due July 6, 2018 and payments due annually through July, 2027.

The assets acquired through the capital lease are:

Assets	Amount	Accumulated	
		Depreciation	Balance
Buses	\$ 4,306,865	\$ (1,448,198)	\$ 2,858,667
Copiers	110,000	(53,167)	56,833
Mower	83,875	(31,453)	52,422
Total	<u>\$ 4,500,740</u>	<u>\$ (1,532,818)</u>	<u>\$ 2,967,922</u>

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

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Capital Leases, continued

The future minimum lease obligations and the net present values of these minimum lease payments at June 30, 2018, are as follows:

Year Ending June 30	Lease 1	Lease 2	Lease 3	Lease 4	Lease 5	Lease 6	Lease 7	Lease 8	Lease 9	Lease 10	Total
2019	127,943	81,067	5,835	64,472	12,288	106,413	44,882	97,330	21,580	108,312	670,122
2020	-	81,067	-	64,472	12,288	106,413	44,882	97,330	28,773	108,312	543,537
2021	-	81,067	-	64,472	12,287	106,413	44,882	97,330	28,773	108,312	543,536
2022	-	81,067	-	64,471	-	106,413	44,882	97,330	28,773	108,312	531,248
2023	-	81,066	-	64,471	-	106,413	44,882	97,330	28,773	108,312	531,247
2024	-	-	-	64,470	-	106,412	44,882	97,330	7,193	108,312	428,599
2025	-	-	-	-	-	106,412	44,882	97,331	-	108,312	356,937
2026	-	-	-	-	-	-	44,882	97,331	-	108,313	250,526
2027	-	-	-	-	-	-	-	97,331	-	108,313	205,644
2028	-	-	-	-	-	-	-	-	-	108,313	108,313
Total lease payments	127,943	405,334	5,835	386,828	36,863	744,889	359,056	875,973	143,865	1,083,123	4,169,709
Less: interest	(3,291)	(27,516)	(33)	(37,459)	(2,099)	(78,647)	(40,514)	(127,600)	(13,865)	(165,747)	(496,771)
Present value of minimum lease payments	\$ 124,652	\$ 377,818	\$ 5,802	\$ 349,369	\$ 34,764	\$ 666,242	\$ 318,542	\$ 748,373	\$ 130,000	\$ 917,376	\$ 3,672,938

	Lease 1 - Buses	Lease 2 - Buses	Lease 3 - Copiers	Lease 4 - Buses	Lease 5 - Mower	Lease 6 - Buses	Lease 7 - Buses	Lease 8 - Buses	Lease 9 - Copiers	Lease 10 - Buses	Total
Leases payable July 1, 2017	\$ 246,098	\$ 448,174	28,683	401,827	45,686	751,098	353,731	-	-	-	\$ 2,275,297
New Leases	-	-	-	-	-	-	-	845,702	130,000	917,376	1,893,078
Lease payments	(121,446)	(70,356)	(22,881)	(52,458)	(10,922)	(84,856)	(35,189)	(97,330)	-	-	(495,438)
Total leases payable, June 30, 2018	\$ 124,652	\$ 377,818	\$ 5,802	\$ 349,369	\$ 34,764	\$ 666,242	\$ 318,542	\$ 748,372	\$ 130,000	\$ 917,376	\$ 3,672,937
Due within one year	\$ 124,652	\$ 72,037	5,802	54,025	11,248	87,292	36,154	72,859	17,619	105,392	\$ 587,080
Due in more than one year	-	305,781	-	295,344	23,516	578,950	282,388	675,514	112,381	811,984	3,085,858
Total leases payable	\$ 124,652	\$ 377,818	\$ 5,802	\$ 349,369	\$ 34,764	\$ 666,242	\$ 318,542	\$ 748,373	\$ 130,000	\$ 917,376	\$ 3,672,938

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

LONG TERM DEBT

Bonded debt at June 30, 2018
consists of the following bond issues:

\$62,150,000, Series 2005A Pension Bond, due in annual installments of \$115,000 to \$6,700,000 from June 2008 to June 2028, interest ranging from 4.05% to 4.76%	\$ 46,165,000
\$1,261,720, Qualified Zone Academy Bonds, due in annual installments of \$78,857.50 from October 2006 to October 2021, 0% interest	315,432
\$44,040,338 in Series 2015 Refunding Bonds, to partially refund 2006-07 General Obligations Bonds. Payments due in annual installments of \$166,573 to \$5,130,000 from June 2015 to June 2029, interest ranging from 1.26% to 3.83%	40,405,259
\$71,498,907 in Series 2015 General Obligation Bonds to finance capital projects, including construction of a new middle school, due in annual installments of \$2,002,800 to \$10,925,000 from December 2015 to June 2040, interest ranging from 2.00% to 5.00%	69,173,907
\$4,000,000 in Full Faith and Credit Bonds to finance the purchase and improvement of an administration building in downtown Springfield, due in annual installments of \$342,306 to \$343,290 from December 2016 to December 2030, interest of \$3.13%	<u>3,620,000</u>
Total	159,679,598
Unamortized premium	<u>7,310,919</u>
Total bonds payable	<u>\$ 166,990,517</u>

A summary of long-term debt transactions for the year ended June 30, 2018 is as follows:

	<u>Series 2005A</u>	<u>QZAB</u>	<u>Series 2015 Refunding</u>	<u>GO Series 2015</u>	<u>Series 2015</u>	<u>Total</u>
Bonds payable July 1, 2017	\$ 48,895,000	\$ 394,290	43,965,339	70,388,907	3,843,000	\$ 167,486,536
Bonds paid	<u>(2,730,000)</u>	<u>(78,858)</u>	<u>(3,560,080)</u>	<u>(1,215,000)</u>	<u>(223,000)</u>	<u>(7,806,938)</u>
Bonds payable, June 30, 2018	46,165,000	315,432	40,405,259	69,173,907	3,620,000	159,679,598
Unamort premium, June 30, 2018	-	-	836,945	6,473,974	-	7,310,919
Total bonds payable, June 30, 2018	<u>\$ 46,165,000</u>	<u>\$ 315,432</u>	<u>\$ 41,242,204</u>	<u>\$ 75,647,881</u>	<u>\$ 3,620,000</u>	<u>\$ 166,990,517</u>
Due within one year	\$ 3,060,000	\$ 78,858	3,909,390	1,208,417	229,000	\$ 8,485,665
Due in more than one year	<u>43,105,000</u>	<u>236,574</u>	<u>37,332,814</u>	<u>74,439,464</u>	<u>3,771,000</u>	<u>158,504,852</u>
Total bonds payable	<u>\$ 46,165,000</u>	<u>\$ 315,432</u>	<u>\$ 41,242,204</u>	<u>\$ 75,647,881</u>	<u>\$ 4,000,000</u>	<u>\$ 166,990,517</u>

SPRINGFIELD SCHOOL DISTRICT
Notes to Basic Financial Statements
June 30, 2018

LONG TERM DEBT, continued

The following is a schedule of future retirement of long-term debt bonds and interest:

<u>Year</u>	<u>Series 2005A</u>		<u>OZAB</u>		<u>Series 2006 & 2007</u>		<u>Series 2015 Refunding</u>		<u>General Obligation Series 2015</u>		<u>Series 2015</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2018-19	3,060,000	2,191,100	78,858	-	-	-	3,830,055	576,645	1,105,000	1,441,850	229,000	113,306	12,625,814
2019-20	3,415,000	2,048,259	78,858	-	-	-	3,838,263	698,437	1,235,000	1,397,650	237,000	106,138	13,054,605
2020-21	3,790,000	1,888,847	78,858	-	-	-	3,826,390	850,310	1,330,000	1,362,000	244,000	98,720	13,469,125
2021-22	4,200,000	1,708,481	78,858	-	-	-	3,763,215	1,058,485	1,455,000	1,295,500	252,000	91,083	13,902,622
2022-23	4,635,000	1,508,603	-	-	-	-	3,626,688	1,235,012	1,695,000	1,222,750	260,000	83,195	14,266,248
2023-24	5,100,000	1,288,023	-	-	-	-	3,628,833	1,472,867	1,755,000	1,138,000	268,000	75,057	14,725,780
2024-25	5,600,000	1,045,314	-	-	-	-	4,220,000	321,700	945,000	1,057,800	276,000	66,679	13,532,493
2025-26	6,130,000	778,810	-	-	-	-	4,520,000	158,200	1,030,000	1,020,000	285,000	58,030	13,980,040
2026-27	6,700,000	487,084	-	-	-	-	3,119,842	1,710,158	1,125,000	968,500	294,000	49,110	14,453,694
2027-28	3,535,000	168,231	-	-	-	-	3,048,109	1,931,891	1,225,000	912,250	303,000	39,907	11,163,388
2028-29	-	-	-	-	-	-	2,983,864	2,146,135	1,325,000	851,000	312,000	30,424	7,648,423
2029-30	-	-	-	-	-	-	-	-	7,545,000	784,750	322,000	20,658	8,672,408
2030-31	-	-	-	-	-	-	-	-	8,150,000	407,500	338,000	5,290	8,900,790
2031-32	-	-	-	-	-	-	-	-	4,739,098	4,055,902	-	-	8,795,000
2032-33	-	-	-	-	-	-	-	-	4,639,201	4,395,799	-	-	9,035,000
2033-34	-	-	-	-	-	-	-	-	4,545,564	4,739,435	-	-	9,284,999
2034-35	-	-	-	-	-	-	-	-	4,438,867	5,101,133	-	-	9,540,000
2035-36	-	-	-	-	-	-	-	-	4,336,892	5,463,108	-	-	9,800,000
2036-37	-	-	-	-	-	-	-	-	4,270,788	5,799,212	-	-	10,070,000
2037-38	-	-	-	-	-	-	-	-	4,176,328	6,173,672	-	-	10,350,000
2038-39	-	-	-	-	-	-	-	-	4,088,626	6,546,374	-	-	10,635,000
2039-40	-	-	-	-	-	-	-	-	4,018,543	6,906,457	-	-	10,925,000
Total	\$ 46,165,000	\$ 13,112,752	\$ 315,432	\$ -	\$ -	\$ -	\$ 40,405,259	\$ 12,159,840	\$ 69,173,907	\$ 63,040,642	\$ 3,620,000	\$ 837,597	\$ 248,830,429

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

INTEREST PAYABLE

A summary of interest transactions for the year ended June 30, 2018 is as follows:

Interest Transactions	Series 2005A	Series 2006 & 2007	Series 2015 Refunding	GO Series 2015	Capital Leases	Series 2015	Total
Accrued interest June 30, 2017	\$ -	\$ (13,184)	\$ -	\$ (61,084)	\$ (28,125)	\$ (9,860)	\$ (112,253)
Interest paid 2017-18	2,318,537	-	471,621	1,490,450	62,297	120,286	4,463,191
Accrued interest, June 30, 2018	-	13,184	-	59,092	74,451	9,287	156,014
Interest on long-term debt	<u>\$ 2,318,537</u>	<u>\$ -</u>	<u>\$ 471,621</u>	<u>\$ 1,488,458</u>	<u>\$ 108,623</u>	<u>\$ 119,713</u>	<u>\$ 4,506,952</u>

FUND BALANCES

The specific purposes for each of the categories of fund balance as of June 30, 2018 are as follows:

Fund Balance:	General Fund	Grants & Contract Fund	Debt Service Fund	Bond Fund	Non Major Funds	Total
Nonspendable:						
Prepaid items	\$ -	\$ 619,655	\$ -	\$ -	\$ -	\$ 619,655
Inventory	202,063	-	-	215,454	107,232	524,749
Total Nonspendable	<u>202,063</u>	<u>619,655</u>	<u>-</u>	<u>215,454</u>	<u>107,232</u>	<u>1,144,404</u>
Restricted:						
Grants	-	302,862	-	-	-	302,862
Nutrition services	-	-	-	-	755,116	755,116
Student body	-	-	-	-	1,179,129	1,179,129
Debt service	-	-	1,155,337	-	-	1,155,337
Bond projects	-	-	-	6,339,258	-	6,339,258
Total Restricted	-	302,862	1,155,337	6,339,258	1,934,245	9,731,702
Committed to:						
Purchase of textbooks	-	325,874	-	-	-	325,874
Co-curricular activities	-	-	-	-	2,769	2,769
Capital projects	-	-	-	-	92,408	92,408
Total Committed	-	325,874	-	-	95,177	421,051
Assigned to:						
Child Development Cent	-	9,566	-	-	-	9,566
Risk management	-	286,073	-	-	-	286,073
Fleet replacement	-	2,388,339	-	-	-	2,388,339
Technology	-	676,321	-	-	-	676,321
Total Assigned	-	3,360,299	-	-	-	3,360,299
Unassigned	<u>10,033,286</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,033,286</u>
Total Fund Balances	<u>\$ 10,235,349</u>	<u>\$ 4,608,690</u>	<u>\$ 1,155,337</u>	<u>\$ 6,554,712</u>	<u>\$ 2,136,654</u>	<u>\$ 24,690,742</u>

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

INTERFUND TRANSFERS AND INTERFUND DUE TO/DUE FROM

The District made transfers from the General Fund of \$1,167,000 to the Co-Curricular Fund for the support of athletic and activity programs, \$1,000,000 to the Instructional Materials Fund for the purchase of textbooks, \$500,000 to the Technology Fund for replacement and upgrade of technology, and \$422,144 to the Debt Service Fund for the principal and interest payments on non general obligation bonds. There was \$3,425,043 due from the Grants and Projects Fund to the General Fund at June 30, 2018 which resulted from the requirement of most grants that funds be expended before reimbursement is requested. Cash was borrowed from the general fund to cover negative cash balances in grant funds due to timing differences between billings and cash receipts. There was \$1,804,834 due from the Bond Fund to the General Fund due to a timing difference in moving funds between investment accounts and pooled cash.

TRANSITS

The District was the fiscal agent for an arts education based grant and for a State of Oregon Career and Technology Education grant. Transits to other entities totaled \$650,132 for the year ended June 30, 2018.

OVER-EXPENDITURES OF APPROPRIATIONS

For the year ended June 30, 2018, expenditures exceeded appropriations by \$164,556 in the Facilities Acquisition and Construction function of the General Fund. Expenditures exceeded appropriations by \$13,917 in the Community Services function of the Grants and Contracts Fund. Expenditures exceeded appropriations by \$444,823 in the Facilities Acquisition and Construction function of the Capital Projects Fund. Expenditures exceed appropriations by \$1,592,487 in the Supporting Services function of the Bond fund. Expenditures exceeded appropriations by \$2,023,182 in the Supporting Services function of the Insurance Fund. All funds had a positive fund balance at June 30, 2018.

PENSION PLANS

Voluntary Early Retirement

Plan Description

The District's collective bargaining agreements with teachers, classified employees and administrators include early retirement provisions for employees whose employment with the District began prior to July 1, 1994. Additional prerequisites to receive this benefit include ten consecutive full-time years employment with the District and retirement under PERS. The program, available to teachers and administrators, provides two types of benefits; a stipend benefit and an insurance benefit. At June 30, 2018, there were 78 active participants and 2 District employees who are potentially eligible for the benefit in the future. Calculations are based on the pension benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. Actuarial valuations for pension plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations of the Other Post-Employment Benefit (OPEB) plan reflect a long-term perspective. All assets accumulated to pay benefits may legally be used to pay for pension or medical benefits. Therefore, the VER plan is considered a single pension plan. The District does not issue a stand-alone report for this plan.

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

Voluntary Early Retirement, continued

Pension Benefits

The Plan consists of an incentive benefit equal to 1.4% per month of the employee's final annual salary payable until the earlier of age sixty-two (62) or forty-eight (48) months. Actual incentive benefits paid totaled \$113,197 for the year ended June 30, 2018. This portion of the plan is subject to the reporting requirements of GASB Statements number 67 & 68 which pertain to pension type benefits.

Significant Accounting Policies

The assets of the fund were placed in an irrevocable trust during the year ended June 30, 2003. Expenditures are recorded in the Voluntary Early Retirement Trust Fund as the incentive payments and related insurance premiums are paid. Plan assets are invested in U.S. Treasuries and the Local Government Investment Pool.

Funding Policy

There is no obligation on the part of the District to fund these benefits in advance. The District is paying the obligation as it is due with an assessment to the general fund. The fund balance in the Early Retirement Trust Fund was \$467,358 at June 30, 2018.

Net pension Liability

The District's net pension liability (NPL) was measured as of June 30, 2018 using an actuarial valuation date of July 1, 2017.

Actuarial Methods and Assumptions

The District engaged an actuary to perform a valuation as of June 30, 2018 using the Entry age normal, level percent of salary Actuarial Cost Method. The asset valuation method used was market value and the amortization method used was 30 year, open level %.

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

Amortization growth rate		3.00%
Discount rate		3.75%
General inflation		2.50%
Salary scale		3.00%
Merit Scale		-.94% to 3.53%
Annual premium increase rate	2017-18	7.00%
Decreasing .1% per year until 2037	2037+	5.00%
Out of pocket rate increases		5.0%

Mortality rates were based on the RP=2014, Employee/Healthy Annuitant, sex distinct, generational. Improvement scale was Unisex Social Security Data Scale (60 year average). Active employee/retiree adjustments was white collar adjustment, set back 12 months, and beneficiary adjustments was blended 50% blue collar/50% white collar, set back 12 months for males, no set back for females.

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

Voluntary Early Retirement, continued

Turnover rates were based on percentages developed for the valuation of benefits under Oregon PERS and vary by years of service.

Disability rates were based on percentages developed for the valuation of benefits under Oregon PERS and vary by employee age.

Retirement rates were based on percentages developed for the valuation of benefits under Oregon PERS and vary by age and years of service.

The discount rate used to measure the total pension liability was 3.75%, based on all years discounted at the municipal bond rate.

Change in Net Pension Liability (NPL)

	Increase (Decrease)		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
1. Balances at June 30, 2017	\$ 189,290	\$ 39,135	\$ 228,425
2. Service Cost	2,114	-	2,114
3. Interest	10,628	-	10,628
4. Changes of benefit terms	-	-	-
5. Differences betw expected & actual experiences	159,966	-	159,966
6. Changes of assumptions or other input	(9,676)	-	(9,676)
7. Contributions - Employer	-	130,301	(130,301)
8. Contributions - Employee	-	-	-
9. Net investment income	-	-	-
10. Benefit payments	(113,197)	(113,197)	-
11. Administrative expense	-	-	-
12. Net Changes	49,835	17,104	32,731
13. Balances at June 30, 2018	\$ 239,125	\$ 56,239	\$ 182,886

Sensitivity of the Net Pension Liability to changes in the discount rate

The following presents the net pension liability (NPL) of the District, calculated using the discount rate of 3.75 percent, as well as what the District's NPL would be if it was calculated using a discount rate that is 1-percentage-point lower (2.75 percent) or 1-percentage-point higher (4.75 percent) than the current rate:

	1% Decrease (2.75%)	Current Discount Rate (3.75%)	1% Increase (4.75%)
1. Total Pension Liability	\$ 243,100	\$ 239,125	\$ 235,085
2. Fiduciary Net Position	56,239	56,239	56,239
3. Net Pension Liability	<u>\$ 186,861</u>	<u>\$ 182,886</u>	<u>\$ 178,846</u>

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

Voluntary Early Retirement, continued

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2018, the District recognized pension expense of \$161,842. At June 30, 2018, the District reported deferred outflows of resources related to pensions from the following sources:

Gain/Loss	Deferred Outflows of Resources	Deferred Inflows of Resources
1. Differences between expected and actual experience	\$ -	\$ -
2. Changes in assumptions or other input	-	-
3. Net difference between projected and actual earnings on investments	<u>2,148</u>	<u>-</u>
4. Total	<u><u>\$ 2,148</u></u>	<u><u>\$ -</u></u>

Amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2019	\$	598
2020		598
2021		596
2022		356
2023		-
Thereafter		<u>-</u>
Total	<u><u>\$</u></u>	<u><u>2,148</u></u>

PERS

Plan Description – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employee 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: <http://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>. 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

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

PERS, continued

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.

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
- 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.

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

PERS, continued

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 in all funds, 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, 2016 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, 2018 were \$7,787,060, excluding amounts to fund employer specific liabilities. Approximately \$4,892,871 was charged for the year ended June 30, 2018 as PERS benefits expenditures to be used for bond payments as they become due. Additionally, approximately \$3,379,543 in employee contributions were paid or picked up by the District in fiscal year 2017-18. Pension expense for the year ended June 30, 2018 was \$8,034,084.

At June 30, 2018, the District reported a liability of \$75,275,649 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 15, 2015 with the liability rolled forward to the measurement date. 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. At December 31, 2015, the District's proportion was .56 percent.

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 3,640,362	\$ -
Changes in assumptions	13,721,408	-
Net difference between projected and actual earnings on pension plan investments	775,516	-
Changes in proportionate share	-	1,217,430
Differences between employer contributions and employer's proportionate share of system contributions	-	1,344,766
District contributions subsequent to measurement date	25,210	-
	7,694,769	-
Total	<u>\$ 25,857,265</u>	<u>\$ 2,562,196</u>

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

PERS, continued

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>
2018	\$ 2,897,868
2019	9,033,588
2020	5,945,540
2021	(2,257,910)
2022	(18,785)
Thereafter	-
Total	<u>\$ 15,600,301</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated February 8, 2017. Oregon PERS produces an independently audited CAFR which can be found at:

<http://www.oregon.gov/pers/EMP/Documents/GASB/2016/Oregon-PERS-GASB-68-Report.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, 2015 rolled forward to June 30, 2017 measurement date
Experience Study Report	2014, Published September 23, 2015
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	7.50 percent
Projected salary increase	3.50 percent overall payroll growth; salaries for individuals are assumed to grow at 3.50 percent plus assumed rates of merit/longevity increases based on service .
Cost of Living Adjustment	Blend of 2.0 percent COLA and graded COLA (1.25/.15 percent) in accordance with Moro decision, blend based on service

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

Mortality	Healthy retirees and beneficiaries: RP-2000, Sex-distinct, generational per Scale BB, with collar adjustments and set-backs as described in the valuation. Active members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation. 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.
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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 2014 Experience Study which is reviewed for the four-year period ending December 31, 2014.

Discount Rate – The discount rate used to measure the total pension liability was 7.50 percent 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 actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Assumed Asset Allocation:

Asset Class/Strategy	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%
Private Equity	14.0%	21.0%	17.5%
Real Estate	9.5%	15.5%	12.5%
Alternative Equity	0.0%	12.5%	12.5%
Opportunity Portfolio	0.0%	3.0%	0.0%
Total			100%

Source: June 30, 2017 PERS CAFR; p. 92)

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 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

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

PERS, continued

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	Compound Annual Return (Geometric)
Core Fixed Income	8.00%	4.00%
Short-term Bonds	8.00%	3.61%
Bank/Leveraged Loans	3.00%	5.42%
High Yield Bonds	1.00%	6.20%
Large/Mid Cap US Equities	15.75%	6.70%
Small Cap US Equities	1.31%	6.99%
Micro Cap US Equities	1.31%	7.01%
Developed Foreign Equities	13.13%	6.73%
Emerging Foreign Equities	4.12%	7.25%
Non-US Small Cap Equities	1.88%	7.22%
Private Equity	17.50%	7.97%
Real Estate (Property)	10.00%	5.84%
Real Estate (REITS)	2.50%	6.69%
Hedge Fund of Funds - Diversified	2.50%	4.64%
Hedge Fund - Event-driven	0.63%	6.72%
Timber	1.88%	5.85%
Farmland	1.88%	6.37%
Infrastructure	3.75%	7.13%
Commodities	1.88%	4.58%
Assumed Inflation		2.50%

Source: June 30, 2017 PERS CAFR; p. 69)

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 7.50 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 (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate.

	1% Decrease (6.5%)	Discount Rate (7.5%)	1% Increase (8.5%)
District's proportionate share of the net pension liability	\$ 128,283,450	\$ 75,275,649	\$ 30,951,311

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

PERS, continued

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.

At its July 28, 2017 meeting, the PERS Board lowered the assumed rate to 7.2 percent. For member transactions, this rate will take effect January 1, 2018. The current assumed rate is 7.5 percent and has been in effect for member transactions since January 1, 2016.

Summary of Pension obligations

Total Pension Liability

	<u>June 30, 2018</u>
Voluntary Early Retirement Plan	\$ 182,886
Proportionate Share of net pension liability - PERS	<u>75,275,649</u>
Total pension liability	<u><u>\$ 75,458,535</u></u>

Deferred Outflows and Inflows of Resources

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Voluntary Early Retirement Plan	\$ 2,148	\$ -
PERS	<u>25,857,265</u>	<u>2,562,196</u>
Total Deferred Outflows and Deferred Inflows	<u><u>\$ 25,859,413</u></u>	<u><u>\$ 2,562,196</u></u>

Total Pension expense for the year ended June 30, 2018

	<u>Pension Expense</u>
Voluntary Early Retirement Plan	\$ 32,731
PERS	<u>8,034,084</u>
Total pension liability	<u><u>\$ 8,066,815</u></u>

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

OTHER POST EMPLOYMENT BENEFITS

Voluntary Early Retirement

Plan Description

The District's collective bargaining agreements with teachers, classified employees and administrators include early retirement provisions for employees whose employment with the District began prior to July 1, 1994. Additional prerequisites to receive this benefit include ten consecutive full-time years employment with the District and retirement under PERS. The program, available to teachers and administrators, provides two types of benefits; a stipend benefit and an insurance benefit. At June 30, 2018, there were 78 active participants and 2 District employees who are potentially eligible for the benefit in the future. Calculations are based on the pension benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. Actuarial valuations for pension plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations of the Other Post-Employment Benefit (OPEB) plan reflect a long-term perspective. All assets accumulated to pay benefits may legally be used to pay for pension or medical benefits. Therefore, the VER plan is considered a single pension plan. The District does not issue a stand-alone report for this plan.

Explicit Medical Benefits

The District administers a single-employer defined benefit healthcare plan. The Voluntary Early Retirement Plan includes negotiated health insurance coverage payable until age sixty-five (65). This portion of the Plan is subject to GASB Statements 74 and 75 related to Other Post-Employment Benefits (OPEB)

Significant Accounting Policies

The assets of the fund were placed in an irrevocable trust during the year ended June 30, 2003. Expenditures are recorded in the Voluntary Early Retirement Trust Fund as the incentive payments and related insurance premiums are paid. Plan assets are invested in U.S. Treasuries and the Local Government Investment Pool.

Funding Policy

There is no obligation on the part of the District to fund these benefits in advance. The District is paying the obligation as it is due with an assessment to the general fund. The fund balance in the Early Retirement Trust Fund was \$467,358 at June 30, 2018.

Net OPEB Liability

The District's net other post-employment benefit liability (NOL) was measured as of June 30, 2018 using an actuarial valuation date of July 1, 2017, and the total other post-employment benefit liability was determined by an actuarial valuation as of July 1, 2017.

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

Voluntary Early Retirement, continued

Actuarial Methods and Assumptions

The District engaged an actuary to perform a valuation as of June 30, 2018 using the Entry age normal, level percent of salary Actuarial Cost Method. The asset valuation method used was market value and the amortization method used was 30 year, open level %.

The total other post-employment benefit liability were determined using the following actuarial assumptions, applied to all periods included in the measurement:

Amortization growth rate		3.00%
Discount rate		3.75%
General inflation		2.50%
Salary scale		3.00%
Merit Scale		-.94% to 3.53%
Annual premium increase rate	2017-18	7.00%
Decreasing .1% per year until 2037	2037+	5.00%

Mortality rates were based on the RP=2014, Employee/Healthy Annuitant, sex distinct, generational. Improvement scale was Unisex Social Security Data Scale (60 year average), Active employee/retiree adjustments was white collar adjustment, set back 12 months, and beneficiary adjustments was blended 50% blue collar/50% white collar, set back 12 months for males, not set back for females.

Turnover rates were based on percentages developed for the valuation of benefits under Oregon PERS and vary by years of service.

Disability rates were based on percentages developed for the valuation of benefits under Oregon PERS and vary by employee age.

Retirement rates were based on percentages developed for the valuation of benefits under Oregon PERS and vary by age and years of service. 100% of future VER retirees are assumed to elect medical coverage and 70% of those retirees are assumed to cover a spouse, as well. Current and future retirees are assumed to remain enrolled in the plans in which they are currently enrolled.

The discount rate used to measure the total pension and total other post-employment benefit liabilities was 3.75%, based on all years discounted at the municipal bond rate.

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

Voluntary Early Retirement, continued

Change in Net Other Post-employment Benefit Liability (NOL)

	Increase (Decrease)		
	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
1. Balances at June 30, 2017	\$ 3,593,453	\$ 289,584	\$ 3,303,869
2. Service Cost	7,001	-	7,001
3. Interest	106,440	-	106,440
4. Changes of benefit terms	-	-	-
5. Differences between expected & actual experiences	(61,950)	-	(61,950)
6. Changes of assumptions or other input	(202,842)	-	(202,842)
7. Contributions - Employer	-	969,699	(969,699)
8. Contributions - Employee	-	-	-
9. Net investment income	-	-	-
10. Benefit payments	(842,414)	(842,414)	-
11. Administrative expense	-	(5,750)	5,750
12. Net Changes	(993,765)	121,535	(1,115,300)
13. Balances at June 30, 2018	\$ 2,599,688	\$ 411,119	\$ 2,188,569

Sensitivity of the Net Other Post-employment Benefit Liability to changes in the discount and trend rates

The following presents the net other post-employment benefit liability (NOL) of the District, calculated using the discount rate of 3.75 percent, as well as what the District's NOL would be if it was calculated using a discount rate that is 1-percentage-point lower (2.75 percent) or 1-percentage-point higher (4.75 percent) than the current rate:

	1% Decrease (2.75%)	Current Discount Rate (3.75%)	1% Increase (4.75%)
1. Total OPEB Liability	\$ 2,686,050	\$ 2,599,688	\$ 2,518,230
2. Fiduciary Net Position	411,119	411,119	411,119
3. Net OPEB Liability	<u>\$ 2,274,931</u>	<u>\$ 2,188,569</u>	<u>\$ 2,107,111</u>

The following presents the net other post-employment benefit liability (NOL) of the District, calculated using the trend rate of 7.0 percent graded down to 5 percent, as well as what the District's NOL would be if it was calculated using a trend rate that is 1-percentage-point lower (6.0 percent graded down to 4%) or 1-percentage-point higher (8.0 percent graded down to 6.0%) than the current rate:

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

Voluntary Early Retirement, continued

	1% Decrease (6.0% graded down to 4.0%)	Current Trend Rate (7.0% graded down to 5%)	1% Increase (8.0% graded down to 6%)
1. Total OPEB Liability	\$ 2,503,969	\$ 2,599,688	\$ 2,700,287
2. Fiduciary Net Position	411,119	411,119	411,119
3. Net OPEB Liability	<u>\$ 2,092,850</u>	<u>\$ 2,188,569</u>	<u>\$ 2,289,168</u>

Other Post-employment Benefits expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Other Post-employment Benefits

For the year ended June 30, 2018, the District recognized Other Post-employment Benefit expense of \$(154,432). At June 30, 2018, the District reported deferred outflows of resources related to Other Post-employment benefits from the following sources:

Gain/Loss	Deferred Outflows of Resources	Deferred Inflows of Resources
1. Differences between expected and actual experience	\$ -	\$ -
2. Changes in assumptions or other input	-	-
3. Net difference between projected and actual earnings on investments	15,896	-
4. Total	<u>\$ 15,896</u>	<u>\$ -</u>

Amounts reported as deferred outflows and deferred inflows of resources related to Other Post-employment benefits will be recognized in Other Post-employment benefit expense as follows:

Year ended June 30:	
2019	\$ 4,415
2020	4,415
2021	4,416
2022	2,650
2023	-
Thereafter	-
Total	<u>\$ 15,896</u>

Post-employment Health Insurance Subsidy

Plan Description

The District administers a single-employer defined benefit healthcare plan per the requirements of collective bargaining agreements. The plan provides postretirement healthcare benefits for eligible retirees and their dependents through the District's group health insurance plans. The plan covers both active and retired participants. As of the actuarial valuation date, there were 1,320 active participants and 63 retirees in the 243.303 which states, in part, that for the purposes of establishing healthcare premiums, the calculated rate

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

Post-employment Health Insurance Subsidy, continued

must be based on the cost of all plan members, including both active employees and retirees. Because claim costs are generally higher for retiree groups than for active employees, the premium amount does not represent the full cost of coverage for retirees. The resulting additional cost, or implicit subsidy, is required to be valued under GASB Statement 75 related to Other Post-Employment Benefits (OPEB). Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations of the OPEB plan reflect a long-term perspective.

Funding Policy

The District has not established a trust fund to finance the cost of Post-employment Health Care Benefits related to implicit rate subsidies. Premiums are paid by retirees based on the rates established for active employees. Additional costs related to an implicit subsidy are paid by the District on a pay-as-you go basis in all funds. There is no obligation on the part of the District to fund these benefits in advance.

Net Other Post-employment benefit Liability

The net other post-employment benefit liability (NOL) was measured as of July 1, 2017, and the total other post-employment benefit liability was determined by an actuarial valuation as of July 1, 2017.

Actuarial Methods and Assumptions

The District engaged an actuary to perform a valuation as of July 1, 2017 using the Entry age normal, level percent of salary Actuarial Cost Method. The asset valuation method used was market value and the amortization method used was 30 year, open level %.

The total other post-employment benefit liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Amortization growth rate		3.00%
Discount rate		3.75%
General inflation		2.50%
Annual premium increase rate	2017-18	7.00%
Decreasing .1% per year until 2037-38	2037+	5.00%
Out of pocket rate increases		5.00%

Mortality rates were based on the RP=2014, Employee/Healthy Annuitant, sex distinct, generational. Improvement scale was Unisex Social Security Data Scale (60 year average), Active employee/retiree adjustments was white collar adjustment, set back 12 months, and beneficiary adjustments was blended 50% blue collar/50% white collar, set back 12 months for males, not set back for females. Turnover rates were based on percentages developed for the valuation of benefits under Oregon PERS and vary by years of service.

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

Post-employment Health Insurance Subsidy, continued

Disability rates were based on percentages developed for the valuation of benefits under Oregon PERS and vary by employee age.

Retirement rates were based on percentages developed for the valuation of benefits under Oregon PERS and vary by age and years of service. 70% of future retirees are assumed to elect medical coverage and 70% of those retirees are assumed to cover a spouse, as well. Current and future retirees are assumed to remain enrolled in the plans in which they are currently enrolled. There was an assumption of no impact of dependent children on the implicit subsidy.

The discount rate used to measure the total pension and total other post-employment benefit liabilities was 3.75%, based on all years discounted at the municipal bond rate.

Changes in the Net Other Post-employment Benefit Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
1. Balances at June 30, 2017	\$ 9,961,602	\$ -	\$ 9,961,602
2. Service Cost	432,148	-	432,148
3. Interest	259,332	-	259,332
4. Changes of benefit terms	-	-	-
5. Differences between expected and actual exp	134,156	-	134,156
6. Changes of assumptions or other input	(3,135,748)	-	(3,135,748)
7. Contributions - Employer	-	521,102	(521,102)
8. Contributions - Employee	-	-	-
9. Net investment income	-	-	-
10. Benefit payments	(521,102)	(521,102)	-
11. Administrative expense	-	-	-
12. Net Changes	(2,831,214)	-	(2,831,214)
13. Balances at June 30, 2018	\$ 7,130,388	\$ -	\$ 7,130,388

Sensitivity of the Net Other Post-employment Benefit Liability to changes in the discount and trend rates

The following presents the net other post-employment benefit liability (NOL) of the District, calculated using the discount rate of 3.75 percent, as well as what the District's NOL would be if it was calculated using a discount rate that is 1-percentage-point lower (2.75 percent) or 1-percentage-point higher (4.75 percent) than the current rate:

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

Post-employment Health Insurance Subsidy, continued

	1% Decrease (2.75%)	Current Discount Rate (3.75%)	1% Increase (4.75%)
1. Total OPEB Liability	\$ 7,646,924	\$ 7,130,388	\$ 6,649,132
2. Fiduciary Net Position	-	-	-
3. Net OPEB Liability	\$ 7,646,924	\$ 7,130,388	\$ 6,649,132

The following presents the net other post-employment benefit liability (NOL) of the District, calculated using the trend rate of 7.0 percent graded down to 5 percent, as well as what the District's NOL would be if it was calculated using a trend rate that is 1-percentage-point lower (6.0 percent graded down to 4%) or 1-percentage-point higher (8.0 percent graded down to 6.0%) than the current rate:

	1% Decrease (6.0% graded down to 4.0%)	Current Trend Rate (7.0% graded down to 5%)	1% Increase (8.0% graded down to 6%)
1. Total OPEB Liability	\$ 6,401,074	\$ 7,130,388	\$ 7,985,180
2. Fiduciary Net Position	-	-	-
3. Net OPEB Liability	\$ 6,401,074	\$ 7,130,388	\$ 7,985,180

Other Post-employment benefits Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Other Post-employment Benefits

For the year ended June 30, 2018, the District recognized Other Post-employment Benefit expense of \$262,681. At June 30, 2018, the District reported deferred outflows of resources related to Other Post-employment benefits from the following sources:

Gain/Loss	Deferred Outflows of Resources	Deferred Inflows of Resources
1. Differences between expected and actual experience	\$ 114,991	\$ -
2. Changes in assumptions or other input	-	2,687,784
3. Net difference between projected and actual earnings on investments	-	-
4. Total	\$ 114,991	\$ 2,687,784

Amounts reported as deferred outflows and deferred inflows of resources related to Other Post-employment benefits will be recognized in Other Post-employment benefit expense as follows:

Year ended June 30:	
2019	\$ (428,799)
2020	(428,799)
2021	(428,799)
2022	(428,799)
2023	(428,799)
Thereafter	(428,798)

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

Retirement Health Insurance Account

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 entities are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the District currently contributes 0.50% of annual covered OPERF payroll and 0.43% 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 75. 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, 2016, 2017 and 2018 were \$.25 million, \$.30 million and \$.27 million, respectively, which equaled the required contributions each year.

At June 30, 2018, the District's net OPEB liability/(asset) and deferred inflows and outflows were not considered significant by management and were not accrued on the government wide statements.

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

RISK MANAGEMENT

Insurance coverage for the year ended June 30, 2018, was the same or greater than in prior years. For the years ended June 30, 2018, 2017, and 2016, no losses were incurred which were greater than the District's coverage.

Property and Liability

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 for which the District purchases and carries commercial insurance, subject to customary deductibles and total coverage limits recommended by the District's insurance agent of record.

Workers' Compensation

Workers' Compensation insurance is purchased from a commercial carrier. Premiums are determined based on payroll paid at various employment classification rates. Loss prevention services are available from the carrier and the District has no potential liability beyond the premiums paid.

Medical and Dental Self-Insurance

Beginning in October of 2013, the District implemented a self-insured health benefit program that provides medical and dental insurance coverage to all eligible employees and their dependents as well as non-Medicare eligible retirees and their dependents. The District established an internal service fund to account for the program. The District has established a self-insurance reserve to pay medical and dental claims up to the self-insurance retention limit of \$250,000 per covered individual. Claims in excess of \$250,000 are covered by a specific stop-loss policy. In addition, the District carries an aggregate stop-loss policy to cover claims in excess of 120% above expected claims.

Accrued insurance claims at June 30, 2018 are as follows:

	<u>June 30, 2018</u>
Accrued insurance claims, July 1, 2017	\$ 1,218,045
Inurred claims, including an estimate of claims incurred but not reported	18,213,854
Claim payments	<u>(17,661,416)</u>
Accrued insurance claims, June 30, 2018	<u>\$ 1,770,483</u>

TAX ABATEMENTS

As of June 30, 2018, Springfield School District provides tax abatements through the Enterprise Zone program.

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.

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

TAX ABATEMENTS, continued

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.

For the fiscal year ended June 30, 2018, the District abated property taxes totaling \$912,997 under the Oregon Enterprise Zone program.

CONSTRUCTION COMMITMENTS

The District has the following construction commitments outstanding as of June 30, 2018.

<u>Project</u>	<u>Spent to Date</u>	<u>Commitment Remaining</u>
Hamlin Middle School replacement	\$ 47,287,708	\$ 389,484
Classroom technology	2,142,256	386,361
Network equipment	2,054,110	201,069
Thurston High School concession stand	99,696	295,473
School siding projects	47,954	1,693,494
Central server upgrade	306,782	346,286
Briggs Middle School STEAM wing	40,369	22,199
	<u> </u>	<u> </u>
Total	\$ 51,978,875	\$ 3,334,366

COMMITMENTS AND CONTINGENCIES

The District is dependent on the State of Oregon for a substantial portion of its operating funds. Due to funding uncertainties at the State level, future funding for school districts may be increased or reduced. The ultimate effect of this possible change in funding on the District's future operations is not yet determinable.

The District is involved in various claims and legal matters relating to its operations which have all been tended to, and are either being adjusted by the District's liability carrier, or are being defended by attorneys retained by the District's liability carrier. The status of these matters is uncertain at this time. Any potential loss is also uncertain.

The District had no significant encumbrances outstanding at June 30, 2018.

SPRINGFIELD SCHOOL DISTRICT 19
Notes to Basic Financial Statements
June 30, 2018

COMPENSATED ABSENCES

The District accrues earned but unused vacation pay in the government-wide financial statements. The District does not allow the carryover of unused vacation leave beyond one year and limits the number of vacation days that can be carried forward.

Accrued Vacation 7-1-17	Earned	Paid or Unused	Accrued Vacation 6-30-18
<u>\$ 552,018</u>	<u>\$ 950,090</u>	<u>\$ (854,137)</u>	<u>\$ 647,971</u>

REQUIRED SUPPLEMENTARY INFORMATION

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
REQUIRED SUPPLEMENTARY INFORMATION
VER PLAN

SCHEDULE OF CHANGE IN THE DISTRICT'S NET PENSION LIABILITY AND RELATED RATIOS
STIPEND BENEFIT

	2018	2017	2016
Total Pension Liability - beginning	\$ 189,290	\$ 352,463	\$ 512,139
Service Cost	2,114	5,530	5,530
Interest	10,628	8,060	12,777
Changes of benefit terms	-	-	-
Differences between expected and actual experience	159,966	-	-
Changes of assumptions or other input	(9,676)	(3,673)	-
Benefit payments	(113,197)	(173,090)	(177,983)
Net change in total pension liability	49,835	(163,173)	(159,676)
Total Pension Liability - end of year	\$ 239,125	\$ 189,290	\$ 352,463
Fiduciary net Position - beginning	\$ 39,135	\$ 40,733	\$ 28,261
Contributions - Employer	130,301	171,492	190,455
Contributions - Employee	-	-	-
Net investmetn income	-	-	-
Benefit payments	(113,197)	(173,090)	(177,983)
Administrative expense	-	-	-
Net change in fiduciary net position	17,104	(1,598)	12,472
Fiduciary net Position - end of year	\$ 56,239	\$ 39,135	\$ 40,733
Net pension liability - end of year	\$ 182,886	\$ 150,155	\$ 311,730
Fiduciary net position as a percentage of the total pension liability	23.52%	20.67%	11.56%
Covered payroll	\$ 245,264	\$ 442,995	\$ 804,884
Net pension liability as a percentage of covered payroll	74.57%	33.90%	38.73%

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

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
REQUIRED SUPPLEMENTARY INFORMATION
VER PLAN

SCHEDULE OF CHANGE IN THE DISTRICT'S NET OPEB LIABILITY AND RELATED RATIOS
EXPLICIT MEDICAL BENEFIT

	2018	2017	2016
Total OPEB Liability - beginning	\$ 3,593,453	\$ 4,565,447	\$ 5,663,503
Service Cost	7,001	21,289	21,289
Interest	106,440	121,711	151,167
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(61,950)	-	-
Changes of assumptions or other input	(202,842)	(76,904)	-
Benefit payments	<u>(842,414)</u>	<u>(1,038,090)</u>	<u>(1,270,512)</u>
Net change in total OPEB liability	(993,765)	(971,994)	(1,098,056)
Total OPEB Liability - end of year	\$ 2,599,688	\$ 3,593,453	\$ 4,565,447
Fiduciary net Position - beginning	\$ 289,584	\$ 299,166	\$ 217,383
Contributions - Employer	969,699	1,028,508	1,359,545
Contributions - Employee	-	-	-
Net investment income	-	-	-
Benefit payments	(842,414)	(1,038,090)	(1,270,512)
Administrative expense	<u>(5,750)</u>	<u>-</u>	<u>(7,250)</u>
Net change in fiduciary net position	121,535	(9,582)	81,783
Fiduciary net Position - end of year	\$ 411,119	\$ 289,584	\$ 299,166
Net OPEB liability - end of year	\$ 2,188,569	\$ 3,303,869	\$ 4,266,281
Fiduciary net position as a percentage of the total OPEB liability	15.81%	8.06%	6.55%
Covered payroll	\$ 245,264	\$ 442,995	\$ 804,884
Net OPEB liability as a percentage of covered payroll	892.33%	745.80%	530.05%

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

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
REQUIRED SUPPLEMENTARY INFORMATION
VER PLAN

SCHEDULE OF EMPLOYER CONTRIBUTION - STIPEND BENEFIT

Fiscal year end in June 30	Actuarially Determined Contribution (ADC)	Contributions in relation to the ADC	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2016	\$ 135,872	\$ 190,455	\$ (54,583)	\$ 804,844	23.66%
2017	116,875	171,492	(54,617)	442,995	38.71%
2018	56,045	130,301	(74,256)	245,264	53.13%

SCHEDULE OF EMPLOYER CONTRIBUTION - EXPLICIT MEDICAL BENEFIT

Fiscal year end in June 30	Actuarially Determined Contribution (ADC)	Contributions in relation to the ADC	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2016	\$ 1,487,081	\$ 1,359,545	\$ 127,536	\$ 804,844	168.92%
2017	1,537,038	1,028,508	508,530	442,995	232.17%
2018	1,192,163	969,699	222,464	245,264	395.37%

Notes to Schedule

	2018	2017	2016
Valuation Date	First day of fiscal year	First Day of prior fiscal year	First day of fiscal year

Key Method and Assumptions Used to Calculate ADC

	2018	2017	2016
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal
Asset valuation method	Market value 3 year closed	Market value 3 year closed	Market value 4 year closed
Amortization method	Level \$	Level \$	Level \$
Discount rate	3.75%	3.50%	3.00%
Amortization growth rate	3.00%	3.00%	3.00%
Inflation	2.50%	2.50%	2.50%

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.

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
REQUIRED SUPPLEMENTARY INFORMATION
POSTEMPLOYMENT HEALTH INSURANCE SUBSIDY

SCHEDULE OF CHANGE IN THE DISTRICT'S NET OPEB LIABILITY AND RELATED RATIOS
IMPLICIT MEDICAL BENEFIT

	2018	2017	2016
Total OPEB Liability - beginning	\$ 9,961,602	\$ 10,222,764	\$ 10,056,188
Service Cost	432,148	565,034	565,034
Interest	259,332	304,305	299,689
Changes of benefit terms	-	-	-
Differences between expected and actual experience	134,156	-	-
Changes of assumptions or other input	(3,135,748)	(406,966)	-
Benefit payments	(521,102)	(723,535)	(698,147)
Net change in total OPEB liability	(2,831,214)	(261,162)	166,576
Total OPEB Liability - end of year	\$ 7,130,388	\$ 9,961,602	\$ 10,222,764
Fiduciary net Position - beginning	\$ -	\$ -	\$ -
Contributions - Employer	521,102	723,535	698,147
Contributions - Employee	-	-	-
Net investment income	-	-	-
Benefit payments	(521,102)	(723,535)	(698,147)
Administrative expense	-	-	-
Net change in fiduciary net position	-	-	-
Fiduciary net Position - end of year	\$ -	\$ -	\$ -
Net OPEB liability - end of year	\$ 7,130,388	\$ 9,961,602	\$ 10,222,764
Fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%
Covered payroll	\$ 57,123,624	\$ 55,505,489	\$ 52,605,953
Net OPEB liability as a percentage of covered payroll	12.48%	17.95%	19.43%

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

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
REQUIRED SUPPLEMENTARY INFORMATION
POSTEMPLOYMENT HEALTH INSURANCE SUBSIDY

SCHEDULE OF EMPLOYER CONTRIBUTION -IMPLICIT MEDICAL BENEFIT

Fiscal year end in June 30	Actuarially Determined Contribution (ADC)	Contributions in relation to the ADC	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2016	\$ 927,247	\$ 698,147	\$ 229,100	\$ 52,605,953	1.33%
2017	951,077	723,535	227,542	55,505,489	1.30%
2018	830,322	521,102	309,220	57,123,624	0.91%

Notes to Schedule

	2018	2017	2016
Valuation Date	First day of fiscal year	First Day of prior fiscal year	First day of fiscal year

Key Method and Assumptions Used to Calculate ADC

	2018	2017	2016
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal
Asset valuation method	Market value	Market value	Market value
	30 year closed	30 year closed	30 year closed
Amortization method	Level %	Level %	Level %
Discount rate	3.75%	3.50%	3.00%
Amortization growth rate	3.00%	3.00%	3.00%
Inflation	2.50%	2.50%	2.50%

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.

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
REQUIRED SUPPLEMENTARY INFORMATION
PERS PENSION LIABILITY

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 proportionate share of the net pension liability (NPL)	(c) Covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2014	0.58%	\$ 29,606,099	\$ 47,151,444	62.8%	92.0%
2015	0.58%	(13,150,432)	48,907,548	-26.9%	103.6%
2016	0.58%	33,087,858	51,227,741	64.6%	91.9%
2017	0.58%	86,349,181	53,711,362	160.8%	80.5%
2018	0.56%	75,275,649	55,505,489	135.6%	83.1%

SCHEDULE OF CONTRIBUTIONS

Fiscal Year	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
2014	\$ 6,339,257	\$ 6,339,257	\$ -	\$ 48,907,548	12.96%
2015	6,391,591	6,391,591	-	51,227,741	12.48%
2016	4,904,646	4,904,646	-	53,711,362	9.13%
2017	4,987,862	4,987,862	-	55,505,489	8.99%
2018	7,786,894	7,786,894	-	57,137,252	13.63%

The amounts presented for each fiscal year were actuarially 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.

SUPPLEMENTARY INFORMATION

**SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
NONMAJOR, PROPRIETARY, AND FIDUCIARY FUNDS**

NONMAJOR GOVERNMENTAL FUNDS

Nutrition Services Fund

Accounts for the school breakfast and lunch programs and after school at-risk program.

Co-Curricular Fund

Accounts for resources and expenditures associated with activities, athletics and other after school enrichment programs.

Student Body Fund

Accounts for the activity of the various schools' student body activity funds.

Capital Projects Fund

Accounts for the resources and expenditures for improvements to the District facilities.

PROPRIETARY FUNDS

Printing and Publishing Fund

Accounts for printing provided to other departments of the District on a cost reimbursement basis.

Insurance Fund

Accounts for the District's self-insured medical and dental benefit plan.

FIDUCIARY FUNDS

Voluntary Early Retirement Fund

Accounts for the accumulation of resources to be used for payments to employees who receive early retirement and post-employment health care benefits.

Agency Funds

Accounts for college scholarship donations for which the District's role is purely custodial in nature, accounts for transactions for Sky Camp which is owned by the Army Corps of Engineers but maintained by the District, and accounts for funds belonging to the Academy of Arts and Academics charter school for which the District performs contracted accounting services.

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

June 30, 2018

	Special Revenue Funds				
	Nutrition Services	Co- Curricular	Student Body	Capital Projects	Total
ASSETS					
Assets:					
Pooled cash and cash equivalents	\$ 68,696	\$ 68,441	\$ 346,978	\$ 212,147	\$ 696,262
Non-pooled cash and cash equivalents	88,785	-	832,151	-	920,936
Grants, reimb, and accounts receivable	654,822	-	-	100	654,922
Inventories	107,232	-	-	-	107,232
Total assets	<u>\$ 919,535</u>	<u>\$ 68,441</u>	<u>\$ 1,179,129</u>	<u>\$ 212,247</u>	<u>\$ 2,379,352</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 38,005	\$ -	\$ -	\$ 24,097	\$ 62,102
Retainage payable	-	-	-	95,742	95,742
Accrued payroll and benefits	19,182	65,672	-	-	84,854
Total liabilities	57,187	65,672	-	119,839	242,698
Fund Balances:					
Nonspendable	107,232	-	-	-	107,232
Restricted	755,116	-	1,179,129	-	1,934,245
Committed	-	2,769	-	92,408	95,177
Total fund balances	862,348	2,769	1,179,129	92,408	2,136,654
Total liabilities and fund balances	<u>\$ 919,535</u>	<u>\$ 68,441</u>	<u>\$ 1,179,129</u>	<u>\$ 212,247</u>	<u>\$ 2,379,352</u>

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2018

	Special Revenue Funds				
	Nutrition Services	Co- Curricular	Student Body	Capital Projects	Total
Revenues:					
Local sources	362,435	183,904	2,057,990	180,497	\$ 2,784,826
State sources	59,513	-	-	505,798	565,311
Federal sources	3,770,104	-	-	-	3,770,104
Investment earnings	-	-	6,462	19,194	25,656
Miscellaneous	7,992	-	84,106	26,117	118,215
Total revenues	<u>4,200,044</u>	<u>183,904</u>	<u>2,148,558</u>	<u>731,606</u>	<u>7,264,112</u>
Expenditures:					
Current expenditures:					
Instruction	-	1,403,292	2,090,231	-	3,493,523
Support services	-	-	-	46,363	46,363
Community services	3,905,265	-	-	-	3,905,265
Facilities and acquisition	-	-	-	167,609	167,609
Capital outlay	111,154	-	-	2,924,714	3,035,868
Total expenditures	<u>4,016,419</u>	<u>1,403,292</u>	<u>2,090,231</u>	<u>3,138,686</u>	<u>10,648,628</u>
Excess (deficiency) of revenues over (under) expenditures	183,625	(1,219,388)	58,327	(2,407,080)	(3,384,516)
Other Financing Sources (Uses):					
Transfers in	-	1,167,000	-	-	1,167,000
Total Other Financing Sources	-	1,167,000	-	-	1,167,000
Net Change In Fund Balance	183,625	(52,388)	58,327	(2,407,080)	(2,217,516)
Fund Balance, July 1, 2017	<u>678,723</u>	<u>55,157</u>	<u>1,120,802</u>	<u>2,499,488</u>	<u>4,354,170</u>
Fund Balance, June 30, 2018	<u>\$ 862,348</u>	<u>\$ 2,769</u>	<u>\$ 1,179,129</u>	<u>\$ 92,408</u>	<u>\$ 2,136,654</u>

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
COMBINING STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2018

	<u>Printing & Publishing Services</u>	<u>Insurance Fund</u>	<u>Total Internal Service Funds</u>
ASSETS			
Current assets:			
Pooled cash and cash equivalents	\$ 184,627	\$ 2,518,179	\$ 2,702,806
Investments	-	1,500,441	1,500,441
Grants, reimbursements, and accounts receivable	28,983	-	28,983
Accrued interest	-	6,078	6,078
	<hr/>	<hr/>	<hr/>
Total current assets	213,610	4,024,698	4,238,308
Capital assets, net	<hr/>	<hr/>	<hr/>
	96,222	4,917	101,139
	<hr/>	<hr/>	<hr/>
Total Assets	<hr/>	<hr/>	<hr/>
	309,832	4,029,615	4,339,447
LIABILITIES			
Current liabilities:			
Accounts payable	30,785	43,122	73,907
Interest payable	345	-	345
Accrued payroll and benefits	5,512	-	5,512
Accrued insurance claims	-	1,770,483	1,770,483
Current portion of lease payable	5,802	-	5,802
Lease payable			
Due in more than one year	<hr/>	<hr/>	<hr/>
	130,000	-	130,000
	<hr/>	<hr/>	<hr/>
Total Liabilities	<hr/>	<hr/>	<hr/>
	172,444	1,813,605	1,986,049
NET POSITION			
Net investment in capital assets	(39,580)	4,917	(34,663)
Unrestricted	<hr/>	<hr/>	<hr/>
	176,968	2,211,093	2,388,061
	<hr/>	<hr/>	<hr/>
Total Net Position	<hr/>	<hr/>	<hr/>
	\$ 137,388	\$ 2,216,010	\$ 2,353,398

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION
PROPRIETARY FUNDS
For the year ended June 30, 2018

	<u>Printing & Publishing Services</u>	<u>Insurance Fund</u>	<u>Total Internal Service Funds</u>
Operating revenues:			
Services provided to other funds	\$ 707,179	\$ -	\$ 707,179
Assessments from other funds	-	\$ 17,200,682	17,200,682
Revenues from other agencies	150,076	-	150,076
Miscellaneous revenue	945	3,000	3,945
	<u>858,200</u>	<u>17,203,682</u>	<u>18,061,882</u>
Total operating revenues			
	<u>858,200</u>	<u>17,203,682</u>	<u>18,061,882</u>
Operating expenses:			
Salaries	272,860	50,731	323,591
Employee benefits	147,714	19,946,870	20,094,584
Purchased services	206,617	119,727	326,344
Supplies and materials	164,681	3,341	168,022
Other expenses	225	65,224	65,449
Depreciation	24,623	83	24,706
	<u>816,720</u>	<u>20,185,976</u>	<u>21,002,696</u>
Total operating expenses			
	<u>816,720</u>	<u>20,185,976</u>	<u>21,002,696</u>
Operating income (loss)	41,480	(2,982,294)	(2,940,814)
Non-operating revenues (expenses):			
Earnings on investments	14	64,032	64,046
Loss on sale of capital assets	(2,237)	-	(2,237)
Interest on capital lease	(668)	-	(668)
	<u>(2,891)</u>	<u>64,032</u>	<u>61,141</u>
Total non-operating revenues (expenses)			
	<u>(2,891)</u>	<u>64,032</u>	<u>61,141</u>
Change in net position	38,589	(2,918,262)	(2,879,673)
Net Position, July 1, 2017	<u>98,799</u>	<u>5,134,272</u>	<u>5,233,071</u>
Net Position, June 30, 2018	<u>\$ 137,388</u>	<u>\$ 2,216,010</u>	<u>\$ 2,353,398</u>

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the year ended June 30, 2018

	<u>Printing & Publishing Services</u>	<u>Insurance Fund</u>	<u>Total Internal Service Funds</u>
Cash flows from operating activities:			
Received for services	\$ 842,005	\$ 17,203,682	\$ 18,045,687
Paid to suppliers	(350,738)	(19,505,811)	(19,856,549)
Paid to employees	(415,062)	(84,522)	(499,584)
Net cash provided (used) by operating activities	76,205	(2,386,651)	(2,310,446)
Cash flow from capital activities and related financing activities:			
Purchase of equipment	(35,630)	(5,000)	(40,630)
Capital lease	130,000	-	130,000
Payments on capital lease	(23,340)	-	(23,340)
Net cash provided (used) by capital and financing activities	71,030	(5,000)	66,030
Cash flow from investing activities:			
Interest received	14	64,201	64,215
Net cash provided (used) by investing activities	14	64,201	64,215
Net change in cash and cash equivalents	147,249	(2,327,450)	(2,180,201)
Cash and cash equivalents, July 1, 2017	37,378	4,845,629	4,883,007
Cash and cash equivalents, June 30, 2018	<u>\$ 184,627</u>	<u>\$ 2,518,179</u>	<u>\$ 2,702,806</u>
Reconciliation of operating income to net cash provided (used) by operating activities			
Operating income (loss)	\$ 41,480	\$ (2,982,294)	\$ (2,940,814)
Adjustments to reconcile operating income to net cash provided (used) by operating activities			
Depreciation	24,623	83	24,706
Changes in assets and liabilities:			
Receivables	(16,195)	-	(16,195)
Accounts payable	20,785	43,122	63,907
Accrued insurance claims	-	552,438	552,438
Accrued salaries and benefits	5,512	-	5,512
Net cash provided (used) by operating activities	<u>\$ 76,205</u>	<u>\$ (2,386,651)</u>	<u>\$ (2,310,446)</u>
Non-cash investing and financing activities:			
Change in investment value	<u>-</u>	<u>(168)</u>	<u>(168)</u>

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
For the Year Ended June 30, 2018

	Budget Adopted	Budget Final	Actual	Variance with Final Budget
Revenues:				
From local sources:				
Taxes-current year's levy	\$ 24,192,552	\$ 24,192,552	\$ 24,748,539	\$ 555,987
Taxes-prior years' levies	450,000	450,000	359,318	(90,682)
Tuition	26,000	26,000	4,750	(21,250)
Transportation fees	15,000	15,000	13,064	(1,936)
Investment earnings	275,000	275,000	625,124	350,124
Rentals	75,100	75,100	39,714	(35,386)
Donations	2,000	2,000	6,314	4,314
Services provided charter school	270,000	270,000	107,275	(162,725)
Miscellaneous	200,000	200,000	216,952	16,952
Total local sources	<u>25,505,652</u>	<u>25,505,652</u>	<u>26,121,050</u>	<u>615,398</u>
From intermediate sources:				
County school fund	190,000	190,000	164,841	(25,159)
ESD apportionment	<u>1,720,000</u>	<u>1,720,000</u>	<u>1,382,777</u>	<u>(337,223)</u>
Total intermediate sources	<u>1,910,000</u>	<u>1,910,000</u>	<u>1,547,618</u>	<u>(362,382)</u>
From state sources:				
State school fund	78,581,845	78,581,845	78,015,470	(566,375)
Common school fund	<u>1,325,751</u>	<u>1,325,751</u>	<u>1,338,151</u>	<u>12,400</u>
Total state sources	<u>79,907,596</u>	<u>79,907,596</u>	<u>79,353,621</u>	<u>(553,975)</u>
From federal sources:				
Federal forest fees	-	-	473,101	473,101
Other federal funds	<u>7,500</u>	<u>7,500</u>	<u>4,388</u>	<u>(3,112)</u>
Total federal sources	<u>7,500</u>	<u>7,500</u>	<u>477,489</u>	<u>469,989</u>
From other sources:				
Sale of capital assets	<u>1,000</u>	<u>1,000</u>	<u>3,540</u>	<u>2,540</u>
Total other sources	<u>1,000</u>	<u>1,000</u>	<u>3,540</u>	<u>2,540</u>
Total revenues	<u>\$ 107,331,748</u>	<u>\$ 107,331,748</u>	<u>\$ 107,503,318</u>	<u>\$ 171,570</u>

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
For the Year Ended June 30, 2018

Expenditures:	Budget Adopted	Budget Final	Actual	Variance with Final Budget
Instruction:				
Regular programs:				
Elementary school	\$ 23,201,502	\$ 23,201,502	\$ 22,129,048	\$ 1,072,454
Elementary co-curricular	32,613	32,613	39,259	(6,646)
Middle school	9,993,651	9,993,651	9,224,651	769,000
Middle school co-curricular	29,462	29,462	26,388	3,074
High school	11,001,519	11,001,519	10,655,602	345,917
High school co-curricular	-	-	75,501	(75,501)
Special programs:				
Pre-kindergarten programs	262,331	262,331	245,867	16,464
Talented and gifted	39,452	39,452	41,768	(2,316)
Students with disabilities	8,503,529	8,503,529	8,267,259	236,270
Less restrictive programs	5,044,624	5,044,624	5,101,648	(57,024)
Early intervention	101,526	101,526	103,991	(2,465)
Remediation	49,207	49,207	32,338	16,869
Alternative education	564,642	564,642	522,336	42,306
Payments to charter school	5,120,000	5,120,000	5,296,911	(176,911)
English as a second language	2,299,617	2,299,617	2,201,282	98,335
Teen parent program	90,631	90,631	81,561	9,070
Total instruction	66,334,306	66,334,306	64,045,410	2,288,896
Supporting services:				
Pupils:				
Attendance and social work	990,964	990,964	815,946	175,018
Guidance	1,371,647	1,371,647	1,413,486	(41,839)
Health	1,054,826	1,054,826	914,333	140,493
Psychological	1,184,042	1,184,042	1,092,943	91,099
Speech pathology/audiology	1,441,674	1,441,674	1,454,657	(12,983)
Other student treatment	28,243	28,243	140,235	(111,992)
Special programs	628,256	628,256	754,581	(126,325)
Instructional staff:				
Improvement of instruction	3,484,178	3,484,178	2,668,215	815,963
Educational media	680,575	680,575	703,259	(22,684)
Assessment	97,655	97,655	82,946	14,709
Staff development	681,209	681,209	333,285	347,924
General administration:				
Board of education	175,800	175,800	129,621	46,179
Executive administration	400,229	400,229	394,883	5,346
School administration:				
Office of the principal	7,766,661	7,766,661	7,497,108	269,553
Business:				
Financial services	1,573,938	1,573,938	1,549,306	24,632
Operation and maintenance	9,629,634	9,229,634	9,487,511	(257,877)
Pupil transportation	4,573,865	4,573,865	4,841,447	(267,582)
Internal services	477,309	477,309	347,433	129,876

<u>Salaries</u>	<u>Employee Benefits</u>	<u>Purchased Services</u>	<u>Supplies Materials</u>	<u>Capital Outlay</u>	<u>Other Objects</u>
\$ 13,401,307	\$ 8,265,054	\$ 125,039	\$ 336,868	\$ -	\$ 780
32,215	7,044	-	-	-	-
5,599,065	3,416,927	62,824	145,290	-	545
19,941	6,447	-	-	-	-
6,492,518	3,839,476	111,209	210,509	-	1,890
-	-	55,868	19,633	-	-
117,349	122,692	259	5,050	-	517
29,657	10,702	28	1,381	-	-
4,164,388	2,729,915	1,308,107	64,849	-	-
3,168,188	1,927,127	1,201	4,537	-	595
-	-	103,991	-	-	-
23,846	8,492	-	-	-	-
175,307	113,805	104,721	128,503	-	-
-	-	5,296,911	-	-	-
1,361,215	828,380	3,749	7,938	-	-
51,077	29,796	-	688	-	-
<u>34,636,073</u>	<u>21,305,857</u>	<u>7,173,907</u>	<u>925,246</u>	<u>-</u>	<u>4,327</u>
395,224	226,339	194,359	24	-	-
876,737	505,011	5,259	26,479	-	-
559,899	329,232	18,143	6,834	-	225
689,557	385,373	8,972	9,041	-	-
923,908	517,059	12,594	1,096	-	-
22,821	14,997	102,417	-	-	-
440,813	242,479	60,708	7,891	1,500	1,190
1,705,989	880,040	33,335	36,518	5,000	7,333
387,702	253,663	1,518	60,376	-	-
21,478	14,066	47,108	96	-	198
163,274	80,498	88,701	557	-	255
-	-	91,002	2,056	-	36,563
255,680	102,670	26,006	4,018	1,500	5,009
4,656,069	2,630,237	91,071	99,096	-	20,635
686,372	368,715	36,765	230,351	2,800	224,303
3,479,417	2,330,466	2,389,126	876,826	45,995	365,681
2,207,189	1,604,198	465,767	451,763	14,560	97,970
100,153	49,699	192,887	3,994	-	700

Continued on page 84

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL, Continued
For the Year Ended June 30, 2018

	<u>Budget</u>	<u>Budget Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Supporting services, continued:				
Central:				
Planning, research, evaluation	\$ 4,139	\$ 4,139	\$ 1,790	\$ 2,349
Information services	308,998	308,998	305,012	3,986
Staff services	738,446	738,446	757,334	(18,888)
Technology	2,439,752	2,389,752	2,529,320	(139,568)
Records management	77,076	77,076	74,569	
Interpreting and Translation	7,332	7,332	12,402	(5,070)
Total supporting services	39,816,448	39,366,448	38,301,622	1,064,826
Facilities acquisition and construction	586,768	1,036,768	1,201,324	(164,556)
Debt service	12,290	12,290	12,288	2
Transfers to other funds	3,089,144	3,089,144	3,089,144	-
General operating contingency	918,056	918,056	-	918,056
Unappropriated ending fund balance	5,574,736	5,574,736	-	5,574,736
Total expenditures	<u>\$ 116,331,748</u>	<u>\$ 116,331,748</u>	<u>\$ 106,649,788</u>	<u>\$ 9,681,960</u>

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Actual Expenditures Classified by Object					
Salaries	Employee Benefits	Purchased Services	Supplies Materials	Capital Outlay	Other Objects
\$ -	\$ -	\$ 1,790	\$ -	\$ -	\$ -
149,362	87,507	21,196	46,442	-	505
420,658	185,136	91,051	58,989	1,500	-
864,024	445,239	506,032	672,107	41,878	40
44,866	28,964	226	142	-	371
3,873	1,322	7,207	-	-	-
19,055,065	11,282,910	4,493,240	2,594,696	114,733	760,978
3,735	1,430	177,857	289,825	728,062	415
-	-	-	-	-	12,288
-	-	-	-	-	3,089,144
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 53,694,873</u>	<u>\$ 32,590,197</u>	<u>\$ 11,845,004</u>	<u>\$ 3,809,767</u>	<u>\$ 842,795</u>	<u>\$ 3,867,152</u>

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
GRANTS AND CONTRACTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2018

	<u>Budget Adopted</u>	<u>Budget Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
From local sources:				
Investment earnings	\$ 8,800	\$ 8,800	\$ 23,342	\$ 14,542
Donations	134,905	134,905	73,878	(61,027)
Miscellaneous	632,438	632,438	852,276	219,838
Other local sources	600,714	600,714	696,413	95,699
Total local sources	<u>1,376,857</u>	<u>1,376,857</u>	<u>1,645,909</u>	<u>269,052</u>
From state sources:				
SSF Transportation	360,859	360,859	370,738	9,879
Other	4,854,561	4,854,561	2,552,624	(2,301,937)
Total state sources	<u>5,215,420</u>	<u>5,215,420</u>	<u>2,923,362</u>	<u>(2,292,058)</u>
From federal sources:				
Title IA of IASA	3,215,000	3,215,000	3,262,398	47,398
Special Education	1,901,540	1,901,540	1,930,080	28,540
Title IIA-Quality Teachers	500,000	500,000	557,003	57,003
Arts in Education	620,000	620,000	630,570	10,570
21st Century Learning	525,000	525,000	400,104	(124,896)
Other	913,935	913,935	663,128	(250,807)
Total federal sources	<u>7,675,475</u>	<u>7,675,475</u>	<u>7,443,283</u>	<u>(232,192)</u>
Total revenues	<u>14,267,752</u>	<u>14,267,752</u>	<u>12,012,554</u>	<u>(2,255,198)</u>
Expenditures:				
Instruction:				
Salaries	4,465,428	4,440,428	3,696,585	743,843
Employee benefits	3,000,866	3,000,866	2,214,279	786,587
Purchased services	1,858,583	1,858,583	1,103,008	755,575
Supplies and materials	1,465,515	1,465,515	1,100,996	364,519
Capital outlay	-	-	45,596	(45,596)
Other	5,695	5,695	2,437	3,258
Total instruction	<u>10,796,087</u>	<u>10,771,087</u>	<u>8,162,901</u>	<u>2,608,186</u>

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SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
GRANTS AND CONTRACTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL, Continued
For the Year Ended June 30, 2018

	<u>Budget Adopted</u>	<u>Budget Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Supporting services:				
Salaries	\$ 1,540,927	\$ 1,540,927	\$ 1,217,681	\$ 323,246
Employee benefits	572,783	572,783	643,383	(70,600)
Purchased services	720,104	720,104	567,093	153,011
Supplies and materials	219,347	219,347	112,117	107,230
Capital outlay	906,833	906,833	983,744	(76,911)
Other	663,406	663,406	430,049	233,357
Total supporting services	<u>4,623,400</u>	<u>4,623,400</u>	<u>3,954,067</u>	<u>669,333</u>
Community services:				
Salaries	183,067	208,067	201,812	6,255
Employee benefits	142,654	142,654	130,646	12,008
Purchased services	2,640	2,640	26,422	(23,782)
Supplies and materials	52,456	52,456	60,642	(8,186)
Other	-	-	212	(212)
Total community services	<u>380,817</u>	<u>405,817</u>	<u>419,734</u>	<u>(13,917)</u>
Debt services:				
Principal	468,000	468,000	461,634	6,366
Interest	61,000	61,000	60,472	528
Total debt services	<u>529,000</u>	<u>529,000</u>	<u>522,106</u>	<u>6,894</u>
Transits	<u>555,177</u>	<u>555,177</u>	<u>650,132</u>	<u>(94,955)</u>
Total expenditures	<u>16,884,481</u>	<u>16,884,481</u>	<u>13,708,940</u>	<u>3,175,541</u>
Net change in fund balance	(2,616,729)	(2,616,729)	(1,696,386)	920,343
Transfers from other funds	1,500,000	1,500,000	1,500,000	-
Sale of capital assets	-	-	7,026	7,026
Lease purchase receipts	897,000	897,000	1,763,078	866,078
Beginning fund balance	<u>2,202,064</u>	<u>2,202,064</u>	<u>3,034,972</u>	<u>832,908</u>
Ending fund balance	<u>\$ 1,982,335</u>	<u>\$ 1,982,335</u>	<u>\$ 4,608,690</u>	<u>\$ 2,626,355</u>

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SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2018

	<u>Budget Adopted</u>	<u>Budget Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
From local sources:				
Taxes - current year's levy	\$ 6,700,000	\$ 6,700,000	\$ 6,765,002	\$ 65,002
Taxes - prior years' levies	90,000	90,000	93,429	3,429
Investment earnings	31,000	31,000	104,271	73,271
Assessments from other funds	4,770,000	4,770,000	4,895,847	125,847
Miscellaneous	-	-	644	644
Total revenues	<u>11,591,000</u>	<u>11,591,000</u>	<u>11,859,193</u>	<u>268,193</u>
Expenditures:				
Supporting services:				
Purchased services	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total supporting services	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Debt service:				
Principal - QZAB	78,858	78,858	78,857	1
Principal - PERS issue	2,730,000	2,730,000	2,730,000	-
Principal - 2015 issue	1,215,000	1,215,000	1,215,000	-
Principal - 2015 refunding bonds	3,560,079	3,560,079	3,560,079	-
Principal - Full Faith Credit	223,000	223,000	223,000	-
Interest - PERS issue	2,318,537	2,318,537	2,318,537	-
Interest - 2015 issue	1,490,450	1,490,450	1,490,450	-
Interest - 2015 refunding bonds	471,621	471,621	471,621	-
Interest - Full Faith Credit	<u>120,286</u>	<u>120,286</u>	<u>120,286</u>	<u>-</u>
Total debt service	<u>12,207,831</u>	<u>12,207,831</u>	<u>12,207,830</u>	<u>1</u>
Total Expenditures	<u>12,212,831</u>	<u>12,212,831</u>	<u>12,207,830</u>	<u>5,001</u>
Net change in fund balance	<u>(621,831)</u>	<u>(621,831)</u>	<u>(348,637)</u>	<u>273,194</u>
Other Financing Sources (Uses)				
Transfers from other funds	422,144	422,144	422,144	-
Beginning Fund Balance	<u>980,000</u>	<u>980,000</u>	<u>1,081,830</u>	<u>101,830</u>
Ending Fund Balance	<u><u>\$ 780,313</u></u>	<u><u>\$ 780,313</u></u>	<u><u>\$ 1,155,337</u></u>	<u><u>\$ 375,024</u></u>

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
NUTRITION SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2018

	<u>Budget Adopted</u>	<u>Budget Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
From local sources:				
Meal sales	\$ 515,000	\$ 515,000	\$ 362,435	\$ (152,565)
Miscellaneous	<u>5,000</u>	<u>5,000</u>	<u>7,992</u>	<u>2,992</u>
Total local sources	520,000	520,000	370,427	(149,573)
From state sources	70,000	70,000	59,513	(10,487)
From federal sources	<u>3,903,697</u>	<u>3,903,697</u>	<u>3,770,104</u>	<u>(133,593)</u>
Total revenues	<u>4,493,697</u>	<u>4,493,697</u>	<u>4,200,044</u>	<u>(293,653)</u>
Expenditures:				
Community Services:				
Salaries	1,252,635	1,252,635	1,217,224	35,411
Employee benefits	1,074,137	1,074,137	861,996	212,141
Purchased services	143,500	143,500	109,908	33,592
Supplies and materials	1,804,697	1,804,697	1,714,904	89,793
Capital outlay	240,000	240,000	111,154	128,846
Other objects	<u>1,500</u>	<u>1,500</u>	<u>1,233</u>	<u>267</u>
Total expenditures	<u>4,516,469</u>	<u>4,516,469</u>	<u>4,016,419</u>	<u>500,050</u>
Net change in fund balance	(22,772)	(22,772)	183,625	206,397
Beginning fund balance	<u>449,460</u>	<u>449,460</u>	<u>678,723</u>	<u>229,263</u>
Ending fund balance	<u>\$ 426,688</u>	<u>\$ 426,688</u>	<u>\$ 862,348</u>	<u>\$ 435,660</u>

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
CO-CURRICULAR FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2018

	<u>Budget Adopted</u>	<u>Budget Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
From local sources:				
Student activities	\$ 170,000	\$ 170,000	\$ 183,904	\$ 13,904
Total local sources	<u>170,000</u>	<u>170,000</u>	<u>183,904</u>	<u>13,904</u>
Expenditures:				
Instruction:				
Salaries	786,502	786,502	845,810	(59,308)
Employee benefits	326,332	326,332	298,496	27,836
Purchased services	233,352	233,352	214,999	18,353
Supplies and materials	47,500	47,500	30,931	16,569
Other	<u>10,000</u>	<u>10,000</u>	<u>13,056</u>	<u>(3,056)</u>
Total expenditures	<u>1,403,686</u>	<u>1,403,686</u>	<u>1,403,292</u>	<u>394</u>
Net change in fund balance	(1,233,686)	(1,233,686)	(1,219,388)	14,298
Transfer from other funds	1,167,000	1,167,000	1,167,000	-
Beginning fund balance	<u>83,100</u>	<u>83,100</u>	<u>55,157</u>	<u>(27,943)</u>
Ending fund balance	<u><u>\$ 16,414</u></u>	<u><u>\$ 16,414</u></u>	<u><u>\$ 2,769</u></u>	<u><u>\$ (13,645)</u></u>

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
STUDENT BODY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2018

	<u>Budget Adopted</u>	<u>Budget Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
From local sources:				
Investment earnings	\$ 3,000	\$ 3,000	\$ 6,462	\$ 3,462
Student activities	2,000,000	2,000,000	2,015,343	15,343
Donations	-	-	37,310	37,310
Miscellaneous revenue	100,000	100,000	84,106	(15,894)
Other local sources	<u>7,000</u>	<u>7,000</u>	<u>5,337</u>	<u>(1,663)</u>
Total local sources	<u>2,110,000</u>	<u>2,110,000</u>	<u>2,148,558</u>	<u>38,558</u>
Expenditures:				
Instruction:				
Purchased services	480,000	480,000	424,259	55,741
Supplies and materials	1,250,000	1,250,000	1,153,924	96,076
Other	<u>450,000</u>	<u>450,000</u>	<u>512,048</u>	<u>(62,048)</u>
Total instruction	<u>2,180,000</u>	<u>2,180,000</u>	<u>2,090,231</u>	<u>89,769</u>
Net change in fund balance	(70,000)	(70,000)	58,327	128,327
Beginning fund balance	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,120,802</u>	<u>120,802</u>
Ending fund balance	<u>\$ 930,000</u>	<u>\$ 930,000</u>	<u>\$ 1,179,129</u>	<u>\$ 249,129</u>

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2018

	<u>Budget Adopted</u>	<u>Budget Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
From local sources				
Investment earnings	\$ 7,500	\$ 7,500	\$ 19,194	\$ 11,694
Rents	260,000	260,000	174,439	(85,561)
Miscellaneous	-	-	26,117	26,117
Other Local Sources	10,000	10,000	6,058	(3,942)
Total local sources	<u>277,500</u>	<u>277,500</u>	<u>225,808</u>	<u>(51,692)</u>
From state sources	<u>130,000</u>	<u>130,000</u>	<u>505,798</u>	<u>375,798</u>
From federal sources	<u>35,000</u>	<u>35,000</u>	<u>-</u>	<u>(35,000)</u>
Total revenues	<u>442,500</u>	<u>442,500</u>	<u>731,606</u>	<u>289,106</u>
Expenditures:				
Supporting services:				
Purchased services	71,000	71,000	601	70,399
Supplies and materials	55,000	55,000	45,762	9,238
Total supporting services	<u>126,000</u>	<u>126,000</u>	<u>46,363</u>	<u>79,637</u>
Acquisition/construction:				
Purchased services	212,500	212,500	167,609	44,891
Supplies and materials	350,000	350,000	-	350,000
Capital outlay	2,075,000	2,075,000	2,924,714	(849,714)
Other	10,000	10,000	-	10,000
Total acquisition/construction	<u>2,647,500</u>	<u>2,647,500</u>	<u>3,092,323</u>	<u>(444,823)</u>
Total expenditures	<u>2,773,500</u>	<u>2,773,500</u>	<u>3,138,686</u>	<u>(365,186)</u>
Net change in fund balance	(2,331,000)	(2,331,000)	(2,407,080)	(76,080)
Sale of capital assets	327,500	327,500	-	(327,500)
Operating contingency	400,000	400,000	-	(400,000)
Beginning fund balance	<u>2,403,500</u>	<u>2,403,500</u>	<u>2,499,488</u>	<u>95,988</u>
Ending fund balance	<u>\$ 800,000</u>	<u>\$ 800,000</u>	<u>\$ 92,408</u>	<u>\$ (707,592)</u>

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
BOND FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2018

	<u>Budget Adopted</u>	<u>Budget Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
From local sources:				
Investment earnings	\$ 220,000	\$ 220,000	\$ 153,339	\$ (66,661)
Miscellaneous revenue	214,600	214,600	316,289	101,689
Other local sources	<u>-</u>	<u>-</u>	<u>250,162</u>	<u>250,162</u>
Total local sources	<u>434,600</u>	<u>434,600</u>	<u>719,790</u>	<u>285,190</u>
Expenditures:				
Instruction:				
Purchased services	155,000	155,000	22,441	132,559
Supplies and materials	1,611,491	1,611,491	921,091	690,400
Capital outlay	<u>-</u>	<u>-</u>	<u>46,724</u>	<u>(46,724)</u>
Total instruction services	<u>1,766,491</u>	<u>1,766,491</u>	<u>990,256</u>	<u>776,235</u>
Supporting services:				
Salaries	282,769	282,769	272,646	10,123
Employee benefits	132,205	132,205	81,935	50,270
Purchased services	85,000	85,000	202,711	(117,711)
Supplies and materials	140,000	140,000	1,100,957	(960,957)
Capital outlay	352,000	352,000	926,212	(574,212)
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total supporting services	<u>991,974</u>	<u>991,974</u>	<u>2,584,461</u>	<u>(1,592,487)</u>
Acquisition & Construction Services:				
Purchased services	1,008,307	1,008,307	455,430	552,877
Supplies and materials	1,143,757	1,143,757	9,786	1,133,971
Capital outlay	19,976,390	19,976,390	21,102,454	(1,126,064)
Other	<u>40,000</u>	<u>40,000</u>	<u>9,772</u>	<u>30,228</u>
Total acquisition services	<u>22,168,454</u>	<u>22,168,454</u>	<u>21,577,442</u>	<u>591,012</u>
Total expenditures	<u>24,926,919</u>	<u>24,926,919</u>	<u>25,152,159</u>	<u>(225,240)</u>
Net change in fund balance	(24,492,319)	(24,492,319)	(24,432,369)	59,950
Beginning fund balance	<u>29,357,681</u>	<u>29,357,681</u>	<u>30,987,081</u>	<u>1,629,400</u>
Ending fund balance	<u>\$ 4,865,362</u>	<u>\$ 4,865,362</u>	<u>\$ 6,554,712</u>	<u>\$ 1,689,350</u>

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
PRINTING & PUBLISHING SERVICES FUND
SCHEDULES OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP) AND ACTUAL
For the Year Ended June 30, 2018

	<u>Budget Adopted</u>	<u>Budget Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Printing charges assessed to other funds	\$ 665,893	\$ 665,893	\$ 707,179	\$ 41,286
Investment earnings	500	500	14	(486)
Revenues from other agencies	160,745	160,745	150,076	(10,669)
Other local revenue	-	-	945	945
Total revenues	<u>827,138</u>	<u>827,138</u>	<u>858,214</u>	<u>31,076</u>
Expenditures:				
Supporting services:				
Salaries	277,628	277,628	272,860	4,768
Employee benefits	159,551	159,551	147,714	11,837
Purchased services	221,880	221,880	206,617	15,263
Supplies and materials	187,400	187,400	164,681	22,719
Capital outlay	20,000	20,000	35,630	(15,630)
Other	220	220	225	(5)
Total supporting services	<u>866,679</u>	<u>866,679</u>	<u>827,727</u>	<u>38,952</u>
Debt services:				
Principal - copier lease	22,881	22,881	22,881	-
Interest - copier lease	459	459	459	-
Total debt services	<u>23,340</u>	<u>23,340</u>	<u>23,340</u>	<u>-</u>
Total expenditures	<u>890,019</u>	<u>890,019</u>	<u>851,067</u>	<u>38,952</u>
Net change in fund balance	(62,881)	(62,881)	7,147	70,028
Lease proceeds	-	-	130,000	130,000
Beginning fund balance	<u>62,881</u>	<u>62,881</u>	<u>40,166</u>	<u>(22,715)</u>
Ending fund balance	\$ -	\$ -	\$ 177,313	\$ 177,313

Reconciliation to GAAP basis

Ending fund balance, June 30, 2018	\$ 177,313
Accrued interest payable	(345)
Capital assets, net of accumulated depreciation	96,222
Capital lease	<u>(135,802)</u>
Net Position June 30, 2018	<u>\$ 137,388</u>

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
INSURANCE FUND
SCHEDULES OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP) AND ACTUAL
For the Year Ended June 30, 2018

	<u>Budget Adopted</u>	<u>Budget Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Assessments from other funds	\$ 18,020,000	\$ 18,020,000	\$ 17,200,682	\$ (819,318)
Investment earnings	30,000	30,000	64,032	34,032
Miscellaneous revenue	-	-	3,000	3,000
Total revenues	<u>18,050,000</u>	<u>18,050,000</u>	<u>17,267,714</u>	<u>(782,286)</u>
Expenditures:				
Supporting services:				
Salaries	50,731	50,731	50,731	-
Employee benefits	18,031,980	18,031,980	19,946,870	(1,914,890)
Purchased services	20,000	20,000	119,727	(99,727)
Supplies and materials	5,000	5,000	3,341	1,659
Capital outlay	-	-	5,000	(5,000)
Other	60,000	60,000	65,224	(5,224)
Total supporting services	<u>18,167,711</u>	<u>18,167,711</u>	<u>20,190,893</u>	<u>(2,023,182)</u>
Net change in fund balance	(117,711)	(117,711)	(2,923,179)	(2,805,468)
Beginning fund balance	<u>3,640,000</u>	<u>3,640,000</u>	<u>5,134,272</u>	<u>1,494,272</u>
Ending fund balance	<u>\$ 3,522,289</u>	<u>\$ 3,522,289</u>	<u>\$ 2,211,093</u>	<u>\$ (1,311,196)</u>

Reconciliation to GAAP basis

Ending fund balance, June 30, 2018	\$ 2,211,093
Capital assets, net of accumulated depreciation	<u>4,917</u>
Net Position June 30, 2018	<u>\$ 2,216,010</u>

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
VOLUNTARY EARLY RETIREMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2018

	Budget Adopted	Budget Final	Actual	Variance with Final Budget
Revenues:				
Assessments from other funds	\$ 825,000	\$ 825,000	\$ 1,100,000	275,000
Total revenues	<u>825,000</u>	<u>825,000</u>	<u>1,100,000</u>	<u>275,000</u>
Expenditures:				
Supporting services:				
Pension benefits	125,000	125,000	113,197	11,803
Post employment benefits	960,000	960,000	842,414	117,586
Administrative costs	<u>10,000</u>	<u>10,000</u>	<u>5,750</u>	<u>4,250</u>
Total expenditures	<u>1,095,000</u>	<u>1,095,000</u>	<u>961,361</u>	<u>133,639</u>
Net change in fund balance	(270,000)	(270,000)	138,639	408,639
Beginning fund balance	<u>325,000</u>	<u>325,000</u>	<u>328,719</u>	<u>3,719</u>
Ending fund balance	<u>\$ 55,000</u>	<u>\$ 55,000</u>	<u>\$ 467,358</u>	<u>\$ 412,358</u>

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
AGENCY FUNDS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the Year Ended June 30, 2018

	Balance 7/1/2017	Additions	Deductions	Balance 6/30/2018
Assets				
Pooled cash and cash equivalents	\$ 241,497	\$ 3,227,597	\$ (3,227,508)	\$ 241,586
Non-pooled cash and cash equivalents	-	334	-	334
Investments	167,351	-	(869)	166,482
Accounts receivable	<u>10,677</u>	<u>96,011</u>	<u>(97,478)</u>	<u>9,210</u>
Total Assets	<u><u>\$ 419,525</u></u>	<u><u>\$ 3,323,942</u></u>	<u><u>\$ (3,325,855)</u></u>	<u><u>\$ 417,612</u></u>
Liabilities				
Accounts payable	27,819	1,199,877	(1,143,310)	84,386
Due to other groups	<u>391,706</u>	<u>2,205,350</u>	<u>(2,263,830)</u>	<u>333,226</u>
Total Liabilities	<u><u>\$ 419,525</u></u>	<u><u>\$ 3,405,227</u></u>	<u><u>\$ (3,407,140)</u></u>	<u><u>\$ 417,612</u></u>

SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
SCHEDULE OF PROPERTY TAX TRANSACTIONS & OUTSTANDING BALANCES
For the Year Ended June 30, 2018

	Tax Year	Taxes Uncollected July 1, 2017	Add Levy Extended by Assessor	(Deduct) Discounts Allowed	Add (Deduct) Cancellations and Adjustments	(Deduct) Collections	Taxes Uncollected June 30, 2018
General Fund							
	2017-18	\$ -	\$ 25,799,674	\$ (868,738)	\$ 230,858	\$ (24,722,456)	\$ 439,338
	2016-17	638,378	-	-	(167,874)	(197,625)	272,879
	2015-16	397,068	-	(959)	(136,033)	(62,256)	197,820
	2014-15	273,870	-	-	(27,314)	(75,013)	171,543
	2013-14 and prior	730,352	-	-	(79,132)	(24,425)	626,795
	Total Prior	2,039,668	-	-	(410,353)	(359,319)	1,269,037
	Total General Fund	<u>\$ 2,039,668</u>	<u>\$ 25,799,674</u>	<u>\$ (868,738)</u>	<u>\$ (179,495)</u>	<u>(25,081,775)</u>	<u>\$ 1,708,375</u>
	Interest on delinquent tax accounts					(92,357)	
	In lieu of tax, overpayments and foreclosures					<u>(26,082)</u>	
	Total Collections					<u>\$ (25,200,214)</u>	
Debt Service Fund							
	2017-18	\$ -	\$ 7,052,329	\$ -	\$ (174,364)	\$ (6,757,872)	\$ 120,093
	2016-17	179,211	-	-	(47,127)	(55,479)	76,605
	2015-16	102,750	-	-	(35,450)	(16,110)	51,190
	2014-15	60,709	-	-	(6,055)	(16,628)	38,026
	2013-14 and prior	152,364	-	-	(14,350)	(5,212)	132,802
	Total Prior	495,034	-	-	(102,982)	(93,429)	298,623
	Total Debt Service Fund	<u>\$ 495,034</u>	<u>\$ 7,052,329</u>	<u>\$ -</u>	<u>\$ (277,346)</u>	<u>(6,851,301)</u>	<u>\$ 418,716</u>
	Interest on delinquent tax accounts					(22,131)	
	In lieu of tax, overpayments and foreclosures					<u>(7,130)</u>	
	Total Collections					<u>\$ (6,880,562)</u>	

STATISTICAL SECTION



**SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
STATISTICAL SECTION**

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

<u>Contents</u>	<u>Page</u>
<i>Financial Trends</i>	100
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over	
<i>Revenue Capacity</i>	110
These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	
<i>Debt Capacity</i>	118
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	
<i>Demographic and Economic Information</i>	126
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	
<i>Operating Information</i>	134
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
SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>
Governmental Activities				
Net Position				
Net investment in capital assets	\$ 19,896,217	\$ 16,768,317	\$ 14,851,238	\$ 18,546,791
Restricted for debt services	12,079,679	13,002,698	13,369,923	13,886,143
Restricted for other purposes*	2,237,107	1,982,397	2,906,336	2,547,984
Unrestricted (deficit)	<u>(91,865,992)</u>	<u>(84,548,490)</u>	<u>(83,313,627)</u>	<u>(51,376,168)</u>
Total Net Position	<u><u>\$ (57,652,989)</u></u>	<u><u>\$ (52,795,078)</u></u>	<u><u>\$ (52,186,130)</u></u>	<u><u>\$ (16,395,250)</u></u>

* Changed Restriction classifications in 2010-11 to be more closely aligned with GASB 54 fund balance classifications.

Source: School District records

<u>2013-14</u>	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>
\$ 27,631,443	\$ 27,926,109	\$ 25,242,692	\$ 23,970,134	\$ 23,669,402	\$ 22,991,662
3,669,000	3,668,294	3,511,069	3,375,109	3,226,306	3,103,432
1,114,864	412,655	1,123,746	1,106,176	-	-
<u>4,766,515</u>	<u>(504,126)</u>	<u>687,301</u>	<u>3,512,023</u>	<u>8,851,986</u>	<u>6,419,962</u>
<u>\$ 37,181,822</u>	<u>\$ 31,502,932</u>	<u>\$ 30,564,808</u>	<u>\$ 31,963,442</u>	<u>\$ 35,747,694</u>	<u>\$ 32,515,056</u>

Schedule 2
SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
EXPENSES, PROGRAM REVENUES, AND NET EXPENSE
Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>
Expenses				
Governmental Activities:				
Instruction services	\$ 79,368,304	\$ 77,606,769	\$ 85,088,099	\$ 56,537,759
Support services	49,106,362	42,123,060	48,863,556	29,023,065
Community services	5,523,045	4,243,111	4,515,146	3,509,972
Facilities services	-	13,208	-	-
Interest on long-term debt	5,434,220	5,631,473	6,912,398	5,507,671
Total expenses	<u>139,431,931</u>	<u>129,617,621</u>	<u>145,379,199</u>	<u>94,578,467</u>
Program Revenues				
Governmental Activities:				
Charges for services				
Instruction services	2,291,530	2,485,437	2,207,727	2,061,770
Support services	1,570,278	1,928,640	1,995,773	993,062
Community services	345,737	337,141	354,175	421,841
Operating grants and contributions	13,438,298	13,337,859	13,041,676	12,671,994
Capital grants and contributions	755,960	289,906	147,729	1,300
Total program revenues	<u>18,401,803</u>	<u>18,378,983</u>	<u>17,747,080</u>	<u>16,149,967</u>
Net Expense				
Total government net expense	<u>\$ (121,030,128)</u>	<u>\$ (111,238,638)</u>	<u>\$ (127,632,119)</u>	<u>\$ (78,428,500)</u>

Source: School District records

<u>2013-14</u>	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>
\$ 61,442,894	\$ 58,959,751	\$ 58,491,340	\$ 60,757,959	\$ 59,372,031	\$ 58,581,854
35,278,768	34,719,463	35,396,424	35,367,018	35,787,541	37,915,933
3,628,941	3,984,589	3,705,439	3,621,629	3,662,542	4,281,138
85	498	40	-	-	-
3,862,022	4,007,843	4,153,584	4,191,151	4,317,639	4,437,082
<u>104,212,710</u>	<u>101,672,144</u>	<u>101,746,827</u>	<u>103,937,757</u>	<u>103,139,753</u>	<u>105,216,007</u>
1,940,824	2,044,214	2,066,427	2,103,206	2,166,783	2,237,373
1,393,878	905,884	661,117	295,735	147,090	64,514
412,731	437,015	453,168	493,363	500,018	555,203
12,599,654	12,860,249	15,330,532	18,714,483	17,997,579	16,591,396
338,684	394,731	363,269	462,613	1,295,763	43,770
<u>16,685,771</u>	<u>16,642,093</u>	<u>18,874,513</u>	<u>22,069,400</u>	<u>22,107,233</u>	<u>19,492,256</u>
<u>\$ (87,526,939)</u>	<u>\$ (85,030,051)</u>	<u>\$ (82,872,314)</u>	<u>\$ (81,868,357)</u>	<u>\$ (81,032,520)</u>	<u>\$ (85,723,751)</u>

Schedule 3
SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION
Last Ten Years
(accrual basis of accounting)

	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>
Net Expense				
Total government net expense	\$ (121,030,128)	\$ (111,238,638)	\$ (127,632,119)	\$ (78,428,500)
General Revenues				
Governmental activities:				
Property taxes levied, gen purposes	24,802,337	24,030,618	23,192,202	22,890,063
Property taxes levied, debt services	6,789,173	6,747,890	6,000,862	5,069,436
State school fund	78,425,621	72,972,224	70,666,552	67,402,149
Common school fund	1,338,151	1,591,241	1,154,814	1,134,086
Unrestricted state and local sources	1,547,618	1,928,251	1,649,376	1,740,634
Unrestricted revenue, federal sources	473,101	130,233	533,937	567,355
Earnings on investments	1,183,236	1,202,882	906,365	574,255
Gain (loss) on sale	-	249,312	-	1,854,616
Miscellaneous	1,612,980	1,777,039	1,331,833	1,317,545
Transfer to trust fund	-	-	-	-
Total general revenues and transfers	<u>116,172,217</u>	<u>110,629,690</u>	<u>105,435,941</u>	<u>102,550,139</u>
Change in Net Position	<u>\$ (4,857,911)</u>	<u>\$ (608,948)</u>	<u>\$ (22,196,178)</u>	<u>\$ 24,121,639</u>

Source: School District records

<u>2013-14</u>	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>
\$ (87,526,939)	\$ (85,030,051)	\$ (82,872,314)	\$ (81,868,357)	\$ (81,868,357)	\$ (85,723,751)
21,120,239	20,929,996	20,974,475	19,408,322	20,409,319	19,360,134
4,712,725	4,727,163	4,728,564	4,200,920	4,399,761	4,175,874
63,504,082	56,170,603	52,861,705	50,554,624	55,351,961	55,111,091
1,108,576	1,067,259	995,312	1,003,728	916,616	973,102
1,734,973	190,414	244,182	154,649	120,842	1,090,445
578,071	572,936	594,100	1,229,262	1,385,056	1,528,738
298,718	286,856	355,784	409,662	483,396	1,473,410
(208,378)	46,727	19,027	5,100	(25,893)	99,608
1,080,474	1,976,221	1,350,531	1,117,838	1,224,100	1,029,226
-	-	(650,000)	-	-	-
93,929,480	85,968,175	81,473,680	78,084,105	84,265,158	84,841,628
<u>\$ 6,402,541</u>	<u>\$ 938,124</u>	<u>\$ (1,398,634)</u>	<u>\$ (3,784,252)</u>	<u>\$ 2,396,801</u>	<u>\$ (882,123)</u>

Schedule 4
SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2017-18*</u>	<u>2016-17*</u>	<u>2015-16*</u>	<u>2014-15*</u>
General Fund				
Nonspendable	\$ 202,063	\$ 165,298	\$ 122,949	\$ 142,014
Unassigned	10,033,286	9,216,521	7,874,217	5,482,180
Reserved	-	-	-	-
Unreserved	-	-	-	-
Total general fund	<u>\$ 10,235,349</u>	<u>\$ 9,381,819</u>	<u>\$ 7,997,166</u>	<u>\$ 5,624,194</u>
All Other Governmental Funds				
Nonspendable	\$ 942,341	\$ 1,243,944	\$ 739,911	\$ 585,083
Restricted	9,731,702	33,675,433	62,703,322	77,186,566
Committed	421,051	2,605,318	2,166,899	113,221
Assigned	3,360,299	1,933,358	239,611	235,802
Unassigned	-	-	-	-
Reserved	-	-	-	-
Unreserved, reported in:				
Special revenue funds	-	-	-	-
Capital projects fund	-	-	-	-
Total all other governmental funds	<u>\$ 14,455,393</u>	<u>\$ 39,458,053</u>	<u>\$ 65,849,743</u>	<u>\$ 78,120,672</u>

Source: School District Records

Note: Prior year fund balances have been restated for funds incorrectly classified as non-governmental.

* Beginning in 2010-11 Fund Balances classifications follow GASB 54 guidance.

<u>2013-14*</u>	<u>2012-13*</u>	<u>2011-12*</u>	<u>2010-11*</u>	<u>2009-10</u>	<u>2008-09</u>
\$ 217,389	\$ 168,181	185,658	205,198	-	-
1,986,395	293,615	1,927,692	4,956,942	-	-
-	-	-	-	199,721	201,118
-	-	-	-	7,981,693	5,039,309
<u>\$ 2,203,784</u>	<u>\$ 461,796</u>	<u>\$ 2,113,350</u>	<u>\$ 5,162,140</u>	<u>\$ 8,181,414</u>	<u>\$ 5,240,427</u>
\$ 324,568	\$ 287,128	\$ 312,385	\$ 366,888	\$ -	\$ -
5,543,798	5,338,626	7,437,936	8,309,319	-	-
1,364,966	258,310	211,728	956,193	-	-
194,272	413,338	626,042	774,131	-	-
(102,190)	(205,323)	-	(214,845)	-	-
-	-	-	-	6,654,736	11,877,718
-	-	-	-	2,524,993	2,455,687
-	-	-	-	595,784	1,647,204
<u>\$ 7,325,414</u>	<u>\$ 6,092,079</u>	<u>\$ 8,588,091</u>	<u>\$ 10,191,686</u>	<u>\$ 9,775,513</u>	<u>\$ 15,980,609</u>

Schedule 5
SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>
Revenues:				
Local sources:				
Taxes	\$ 31,966,288	\$ 30,581,915	\$ 29,042,027	\$ 27,899,955
Investment earnings	931,732	1,008,275	814,903	486,455
Assessments from other funds	4,895,847	5,096,652	5,106,456	4,739,939
Services provided charter school	107,275	231,594	255,924	244,356
Miscellaneous	1,504,376	1,643,193	1,222,853	1,171,408
Other local sources	3,869,121	4,161,045	4,014,636	3,626,830
Intermediate sources	1,547,618	1,928,251	1,649,373	1,740,634
State sources	82,842,294	77,031,834	73,814,421	70,501,804
Federal sources	11,690,876	11,057,642	11,199,080	10,783,195
Other sources	-	-	-	-
Total revenues	<u>139,355,427</u>	<u>132,740,401</u>	<u>127,119,673</u>	<u>121,194,576</u>
Expenditures:				
Current expenditures:				
Instruction	76,599,770	73,454,577	72,600,301	67,633,318
Support services	42,861,824	39,383,665	37,879,744	36,387,259
Community services	4,324,999	4,153,614	4,083,336	3,973,842
Facilities and acquisition	1,115,859	1,895,395	4,612,844	1,202,232
Debt service:				
Principal	8,279,492	7,546,494	5,187,317	11,510,172
Interest	4,462,732	4,707,479	6,323,955	4,593,769
Capital outlay	26,983,393	27,260,961	11,275,926	1,702,313
Transits	<u>650,132</u>	<u>203,870</u>	-	-
Total expenditures	<u>165,278,201</u>	<u>158,606,055</u>	<u>141,963,423</u>	<u>127,002,905</u>
Revenues over (under) expenditures	(25,922,774)	(25,865,654)	(14,843,750)	(5,808,329)
Other Financing Sources (Uses):				
Transfers in	3,089,144	2,631,577	1,177,858	4,137,858
Transfers out	(3,089,144)	(2,631,577)	(1,177,858)	(4,137,858)
Sale of assets	10,566	460,004	5,793	1,913,473
Lease purchase receipts	1,763,078	398,613	940,000	645,563
Issuance of debt	-	-	4,000,000	115,539,245
Premium on issuance of debt	-	-	-	7,603,811
Paid to escrow agent on defeasance	-	-	-	(44,605,672)
Bond issuance costs	-	-	-	(860,740)
Total Other Financing Sources (Uses)	<u>1,773,644</u>	<u>858,617</u>	<u>4,945,793</u>	<u>80,235,680</u>
Net Change In Fund Balance	(24,149,130)	(25,007,037)	(9,897,957)	74,427,351
Beginning Fund Balance	<u>48,839,872</u>	<u>73,846,909</u>	<u>83,744,866</u>	<u>9,317,515</u>
Ending Fund Balance	<u>\$ 24,690,742</u>	<u>\$ 48,839,872</u>	<u>\$ 73,846,909</u>	<u>\$ 83,744,866</u>
Debt Service as a percentage of noncapital expenditures*	9.29%	9.47%	9.13%	12.98%

* Calculated as (Debt service principal & interest) divided by (Total expenditures less capitalized capital outlay (expenses))
Source: School District records

<u>2013-14</u>	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>
\$ 25,826,497	\$ 25,545,763	\$ 25,312,323	\$ 24,537,561	\$ 24,020,129	\$ 23,066,963
257,909	239,212	296,036	337,618	398,166	1,373,704
4,319,171	4,150,324	3,840,000	3,705,419	3,736,743	3,540,576
224,397	181,171	139,947	124,985	-	-
778,084	1,977,738	1,246,834	1,090,102	1,106,871	1,138,850
3,783,968	3,980,072	3,507,183	3,434,503	3,503,394	3,618,140
1,734,973	190,414	244,182	154,649	120,842	198,364
67,039,398	59,142,153	57,333,849	53,551,338	59,059,856	60,784,331
10,203,087	11,117,259	12,371,877	17,906,118	17,250,946	13,646,737
-	-	-	-	-	-
<u>114,167,484</u>	<u>106,524,106</u>	<u>104,292,231</u>	<u>104,842,293</u>	<u>109,196,947</u>	<u>107,367,665</u>
63,710,174	60,426,687	59,585,218	60,353,859	59,119,669	59,533,570
34,771,566	34,009,267	35,064,417	34,938,846	35,040,712	37,795,904
3,783,347	4,071,764	3,767,066	3,685,232	3,698,531	3,848,891
59,940	537,781	565,244	187,762	1,558,535	3,776,666
5,593,386	5,060,935	4,638,858	4,055,656	3,639,898	3,237,261
3,883,537	4,030,651	4,035,782	4,319,361	4,345,132	4,459,840
1,732,909	3,410,694	661,275	2,909,778	5,059,335	29,135,431
-	-	-	-	-	-
<u>113,534,859</u>	<u>111,547,779</u>	<u>108,317,860</u>	<u>110,450,494</u>	<u>112,461,812</u>	<u>141,787,563</u>
632,625	(5,023,673)	(4,025,629)	(5,608,201)	(3,264,865)	(34,419,898)
1,031,245	887,858	955,858	1,546,858	1,498,858	1,238,858
(1,031,245)	(887,858)	(1,605,858)	(1,546,858)	(1,498,858)	(1,238,858)
1,612,092	46,727	23,244	5,100	756	99,608
730,606	829,380	-	-	-	-
-	-	-	3,000,000	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,342,698</u>	<u>876,107</u>	<u>(626,756)</u>	<u>3,005,100</u>	<u>756</u>	<u>99,608</u>
2,975,323	(4,147,566)	(4,652,385)	(2,603,101)	(3,264,109)	(34,320,290)
6,553,875	10,701,441	15,353,826	17,956,927	21,221,036	55,541,326
<u>\$ 9,529,198</u>	<u>\$ 6,553,875</u>	<u>\$ 10,701,441</u>	<u>\$ 15,353,826</u>	<u>\$ 17,956,927</u>	<u>\$ 21,221,036</u>
8.48%	8.45%	8.10%	7.80%	7.54%	7.07%

nditures for facilities and acquisition plus capital outlay))

Schedule 6
SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
ASSESSED VALUES OF TAXABLE PROPERTY WITHIN SCHOOL DISTRICT NO. 19 BOUNDARIES
Last Ten Fiscal Years

	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>
Assessed Value (not including exempt property)				
Real Property	\$ 5,353,103,921	\$ 5,141,443,545	\$ 4,996,121,173	\$ 4,848,549,927
Personal Property	150,252,944	139,178,421	130,903,115	137,164,636
Manufactured Structure	40,225,385	40,345,145	38,430,068	37,041,185
Public Utility	126,860,195	119,577,500	118,254,700	112,307,757
Total Assessed Value	5,670,442,445	5,440,544,611	5,283,709,056	5,135,063,505
Less: Urban Renewal Excess	<u>(40,188,337)</u>	<u>(29,773,656)</u>	<u>(26,491,434)</u>	<u>(29,860,854)</u>
Total Net Assessed Value	<u><u>\$ 5,630,254,108</u></u>	<u><u>\$ 5,410,770,955</u></u>	<u><u>\$ 5,257,217,622</u></u>	<u><u>\$ 5,105,202,651</u></u>
 Total Direct Tax Rate per \$1,000	 5.9181	 5.9181	 5.8166	 5.6478
Amount Tax Rate Will Raise	\$ 33,183,464	\$ 32,059,502	\$ 30,610,270	\$ 28,851,420
Less: Reduction and Adjustments	<u>331,461</u>	<u>366,070</u>	<u>400,003</u>	<u>427,558</u>
Total Taxes Imposed (Net Levy)	<u><u>\$ 32,852,003</u></u>	<u><u>\$ 31,693,432</u></u>	<u><u>\$ 30,210,267</u></u>	<u><u>\$ 28,423,862</u></u>

Source: Lane County Department of Assessment and Taxation

<u>2013-14</u>	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>
\$ 4,597,790,926	\$ 4,541,739,621	\$ 4,461,959,512	\$ 4,301,862,256	\$ 4,207,314,721	\$ 4,032,475,356
141,783,923	140,004,057	136,287,937	134,385,274	145,655,389	154,790,236
36,939,344	38,393,292	39,034,730	39,416,795	51,217,637	54,642,863
103,761,410	98,032,300	103,096,590	98,020,420	97,726,080	70,750,390
4,880,275,603	4,818,169,270	4,740,378,769	4,573,684,745	4,501,913,827	4,312,658,845
(19,019,901)	(10,798,688)	(12,498,449)	(12,864,941)	(16,147,099)	(10,029,484)
<u>\$ 4,861,255,702</u>	<u>\$ 4,807,370,582</u>	<u>\$ 4,727,880,320</u>	<u>\$ 4,560,819,804</u>	<u>\$ 4,485,766,728</u>	<u>\$ 4,302,629,361</u>
5.6359	5.6472	5.6529	5.6212	5.6126	5.6192
\$ 27,403,776	\$ 27,151,549	\$ 26,729,899	\$ 25,640,670	\$ 25,180,661	\$ 24,179,445
754,114	742,462	415,290	317,491	258,454	257,115
<u>\$ 26,649,662</u>	<u>\$ 26,409,087</u>	<u>\$ 26,314,609</u>	<u>\$ 25,323,179</u>	<u>\$ 24,922,207</u>	<u>\$ 23,922,330</u>

Schedule 7
SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
DIRECT AND OVERLAPPING PROPERTY TAX RATES
Last Ten Fiscal Years
(rate per \$1,000 of assessed value)

	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14</u>
District Direct Rates					
General Tax Permanent Rate	4.6412	4.6412	4.6412	4.6412	4.6412
General Obligation Debt Service Bonds	1.2769	1.2769	1.1754	1.0066	0.9947
Total Direct Tax Rate	5.9181	5.9181	5.8166	5.6478	5.6359
Overlapping Total Property Tax Rates					
Lane ESD	0.22	0.22	0.22	0.22	0.22
Lane Community College	0.85	0.84	0.82	0.86	0.86
Lane County	1.67	1.67	1.83	1.93	1.94
City of Springfield	6.68	6.79	6.78	7.03	7.15
City of Eugene	7.96	8.02	7.97	7.98	8.01
Willamalane Park and Recreation District	2.33	2.35	2.34	2.37	2.45
Rainbow Water and Fire District	3.72	3.78	3.83	3.62	3.67
Mohawk Valley Rural Fire Protection District	1.91	1.91	1.91	1.91	1.91
McKenzie River Rural Fire Protection District	2.06	2.06	2.06	2.06	2.06
Goshen Rural fire Protection District	2.22	2.22	2.22	2.22	2.22
South Lane County Fire & Rescue	1.80	1.80	1.50	1.50	1.50
Willakenzie Rural Fire Protection District	3.07	3.07	3.07	3.07	3.07
Pleasant Hill Rural Fire Protection District	1.10	1.10	1.10	1.10	1.10
Marcola Water	0.40	0.40	0.40	0.40	0.40
Glenwood Water	3.33	3.36	3.44	3.47	3.41
Eugene Urban Renewal Downtown	0.20	0.19	0.17	0.16	0.16
Springfield Economic Development Agency	0.24	0.21	0.21	0.22	0.18
Shangra La Water District	2.00	2.00	2.00	2.00	2.00
Maximum code area rate per \$1,000	19.96	20.11	20.12	20.38	18.34

Source: Lane County Department of Assessment and Taxation

Note: Overlapping Rates include levies for operating and debt service costs.

<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>
4.6412	4.6412	4.6412	4.6412	4.6412
1.0060	1.0117	0.9800	0.9714	0.9780
5.6472	5.6529	5.6212	5.6126	5.6192
0.22	0.22	0.22	0.22	0.22
0.86	0.88	0.85	0.85	0.86
1.39	1.39	1.38	1.38	1.39
6.94	6.99	7.06	7.13	7.19
8.03	8.04	8.33	8.31	-
2.01	2.01	1.99	2.00	2.13
3.72	3.76	3.58	3.62	3.67
1.91	1.91	1.91	1.91	2.41
2.06	2.06	2.06	2.31	2.31
2.22	1.72	1.72	1.72	1.72
1.03	1.03	1.03	1.03	1.03
3.07	3.07	3.07	3.07	3.07
1.10	1.10	1.10	1.10	1.10
0.40	0.40	0.40	0.40	0.40
3.48	3.54	3.69	3.85	3.85
0.14	0.15	0.15	0.14	-
0.15	0.09	0.09	0.06	0.11
2.00	2.00	2.00	-	-
17.14	17.18	17.20	20.89	21.17

Schedule 8
SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
PRINCIPAL PROPERTY TAXPAYERS FOR LANE COUNTY
Current Year and Nine Years Ago

	2018	
	Taxable Assessed	
<u>Ten Largest Taxpayers</u>	<u>Value</u>	<u>Rank</u>
IP Eat Three LLC	\$ 304,861,835	1
BRFI Gateway LLC	73,987,847	2
McKenzie Willamette Regional Medical Center	56,980,424	3
Comcast Corporation	42,865,800	4
Rosboro LLC	32,235,483	5
Kingsford Manufacturing Company	26,081,182	6
Borden Chemical Inc.	25,947,049	7
Shepard Investment Group LLC	23,598,614	8
Countryside Partners Springfield LLC	23,039,666	9
Arclin USA LLC	20,810,629	10
Gateway Mall Partners	-	
Brentwood Estates LLC	-	
Weyerhaeuser Company	-	
Qwest Corp	-	
Sierrapine	-	
Subtotal of Ten Largest Taxpayers	630,408,529	
All Other Taxpayers	<u>4,999,845,579</u>	
Total All Taxpayers	<u>\$ 5,630,254,108</u>	

Source: Lane County Department of Assessment and Taxation

2009			
<u>Percentage of Total Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>
5.42%	\$ 180,899,840	1	4.19%
1.32%	-		-
1.01%	20,827,176	6	0.48%
0.76%	-		-
0.57%	26,102,893	3	0.61%
0.46%	24,853,903	4	0.58%
0.46%	-		-
0.42%	-		-
0.41%	-		-
0.37%	21,071,403	6	0.49%
-	56,193,275	2	1.30%
-	17,866,642	9	0.41%
-	26,299,629	8	0.61%
-	24,122,500	5	0.56%
-	17,587,920	10	0.41%
11.20%	415,825,181		9.64%
<u>88.80%</u>	<u>3,896,833,664</u>		<u>90.36%</u>
<u>100.00%</u>	<u>\$ 4,312,658,845</u>		<u>100.00%</u>

Schedule 9
SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

Fiscal Year Ending June 30	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>
Net Taxes Levied for the Fiscal Year	\$ 32,852,003	\$ 31,693,432	\$ 30,210,267	\$ 28,423,862
<u>Collected Within the Fiscal Year of Levy</u>				
Amount	\$ 31,361,690	\$ 30,011,238	\$ 28,457,290	\$ 27,287,169
Percentage of Levy	95.46%	94.69%	94.20%	96.00%
Collections in Subsequent Year	\$0	\$314,550	\$428,354	\$578,332
<u>Total Collections to Date</u>				
Amount	\$31,361,690	\$30,325,788	\$28,885,644	\$27,865,501
Percentage of Levy	95.46%	95.68%	95.62%	98.04%

Source: Lane County Department of Assessment and Taxation

<u>2013-14</u>	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>
\$ 26,649,662	\$ 26,409,087	\$ 26,314,609	\$ 25,323,179	\$ 24,922,207	\$ 23,922,330
\$ 25,146,171 94.36%	\$ 24,880,078 94.21%	\$ 24,800,430 94.25%	\$ 23,950,883 94.58%	\$ 23,458,914 94.52%	\$ 22,541,391 95.53%
\$637,854	\$689,234	\$903,476	\$568,732	\$661,607	\$636,331
\$25,784,025 96.75%	\$25,569,312 96.82%	\$25,703,906 97.68%	\$24,519,615 96.83%	\$24,120,521 96.78%	\$23,177,722 96.89%

Schedule 10
SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>
Governmental Activities:				
1997 Gen Obligation Refunding Bonds	\$ -	\$ -	\$ -	\$ -
2005A Pension Bonds	46,165,000	48,895,000	51,320,000	53,460,000
Qualified Zone Academy Bonds	315,432	394,290	473,148	552,006
2006 & 2007 Gen Obligation Bonds	-	-	3,715,036	6,144,003
Qualified School Construction Bonds	-	-	-	-
2015 Refunding Bonds	41,242,204	44,876,027	44,876,026	44,876,026
2015 General Obligation Bonds	75,647,881	76,976,593	77,928,016	78,190,478
2015 Bonds	3,620,000	3,843,000	4,000,000	-
Capital Leases	<u>3,672,938</u>	<u>2,275,297</u>	<u>2,274,995</u>	<u>1,705,412</u>
 Total Outstanding Debt	 \$ 170,663,455	 \$ 177,260,207	 \$ 184,587,221	 \$ 184,927,925
 Population - Springfield	 62,353	 61,893	 60,870	 60,200
Debt per Capita	\$ 2,737	\$ 2,864	\$ 3,032	\$ 3,072

Source: Population estimate from United States Census Bureau. Other information from School District records

2013-14	2012-13	2011-12	2010-11	2009-10	2008-09
\$ 3,094,628	\$ 6,023,144	\$ 8,795,574	\$ 11,422,000	\$ 13,907,561	\$ 16,272,481
55,335,000	56,970,000	58,375,000	59,570,000	60,570,000	61,385,000
630,864	709,720	788,577	867,435	946,292	1,025,149
40,095,209	40,890,305	41,614,057	42,262,022	42,825,195	43,290,636
3,000,000	3,000,000	3,000,000	3,000,000	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,335,837	701,437	-	-	-	-
\$ 103,491,538	\$ 107,593,169	112,573,208	117,121,457	118,249,048	121,973,266
60,200	59,500	59,500	57,000	57,000	56,000
\$ 1,719	\$ 1,808	\$ 1,892	\$ 2,055	\$ 2,075	\$ 2,178

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Schedule 11
SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
RATIOS OF GENERAL BONDED DEBT
Last Ten Fiscal Years

	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>
Governmental Activities:				
1997 Gen Obligation Refunding Bonds	\$ -	\$ -	\$ -	\$ -
2005A Pension Bonds	46,165,000	48,895,000	51,320,000	53,460,000
Qualified Zone Academy Bonds	315,432	394,290	473,148	552,006
2006 & 2007 Gen Obligation Bonds	-	-	3,715,036	6,144,003
Qualified School Construction Bonds	-	-	-	-
2015 Refunding Bonds	41,242,204	44,876,027	44,876,026	44,876,026
2015 General Obligation Bonds	75,647,881	76,976,593	77,928,016	78,190,478
2015 Bonds	<u>3,620,000</u>	<u>3,843,000</u>	<u>4,000,000</u>	<u>-</u>
 Total Outstanding Debt	 \$ 166,990,517	 \$ 174,984,910	 \$ 182,312,226	 \$ 183,222,513
 Accumulated resources for repayment of bonded debt	 <u>741,404</u>	 <u>694,120</u>	 <u>357,435</u>	 <u>315,969</u>
 Net bonded debt	 <u>\$ 166,249,113</u>	 <u>\$ 174,290,790</u>	 <u>\$ 181,954,791</u>	 <u>\$ 182,906,544</u>
 Total estimated real market value of taxable property	 \$ 8,667,723,306	 \$ 7,820,880,233	 \$ 7,528,942,555	 \$ 7,265,444,589
 Per Capita	 \$ 2,666	 \$ 2,816	 \$ 2,989	 \$ 3,038
Per Student	\$ 16,407	\$ 16,814	\$ 17,640	\$ 17,846
 Ratio of net general bonded debt to real market value	 0.0192	 0.0223	 0.0242	 0.0252

* Information not available at time of printing

Source: Lane County Department of Assessment and Taxation

Accumulated resources for repayment of bonded debt consists of the portion of the restricted fund balance in the debt service fund that is reserved for the repayment of the principal portion of bonded debt.

<u>2013-14</u>	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>
\$ 3,094,628	\$ 6,023,144	\$ 8,795,574	\$ 11,422,000	\$ 13,907,561	\$ 16,272,481
55,335,000	56,970,000	58,375,000	59,570,000	60,570,000	61,385,000
630,864	709,720	788,577	867,435	946,292	1,025,149
40,095,209	40,890,305	41,614,057	42,262,022	42,825,195	43,290,636
3,000,000	3,000,000	3,000,000	3,000,000	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 102,155,701	\$ 107,593,169	112,573,208	117,121,457	118,249,048	121,973,266
2,114,794	2,105,693	2,006,823	1,951,730	1,968,276	1,875,819
<u>\$ 100,040,907</u>	<u>\$ 105,487,476</u>	<u>\$ 110,566,385</u>	<u>\$ 115,169,727</u>	<u>\$ 116,280,772</u>	<u>\$ 120,097,447</u>
\$ 6,790,650,021	\$ 6,719,744,852	\$ 7,044,267,691	\$ 7,150,354,098	\$ 7,846,950,299	\$ 8,127,615,733
\$ 1,662	\$ 1,773	\$ 1,858	\$ 2,021	\$ 2,040	\$ 2,145
\$ 9,634	\$ 10,067	\$ 10,536	\$ 10,901	\$ 10,947	\$ 11,036
0.0147	0.0157	0.0157	0.0161	0.0148	0.0148

Schedule 12
SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
As of June 30, 2017

	Net Property-tax Backed & Direct Debt*	Percent Overlapping	Overlapping Debt
City of Springfield	\$ 13,515,990	82.95%	\$ 11,210,851
City of Eugene	14,179,000	0.00%	14
Lane Community College	59,555,000	16.29%	9,703,296
Lane Education Service District	6,485,000	16.57%	1,074,454
Lane County	23,705,000	16.53%	3,917,891
South Lane County Fire & Rescue	1,650,000	0.10%	1,663
Willamalane Park & Recreation District	15,229,543	82.10%	12,502,785
Subtotal, overlapping debt	134,319,533		38,410,954
Direct District net property-tax backed debt	163,055,085		163,055,085
Non-property-tax backed debt	3,935,432		3,935,432
Capital leases	3,672,938		3,672,938
Total direct debt	170,663,455		170,663,455
Total direct and overlapping debt	\$ 304,982,988		\$ 209,074,409

*Net Property-tax Backed Debt is Gross Property-tax Backed Debt less Self-supporting Unlimited-tax General Obligation (GO) bonds and less Self-Supporting Full Faith & Credit Debt. Appropriation Credits, Conduit Revenue Bonds, Dedicated Niche Obligations, Other, Revenue Bonds, and any other obligations issued for less than 13 months (E.g. Bond Anticipation Notes, Tax Anticipation Notes), lease purchase agreements and loans are NOT included in Property-tax backed calculations.

The percentage of overlapping debt is estimated using taxable assessed property values. Applicable percentages are estimated by determining the portion of the overlapping district's taxable assessed value that is within the school district's boundaries and dividing it by the overlapping district's total taxable assessed value. These percentages are calculated by the State of Oregon Municipal Debt Advisory Commission.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. The schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the District. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

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Schedule 13
SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years

	Fiscal Year Ended			
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Debt Limit	\$ 689,084,003	\$ 621,759,979	\$ 598,550,933	\$ 577,602,845
Total net debt applicable to limit	<u>109,242,731</u>	<u>114,354,246</u>	<u>118,864,245</u>	<u>120,982,136</u>
Legal debt margin	<u>\$ 579,841,272</u>	<u>\$ 507,405,733</u>	<u>\$ 479,686,688</u>	<u>\$ 456,620,709</u>
Total net debt applicable to the limit as a percentage of debt limit	15.85%	18.39%	19.86%	20.95%

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

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

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

Source: Market value per Lane County Department of Assessment and Taxation

Legal Debt Margin Calculation for Fiscal Year 2018

Real Market Value	\$ 8,667,723,306
Debt Limit (7.95%) ¹	689,084,003
Amount of Debt Applicable to Debt Limit:	
General Obligation Bonded Debt	109,579,166
Less: Amount Available in Debt Service Funds	(336,435)
Amount of Debt Applicable to Debt Limit	<u>109,242,731</u>
Legal Debt margin	<u>\$ 579,841,272</u>

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 539,856,677	\$ 534,219,716	\$ 560,019,281	\$ 568,453,151	\$ 623,832,549	\$ 646,145,451
<u>39,061,251</u>	<u>42,712,749</u>	<u>46,332,072</u>	<u>49,608,104</u>	<u>52,506,404</u>	<u>55,370,584</u>
<u>\$ 500,795,426</u>	<u>\$ 491,506,967</u>	<u>\$ 513,687,209</u>	<u>\$ 518,845,047</u>	<u>\$ 571,326,145</u>	<u>\$ 590,774,867</u>
7.24%	8.00%	8.27%	8.73%	8.42%	8.57%

Allowable Percentage of Real Market Value:

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

Schedule 14
SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Calendar Years
Lane County

Year	Population	Personal Income <i>(thousands of dollars)</i>	Per Capita Personal Income	Unemployment Rate*
2018	- ¹	\$ - ¹	\$ - ¹	4.2%
2017	374,748	16,275,162	43,430	4.6
2016	368,283	15,553,827	42,233	5.5
2015	362,895	14,468,971	39,871	6.0
2014	358,337	13,392,647	37,374	6.9
2013	356,212	13,047,961	36,630	8.0
2012	354,542	12,742,734	35,941	8.8
2011	353,416	12,214,306	34,561	9.6
2010	351,715	11,709,176	33,292	10.9
2009	351,109	11,783,941	33,562	12.8
2008	348,425	11,680,000	33,522	5.7

* Annual rate, seasonally adjusted June 30, State of Oregon Employment Department

¹ US Census Bureau midyear population estimates. 2018 Not available at time of printing.

Sources: Population, personal income and per capita information: US Census Bureau, Bureau of Economic Analysis.

Unemployment rate information: Oregon Employment Department

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Schedule 15
SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
PRINCIPAL EMPLOYERS FOR LANE COUNTY
Current Year and Nine Years Ago

	2018			
Employer	Employees	Rank	Percentage of Total Employment	Employees
Ten Largest Employers				
PeaceHealth Corp	6,257	1	3.58%	4,893
University of Oregon	5,417	2	3.10%	4,038
Eugene 4j School District	2,515	3	1.44%	2,794
City of Eugene	1,828	4	1.05%	1,547
U.S. Government	1,769	5	1.01%	1,800
Lane Community College	1,632	6	0.93%	1,118
Lane County Government	1,616	7	0.92%	2,000
Springfield School District	1,379	8	0.79%	1,500
Mckenzie-Willamette Medical Center	988	9	0.57%	
Royal Caribbean	800	10	0.46%	
Monaco Coach Corporation				2,400
State of Oregon				2,000
Subtotal of Ten Largest Employers	24,201		13.85%	24,090
All Other Employers	150,593		86.15%	140,452
Total Lane County Employment	174,794		100.00%	164,542

Source: Oregon Employment Department; Eugene Area Chamber of Commerce

2009		
1	Rank	Percentage of Total Employment
	1	2.97%
	2	2.45%
	3	1.70%
	8	0.94%
	7	1.09%
	10	0.68%
	5	1.22%
	9	0.91%
	4	1.46%
	6	1.22%
		<hr/> 14.64%
		<hr/> 85.36%
		<hr/> 100.00%

Schedule 16
SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES
BY ASSIGNMENT/FUNCTION
Last Ten Fiscal Years

	Full-time Equivalent Employees	Full-time Equivalent Employees	Full-time Equivalent Employees	Full-time Equivalent Employees
Assignment/Function	2017-18	2016-17	2015-16	2014-15
Instructional Staff				
Elementary teachers	214.55	220.18	205.18	190.60
Middle school teachers	95.91	94.29	91.11	90.62
High school teachers	124.72	109.49	110.37	110.67
Special services teachers	71.20	72.65	73.40	74.25
Other teachers	36.29	36.36	36.23	32.38
Other supervisory/confidential	0.71	0.50	0.50	0.50
Classified assistants	249.44	245.58	233.81	225.33
Subtotal Instructional Staff	792.82	779.05	750.60	724.35
Support Services Staff				
Guidance	21.69	16.95	17.07	17.27
Librarians/media specialists	10.74	13.24	12.21	11.58
Student services support staff	48.30	46.03	42.77	39.75
School administrators	26.50	26.50	26.50	27.00
School administrative support staff	75.45	54.21	53.88	51.38
District administrators	8.00	8.00	8.00	8.00
Other supervisory/confidential	25.30	27.00	26.00	21.00
District support	30.03	27.74	30.18	33.68
All other support staff ¹	149.23	149.73	148.09	147.50
Subtotal Support Services Staff	395.24	369.40	364.70	357.16
Community Services Staff				
Nutrition services support	4.50	4.50	4.50	4.50
Cooks	41.62	41.46	42.43	42.65
Other supervisory/confidential	1.00	1.00	1.00	1.00
Other community services staff	6.18	5.94	6.35	7.03
Subtotal Community Services Staff	53.30	52.90	54.28	55.18
Total FTE	1,241.36	1,201.35	1,169.58	1,136.69

¹ All other support staff include data processing, maintenance, bus drivers, and security.

Full-time Equivalent Employees	Full-time Equivalent Employees	Full-time Equivalent Employees	Full-time Equivalent Employees	Full-time Equivalent Employees	Full-time Equivalent Employees
2013-14	2012-13	2011-12	2010-11	2009-10	2008-09
192.18	183.40	185.16	194.05	195.83	209.44
90.69	84.22	91.13	101.35	104.32	101.73
110.27	105.60	104.12	113.48	119.97	128.11
72.10	66.90	69.22	78.66	77.69	63.75
28.90	28.30	31.43	40.06	37.38	39.58
0.50	1.00	-	-	-	-
202.33	199.14	198.36	226.82	232.47	231.09
696.97	668.56	679.42	754.42	767.66	773.70
16.03	15.01	18.63	20.53	19.52	32.44
12.07	14.46	14.57	16.73	14.23	23.07
40.77	40.34	52.15	48.24	42.93	45.90
27.00	26.50	27.80	29.80	32.00	30.30
52.41	51.77	54.70	56.61	59.07	47.54
7.00	7.00	8.00	8.00	8.00	9.00
23.00	22.00	21.40	24.40	23.70	27.70
32.61	42.58	31.16	30.40	36.06	37.86
146.16	139.59	146.13	167.86	167.85	175.39
357.05	359.25	374.54	402.57	403.36	429.20
4.50	4.58	4.00	4.00	3.00	3.50
42.86	41.38	43.48	46.97	43.00	49.11
1.00	1.00	1.00	1.00	2.00	2.00
6.63	6.65	6.87	8.29	6.20	6.20
54.99	53.61	55.35	60.26	54.20	60.81
1,109.01	1,081.42	1,109.31	1,217.25	1,225.22	1,263.71

Schedule 17
SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
TEACHER BASE SALARIES
Last Ten Fiscal Years

Fiscal Year	Minimum Salary	Maximum Salary	Statewide Average Salary
2017-18	\$ 35,187	\$ 76,231	\$ 62,988
2016-17	34,413	74,554	61,860
2015-16	33,738	73,092	60,166
2014-15	31,881	71,659	57,321
2013-14	31,220	70,174	54,077
2012-13	30,559	68,688	54,076
2011-12	30,525	69,804	53,526
2010-11	30,038	68,690	53,022
2009-10	30,068	68,561	52,376
2008-09	30,350	68,804	50,347

Source: School District records, Oregon School Boards Association

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Schedule 18
SPRINGFIELD SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
OPERATING STATISTICS
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures</u>	<u>Cost per Pupil</u>	<u>Percentage Change</u>	<u>Expenses</u>
2017-18	10,133	121,930,546	12,033	6.31%	133,997,711
2016-17	10,366	114,698,621	11,065	2.68%	123,986,148
2015-16	10,315	111,702,711	10,829	5.18%	138,466,801
2014-15	10,249	106,200,551	10,362	3.33%	89,070,796
2013-14	10,384	102,774,171	9,897	4.04%	100,350,688
2012-13	10,479	98,780,371	9,427	0.16%	97,663,803
2011-12	10,494	98,627,276	9,398	-0.13%	97,593,203
2010-11	10,565	98,751,810	9,347	0.86%	99,746,606
2009-10	10,622	97,908,977	9,218	-3.26%	98,822,114
2008-09	10,882	101,212,190	9,301		100,778,925

* In 2015-16, the District began participating in the Community Eligibility Program where all students in qualifying schools receive free breakfast and lunch. Families are not required to report free and reduced status, therefore the District does not have that data for the qualifying schools (6 elementary schools and 1 middle school). The average has been calculated using only schools not included in the Community Eligibility Program.

Source: School District records

Cost per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	% Student receiving Free or Reduced Meals	
13,224	8.07%	542.7	18.7	56.26%	*
11,961	-10.46%	533.0	19.4	56.16%	*
13,424	55.46%	516.3	20.0	57.08%	*
8,691	-11.24%	498.5	20.6	63.09%	
9,664	2.75%	494.1	21.0	63.44%	
9,320	0.07%	468.4	22.4	62.97%	
9,300	-2.16%	481.1	21.8	63.22%	
9,441	0.94%	527.6	20.0	60.80%	
9,304	-1.94%	535.2	19.8	58.88%	
9,261		542.6	20.1	55.37%	

Schedule 19
SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
School Building and Student Enrollment Information
Last Ten Fiscal Years

	Fiscal year			Fiscal year			Fiscal year			
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Elementary Schools and Programs										
Brattain (1925)										
Gross Floor Area (sq ft): 27,746										
Elementary Enrollment	209	193	187	178	-	-	-	-	-	-
Camp Creek (1949)										
Gross Floor Area (sq ft): 12,697										
Elementary Enrollment	73	62	54	-	-	-	-	-	-	-
Centennial										
Gross Floor Area (sq ft): 64,868										
Elementary Enrollment	404	406	391	452	435	452	434	429	425	396
Douglas Gardens										
Gross Floor Area (sq ft): 50,321										
Elementary Enrollment	485	378	366	354	324	326	336	344	368	371
Goshen (K-8)										
Gross Floor Area (sq ft):										
Elementary Enrollment	96	94	87	-	-	-	-	-	-	-
Guy Lee										
Gross Floor Area (sq ft): 51,110										
Elementary Enrollment	372	363	367	342	341	339	396	375	377	388
Maple										
Gross Floor Area (sq ft): 41,706										
Elementary Enrollment	311	345	331	323	327	333	337	347	370	348
Moffitt										
Gross Floor Area (sq ft): 41,910										
Elementary Enrollment	314	306	289	285	-	-	-	-	-	-
Mohawk										
Gross Floor Area (sq ft): 19,100										
Elementary Enrollment	68	60	64	-	-	-	-	-	-	-
Mount Vernon (Starting 1997-98 New School)										
Gross Floor Area (sq ft): 58,000										
Elementary Enrollment	547	504	488	508	537	512	528	526	529	510
Elizabeth Page										
Gross Floor Area (sq ft): 38,283										
Elementary Enrollment	420	372	378	394	422	438	412	442	404	395
Ridgeview										
Gross Floor Area (sq ft): 67,915										
Elementary Enrollment	430	426	454	469	497	487	486	477	438	436
Riverbend										
Gross Floor Area (sq ft): 58,000										
Elementary Enrollment	406	482	519	527	506	509	516	500	542	534
Thurston										
Gross Floor Area (sq ft): 43,674										
Elementary Enrollment	471	499	511	525	541	525	493	472	476	474
Two Rivers Dos Rios Elementary										
Gross Floor Area (sq ft): 70,389										
Elementary Enrollment	-	-	-	-	417	449	482	443	484	484
Walterville										
Gross Floor Area (sq ft): 22,668										
Elementary Enrollment	166	179	172	183	177	176	186	194	197	178
Yolanda										
Gross Floor Area (sq ft): 45,121										
Elementary Enrollment	389	355	351	423	422	409	391	411	401	394
Agnes Stewart										
Gross Floor Area (sq ft): 94,000										
Middle School Enrollment	636	635	653	646	636	584	570	579	588	587

Schedule 19
SCHOOL DISTRICT NO. 19, LANE COUNTY, OREGON
School Building and Student Enrollment Information
Last Ten Fiscal Years

	Fiscal year		Fiscal year			Fiscal year				
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Briggs										
Gross Floor Area (sq ft): 93,303										
Middle School Enrollment	471	457	439	557	515	524	533	506	511	498
Hamlin										
Gross Floor Area (sq ft): 123,291										
Middle School Enrollment	444	442	443	618	601	589	612	597	637	682
Springfield										
Gross Floor Area (sq ft):										
Middle School Enrollment	340	322	300	-	-	-	-	-	-	-
Thurston										
Gross Floor Area (sq ft): 72,212										
Middle School Enrollment	583	563	555	589	617	645	646	577	542	563
Springfield										
Gross Floor Area (sq ft): 250,829										
High School Enrollment	1,399	1,399	1,431	1,433	1,420	1,357	1,304	1,410	1,402	1,357
Thurston										
Gross Floor Area (sq ft): 290,210										
High School Enrollment	1,564	1,568	1,524	1,481	1,487	1,436	1,349	1,373	1,368	1,320
Gateways Learning Center										
Gross Floor Area (sq ft): 7,236										
High School Enrollment	175	155	151	166	156	186	192	194	180	134
Academy of Arts and Academics										
Gross Floor Area (sq ft): 13,430										
High School Enrollment	144	175	209	230	286	326	352	359	353	341
Willamette Leadership Academy										
Gross Floor Area (sq ft): 26,073										
Middle School Enrollment	-	-	-	-	112	100	117	120	112	142
High School Enrollment	-	-	-	-	91	119	158	177	177	175
Administrative Building										
Gross Floor Area (sq ft): 59,143										
Education Media Center										
Gross Floor Area (sq ft): 18,600										
Brattain House										
Gross Floor Area (sq ft): 5,352										
Warehouse										
Gross Floor Area (sq ft): 10,000										
Maintenance/Transportation Complex										
Gross Floor Area (sq ft): 19,274										
Gross Floor (sq ft) Summary										
Elementary Schools										
Middle Schools										
High Schools										
Charter Schools										
Other Facilities										
Total Gross Floor Area (sq ft)										
Enrollment Summary										
Elementary Schools	5161	5024	5009	4963	4946	4955	4997	4960	5011	4908
Middle Schools	2474	2419	2390	2410	2481	2442	2478	2379	2390	2472
High Schools	3282	3297	3315	3310	3440	3424	3355	3513	3480	3327
Alternative Education	109	57	60	41	101	108	46	119	127	84
Total Enrollment	11026	10797	10774	10724	10968	10929	10876	10971	11008	10791
Charter Schools	144	175	209	230	489	545	627	656	642	658
Total District Enrollment	10882	10622	10565	10494	10479	10384	10249	10315	10366	10133

Source: School District records

Notes: Enrollment data is as of September 30 of each year

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OTHER INFORMATION SECTION



SPRINGFIELD SCHOOL DISTRICT NO.19, LANE COUNTY, OREGON
Supplemental Information as Required by the Oregon Department of Education
2017-18 Audit Revenue

	Fund 100	Fund 200	Fund 300	Fund 400	Fund 600	Fund 700
Revenue from Local Sources						
1110	25,107,857		6,858,431			
1200		189,929		250,162		
1311						
1312						
1330	4,750	5,337				
1411	13,003					
1412	61					
1500	625,124	29,804	104,271	172,533	64,046	
1600		362,435				
1700		2,199,247				
1800		82,196				
1910	39,714			174,439		
1920	6,314	111,188				
1940	107,275					
1960		743		5,818		
1970			4,895,847	6,058	17,907,861	1,100,000
1980		424,288				
1990	216,952	943,631	644	336,588	154,021	
Total Revenue from Local Sources	26,121,050	4,348,798	11,859,193	945,598	18,125,928	1,100,000
Revenue from Intermediate Sources						
2101	164,841					
2102	1,382,777					
Total Revenue from Intermediate Sources	1,547,618	-	-	-	-	-
Revenue from State Sources						
3101	78,015,470					
3102		39,413				
3103	1,338,151					
3199				505,798		
3222		370,738				
3299		2,572,724				
Total Revenue from State Sources	79,353,621	2,982,875	-	505,798	-	-
Revenue from Federal Sources						
4100						
4300		685,796				
4500	4,388	9,923,281				
4700		328,428				
4801	473,101					
4900		275,882				
Total Revenue from Federal Sources	477,489	11,213,387	-	-	-	-
Revenue from Other Sources						
5100		1,763,078			130,000	
5200		2,667,000	422,144			
5300	3,540	7,026				
5400						
Total Revenue from Other Sources	3,540	4,437,104	422,144	-	130,000	-
Grand Totals	107,503,318	22,982,164	12,281,337	1,451,396	18,255,928	1,100,000

SPRINGFIELD SCHOOL DISTRICT NO.19, LANE COUNTY, OREGON
Supplemental Information as Required by the Oregon Department of Education
2017-18 District Audit Expenditures Summary

Fund : General Fund

	Obj 100	Obj 200	Obj 300	Obj 400	Obj 500	Obj 600	Obj 700
Instruction Expenditures							
1111	13,401,307	8,265,054	125,039	336,868		780	
1113	32,215	7,044					
1121	5,599,065	3,416,927	62,824	145,290		545	
1122	19,941	6,447					
1131	6,492,518	3,839,476	111,209	210,509		1,890	
1132			55,868	19,633			
1140	117,349	122,692	259	5,050		517	
1210	29,657	10,702	28	1,381			
1220	4,164,388	2,729,915	1,308,107	64,849			
1250	3,168,188	1,927,127	1,201	4,537		595	
1260			103,991				
1271	23,846	8,492					
1280	175,307	113,805	5,401,632	128,503			
1291	1,361,215	828,380	3,749	7,938			
1292	51,077	29,796		688			
Total Instruction	34,636,073	21,305,857	7,173,907	925,246	-	4,327	-
Support Services Expenditures							
2110	395,224	226,339	194,359	24			
2120	876,737	505,011	5,259	26,479			
2130	559,899	329,232	18,143	6,834		225	
2140	689,557	385,373	8,972	9,041			
2150	923,908	517,059	12,594	1,096			
2160	22,821	14,997	102,417				
2190	440,813	242,479	60,708	7,891	1,500	1,190	
2210	1,705,989	880,040	33,335	36,518	5,000	7,333	
2220	387,702	253,663	1,518	60,376			
2230	21,478	14,066	47,108	96		198	
2240	163,274	80,498	88,701	557		255	
2310			91,002	2,056		36,563	
2320	255,680	102,670	26,006	4,018	1,500	5,009	
2410	4,656,069	2,630,237	91,071	99,096		20,635	
2520	686,372	368,715	36,765	230,351	2,800	224,303	
2540	3,479,417	2,330,466	2,389,126	876,826	45,995	365,681	
2550	2,207,189	1,604,198	465,767	451,763	14,560	97,970	
2570	100,153	49,699	192,887	3,994		700	
2620			1,790				
2630	149,362	87,507	21,196	46,442		505	
2640	420,658	185,136	91,051	58,989	1,500		
2660	864,024	445,239	506,032	672,107	41,878	40	
2670	44,866	28,964	226	142		371	
2680	3,873	1,322	7,207				
Total Support Services	19,055,065	11,282,910	4,493,240	2,594,696	114,733	760,978	-
Total Enterprise & Community	-	-	-	-	-	-	-
Facilities Acquisition & Construction Expenditures							
4150	3,735	1,430	177,857	289,825	728,062	415	
Total Facilities & Acquisition	3,735	1,430	177,857	289,825	728,062	415	-
Other Uses Expenditures							
5100						12,288	
5200							3,089,144
Total Other Uses Expenditures	-	-	-	-	-	12,288	3,089,144
Grand Total	53,694,873	32,590,197	11,845,004	3,809,767	842,795	778,008	3,089,144

SPRINGFIELD SCHOOL DISTRICT NO.19, LANE COUNTY, OREGON
Supplemental Information as Required by the Oregon Department of Education
2017-18 District Audit Expenditures Summary

Fund : Special Revenue Fund

	Obj 100	Obj 200	Obj 300	Obj 400	Obj 500	Obj 600	Obj 700
Instruction Expenditures							
1111	46,375			249,064			
1113	96,951	34,319	67,719	195,719		63,730	
1121	74,364	43,026	34,229	486,316			
1122	124,780	44,318	103,204	163,179		43,887	
1131	141,062	86,447	41,631	78,951	38,191		
1132	948,618	310,499	485,321	870,815	7,405	418,087	
1140	255,488	100,944	1,529	62,866		1,691	
1210	3,461	1,196	806	171			
1220	561,809	384,301	953,716	13,204			
1250	610,305	411,725					
1260			18,737				
1271	14,648	3,993	66	1,880			
1272	1,521,163	1,021,890	10,815	41,046		146	
1280				90,000			
1291	123,249	64,826	16,135	32,639			
1299	2,430	200	3,817				
1300			4,541				
1400	17,692	5,091					
Total Instruction	4,542,395	2,512,775	1,742,266	2,285,850	45,596	527,541	-
Support Services Expenditures							
2110	106,805	47,975		1,497			
2120	50,055	32,883					
2130	5,443	4,720		692			
2140	31,828	17,506					
2150	3,863	22,199					
2190	110,918	55,863	2,047	882			
2210	710,972	312,980	93,216	51,434		4,591	
2240	22,489	5,628	236,413	13,424		969	
2320			59,188	8,772	35,900		
2410	1,389	506	2,122	5,560			
2490							
2520	57,685	35,486	42,759	21,056	5,000	424,488	
2540			69,176	1,230			
2550	22,243	15,446	8,099	5,948	860,602		
2620	1,019	369	1,436	371			
2630				36			
2640	77,347	87,439	43,107				
2660	15,626	4,383	9,530	1,215	82,242		
Total Support Services	1,217,682	643,383	567,093	112,117	983,744	430,048	-
Enterprise & Community Services Expenditures							
3100	1,217,224	861,996	109,908	1,751,015	111,154	1,233	
3300	201,811	130,646	26,422	24,532	-	212	
Total Enterprise & Community	1,419,035	992,642	136,330	1,775,547	111,154	1,445	-
Other Uses Expenditures							
5100						522,106	
5300							650,132
Total Other Uses Expenditures	-	-	-	-	-	522,106	650,132
Grand Total	7,179,112	4,148,800	2,445,689	4,173,514	1,140,494	1,481,140	650,132

SPRINGFIELD SCHOOL DISTRICT NO.19, LANE COUNTY, OREGON
Supplemental Information as Required by the Oregon Department of Education
2017-18 District Audit Expenditures Summary

Fund : Debt Service Fund

	Obj 100	Obj 200	Obj 300	Obj 400	Obj 500	Obj 600	Obj 700
Total Instruction	-	-	-	-	-	-	-
Support Services Expenditures 2520							
Total Support Services	-	-	-	-	-	-	-
Total Enterprise & Community	-	-	-	-	-	-	-
Total Facilities & Acquisition	-	-	-	-	-	-	-
Other Uses Expenditures 5100						12,207,830	
Total Other Uses Expenditures	-	-	-	-	-	12,207,830	-
Grand Total	-	-	-	-	-	12,207,830	-

SPRINGFIELD SCHOOL DISTRICT NO.19, LANE COUNTY, OREGON
Supplemental Information as Required by the Oregon Department of Education
2017-18 District Audit Expenditures Summary

Fund : Capital Projects Fund

	Obj 100	Obj 200	Obj 300	Obj 400	Obj 500	Obj 600	Obj 700
Instruction Expenditures							
1111			4,047	235,630			
1121			17,269	426,158	46,725		
1131			1,124	257,998			
1280				1,305			
Total Instruction	-	-	22,440	921,091	46,725	-	-
Support Services Expenditures							
2140				1,305			
2410							
2520			13,733				
2540	110,469	24,177	112,809	1,029,832			
2570							
2630							
2660	162,177	57,758	76,770	115,582	926,212		
Total Support Services	272,646	81,935	203,312	1,146,719	926,212	-	-
Enterprise & Community							
3100							
Total Enterprise & Community	-	-	-	-	-	-	-
Facilities Acquisition & Construction Expenditures							
4120							
4150			623,039	9,786	23,997,082	9,772	
4180					30,086		
4190							
Total Facilities & Acquisition	-	-	623,039	9,786	24,027,168	9,772	-
Other Uses Expenditures	-	-	-	-	-	-	-
5200							
Total Other Uses Expenditures	-	-	-	-	-	-	-
Grand Total	272,646	81,935	848,791	2,077,596	25,000,105	9,772	-

SPRINGFIELD SCHOOL DISTRICT NO.19, LANE COUNTY, OREGON
Supplemental Information as Required by the Oregon Department of Education
2017-18 District Audit Expenditures Summary

Fund : Enterprise Fund

	Obj 100	Obj 200	Obj 300	Obj 400	Obj 500	Obj 600	Obj 700
Total Instruction	-	-	-	-	-	-	-
Total Support Services	-	-	-	-	-	-	-
Total Enterprise & Community	-	-	-	-	-	-	-
Total Facilities & Acquisition	-	-	-	-	-	-	-
Total Other Uses Expenditures	-	-	-	-	-	-	-
Grand Total	-	-	-	-	-	-	-

SPRINGFIELD SCHOOL DISTRICT NO.19, LANE COUNTY, OREGON
Supplemental Information as Required by the Oregon Department of Education
2017-18 District Audit Expenditures Summary

Fund : Internal Service Fund

	Obj 100	Obj 200	Obj 300	Obj 400	Obj 500	Obj 600	Obj 700
Total Instruction	-	-	-	-	-	-	-
Support Services Expenditures							
2520	50,731	19,946,870	119,727	3,341	5,000	65,224	
2570	272,860	147,714	206,617	164,681	35,630	225	
Total Support Services	323,591	20,094,584	326,344	168,022	40,630	65,449	-
Total Enterprise & Community	-	-	-	-	-	-	-
Total Facilities & Acquisition	-	-	-	-	-	-	-
Other Uses							
5100						23,340	
Total Other Uses Expenditures	-	-	-	-	-	23,340	-
Grand Total	323,591	20,094,584	326,344	168,022	40,630	88,789	-

SPRINGFIELD SCHOOL DISTRICT NO.19, LANE COUNTY, OREGON
Supplemental Information as Required by the Oregon Department of Education
2017-18 District Audit Expenditures Summary

Fund : Trust and Agency Funds

	Obj 100	Obj 200	Obj 300	Obj 400	Obj 500	Obj 600	Obj 700
Total Instruction	-	-	-	-	-	-	-
Support Services Expenditures							
2521			5,750				
2700	113,197	842,414					
Total Support Services	113,197	842,414	5,750	-	-	-	-
Total Enterprise & Community	-	-	-	-	-	-	-
Total Facilities & Acquisition	-	-	-	-	-	-	-
Total Other Uses Expenditures	-	-	-	-	-	-	-
Grand Total	113,197	842,414	5,750	-	-	-	-

SUPPLEMENTAL INFORMATION, 2017-2018

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	\$ 1,215,556
Function 2550	\$ 0

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	Co-curricular Activities	4150	Construction
1140	Pre-Kindergarten	2550	Pupil Transportation
1300	Continuing Education	3100	Food Service
1400	Summer School	3300	Community Services

\$ 0

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SINGLE AUDIT SECTION





PAULY, ROGERS AND CO., P.C.
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November 28, 2018

To the Board of Directors
Springfield School District
Lane 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 Springfield School District as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated November 28, 2018.

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 dark ink, appearing to read "Ken Allen", is enclosed within a thin black rectangular border.

Kenneth Allen, CPA
PAULY, ROGERS AND CO., P.C.



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November 28, 2018

To the Board of Directors
Springfield School District
Lane County, Oregon

Independent Auditors' Report on Compliance with Requirements Applicable to 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 Springfield School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2018. The major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the 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, Springfield School District, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

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.

A handwritten signature in dark ink, appearing to read "Ken Allen", is written over a thin horizontal line.

Kenneth Allen, CPA
PAULY, ROGERS AND CO., P.C.

SPRINGFIELD SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2018

Springfield Public School
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2018

Federal Grantor/Pass Through Grantor/ Program Title	Pass Through Organization	Federal CFDA Number	Pass Through Entity Number	Grant Period	Grant Amount	Expenditures	Passed Through to Subrecipients
U.S. DEPARTMENT OF EDUCATION							
Direct Programs:							
Indian Education - Grants to LEAs	US Department of Education	84.060A	Direct	7/1/17 - 6/30/18	55,226.00	55,226.00	-
Total Indian Education					55,226.00	55,226.00	-
Arts in Education	US Department of Education	84.351D	Direct	10/1/16 - 9/30/17	545,783.00	630,569.99	566,490.56
Arts in Education	US Department of Education	84.351D	Direct	10/1/17 - 9/30/18	549,747.00	-	-
Total Arts in Education					1,095,530.00	630,569.99	566,490.56
Title I Grants to Local Educational Agencies	Oregon Department of Education	84.010 *	41168	7/1/16-9/30/17	2,893,292.00	235,776.42	-
Title I Grants to Local Educational Agencies	Oregon Department of Education	84.010 *	45704	7/1/17-9/30/18	3,576,802.00	3,026,621.16	-
Total Title I Grants To LEAs					6,470,094.00	3,262,397.58	-
English Language Acquisition State Grants	Oregon Department of Education	84.365	44255	7/1/17-9/30/18	82,322.00	69,913.16	-
English Language Acquisition State Grants	Oregon Department of Education	84.365	41800	7/1/16-9/30/17	80,552.00	9,891.59	-
Total English Language Acquisition State Grants					162,874.00	79,604.75	-
Supporting Effective Instruction State Grant	Oregon Department of Education	84.367	45919	7/1/17-9/30/18	458,128.00	337,236.44	-
Supporting Effective Instruction State Grant	Oregon Department of Education	84.367	41423	7/1/16-9/30/17	503,079.00	219,766.88	-
Total Title IIA Grants to LEAs					961,207.00	557,003.32	-
Title I State Agency Program for Neglected and Delinquent Children	Oregon Department of Education	84.013	S013A170037	7/01/17-6/30/19	85,616.90	43,713.67	-
Total Title I State Agency Program for Neglected and Delinquent Children					85,616.90	43,713.67	-
Special Education	Oregon Department of Education	84.027 *	44506	7/1/16 - 6/30/17	10,463.00	10,463.00	-
Special Education	Oregon Department of Education	84.027 *	48499	7/1/17 - 6/30/18	570.00	570.00	-
Special Education	Oregon Department of Education	84.027 *	H027A170095	7/1/17-6/30/19	62,565.89	51,994.75	-
Special Education	Oregon Department of Education	84.027 *	42766	10/1/16-9/30/17	12,731.00	12,731.00	-
Special Education	Oregon Department of Education	84.027 *	42016	7/01/16-6/30/17	2,197.88	2,197.88	-
Special Education	Oregon Department of Education	84.027 *	41631	7/14/16-9/30/18	1,922,773.68	707,728.95	-
Special Education	Oregon Department of Education	84.027 *	45267	7/14/17-9/30/19	1,919,682.37	1,144,394.89	-
Special Education	Oregon Department of Education	84.173 *	45514	7/1/16 - 6/30/17	19,617.51	19,617.51	-
Total Special Education Cluster					3,950,601.33	1,949,697.98	-
21st Century Community Learning Centers - Cohort 3 Year 2	Oregon Department of Education	84.287	40532	7/1/16 - 6/30/17	496,080.23	150,103.60	-
21st Century Community Learning Centers - Cohort 3 Year 3	Oregon Department of Education	84.287	44159	7/1/17 - 6/30/18	250,000.00	250,000.00	-
Total 21st Century Community Learning					746,080.23	400,103.60	-
Migrant Education, State Grant Program	Lane Education Service District	84.011	37719	10/1/15-9/30/16	-	-	-
Migrant Education, State Grant Program	Lane Education Service District	84.011	-	10/1/16-9/30/17	-	-	-
Total Migrant Education, State Grant Program					-	-	-
Career and Technical Education - Basic Grants to States	Lane Education Service District	84.048	40336	7/01/17-6/30/18	-	6,016.31	-
Career and Technical Education - Basic Grants to States	Lane Education Service District	84.048	36412	7/01/17-6/30/18	-	40,660.22	-
Total Career and Technical Education					-	46,676.53	-
Education for Homeless Children and Youth	Lane Education Service District	84.196	40505	10/01/16-9/30/17	-	1,210.71	-
Total Education for Homeless Children and Youth					-	1,210.71	-
Research in Special Education	Oregon Universities Systems	84.324	-	10/1/14-5/31/14	14,258.98	125.02	-
Research in Special Education	Oregon Universities Systems	84.324	-	12/19/13-6/30/13	12,931.74	867.16	-
Research in Special Education	Oregon Universities Systems	84.324	224771	07/1/16 - 6/30/18	12,575.99	8,376.36	-
Research in Special Education	Oregon Universities Systems	84.324	-	10/1/11-7/31/12	10,623.20	-	-
Research in Special Education	Oregon Universities Systems	84.324	-	11/14/12-6/30/13	20,700.00	479.15	-
Total Research in Special Education					27,190.72	9,847.69	-
Special Education - Educational Technology Media and Materials	Oregon Universities Systems	84.327	-	7/1/15-6/30/16	5,472.00	471.47	-
Total Special Education - Educational Technology Media and Materials					5,472.00	471.47	-

Springfield Public School
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2018

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**SPRINGFIELD SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2018**

Springfield Public School SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2018							
Federal Grantor/Pass Through Grantor/ Program Title	Pass Through Organization	Federal CFDA Number	Pass Through Entity Number	Grant Period	Grant Amount	Expenditures	Passed Through to Subrecipients
Total U.S. Department of Agriculture					3,521,318.57	4,720,694.69	-
TOTALS					17,584,236.85	12,163,977.97	566,490.56
*major program							

SPRINGFIELD SCHOOL DISTRICT NO. 19
LANE COUNTY, OREGON
For the Year Ended June 30, 2018

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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 elected to not 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.

SPRINGFIELD SCHOOL DISTRICT NO. 19
LANE COUNTY, OREGON
For the Year Ended June 30, 2018

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

10.665

Schools and Roads, Grants to States

84.027

84.173

Special Education Cluster

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

Auditee qualified as low-risk auditee? Yes

**SPRINGFIELD SCHOOL DISTRICT NO. 19
LANE COUNTY, OREGON
For the Year Ended June 30, 2018**

SECTION II – FINANCIAL STATEMENT FINDINGS

None

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONS COSTS

None

AUDIT COMMENTS/DISCLOSURES



SPRINGFIELD
PUBLIC SCHOOLS

Every Student, Every Day



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Independent Auditor's Report Required by Oregon State Regulations

We have audited the basic financial statements of the Springfield School District as of and for the year ended June 30, 2018, and have issued our report thereon dated November 28, 2018. 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 Springfield School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

- Deposit of public funds with financial institutions (ORS Chapter 295)
- Indebtedness limitations, restrictions and repayment.
- Budgets legally required (ORS Chapter 294).
- Insurance and fidelity bonds in force or required by law.
- Programs funded from outside sources.
- Authorized investment of surplus funds (ORS Chapter 294).
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).
- State school fund factors and calculation.

In connection with our testing nothing came to our attention that caused us to believe the Springfield School District was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, except the district had over-appropriations as discussed in the notes to the financial statements.

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 opinion 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, 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, appearing to read "Ken Allen", is enclosed within a thin black rectangular border.

Kenneth Allen, CPA
PAULY, ROGERS AND CO., P.C.

BOARD AND SUPERINTENDENT WORKING AGREEMENTS

A. Purpose of Agreements

The Board of Directors is the policy making body for the Springfield School District. To effectively meet the District's challenges, the School Board, Superintendent, and District Administration must function together as a cohesive leadership team. Successful organizations value effective and dynamic leadership. Leaders of high-quality organizations set in place a basic framework of how they work together to lead, serve and provide vision for their organizations.

We agree and commit ourselves collectively and individually to the following operating protocols, adhering to all district policies and procedures:

B. The Board Job Description and Relationship with Superintendent

1. Set the long-term direction of the District through the mission, vision, goals, and priorities.
2. Focus on policymaking, planning and evaluation.
3. Maintain effective two-way communication with students, staff and the public. This will include board highlights and key items from board meetings in district communication avenues such as newsletters.
4. Understand that as an individual, a Board member has no authority. It is when acting as a body that a majority of the Board has influence.
5. Be accountable for the financial stewardship of the District, including aligning resources with goals and priorities, setting expectations, and monitoring progress.
6. Manage Board processes, including operating agreements. Actively pursue opportunities to give and receive feedback regarding Board member performance as responsible communicators. Participate in an annual self-assessment of the Board's performance.
7. Deliberate and make decisions in accordance with public meeting law. Foster a positive Board environment; encouraging debate, different points of view, and listening, doing so with care and respect.
8. Board members will adhere to standards of ethical conduct and professionalism. They will also maintain confidentiality according to the Oregon Revised Statute standards, particularly in executive session and administrative function sessions, including when interacting with staff, elected officials and the community.
9. Set priorities for Board professional development annually, pursuing continuous improvement through quarterly Board planning meetings.
10. Supervise the hiring, performance evaluation and other personnel management processes related to the Superintendent.
11. Work with the Superintendent as a team, recognizing that the Superintendent is the Board's advisor.
12. Respect the Superintendent's responsibility to manage the day-to-day operations of the District and to direct employees in District and school matters.

C. Role of Board Leadership

1. Manage the Board's process; convene meetings; develop the Board agenda with the Superintendent, seeking Board member input; and execute documents, as appropriate.
2. Serve as the authorized spokesperson for the Board with regard to Board policy, process and decisions. The Chair may delegate this responsibility to other Board members and/or the Superintendent.
3. Communicate with individual Board members concerns shared with the chair by other board members regarding issues agreed to in the working agreements or group operating norms.
4. Facilitate the orientation of new Board members.
5. Assist the Superintendent in communicating important information to the full Board. Keep Board members apprised of information exchanged with the Superintendent.
6. The Vice Chair will perform these duties when the Chair is not available.

D. Role of the Superintendent

1. Manage the day-to-day operations of the District.
2. Work as a team with Board members.
3. Work with the Board to establish a clear vision for the District and affirm it annually.
4. Collaborate with the Board to set annual District goals.
5. Work with the Chair and Vice Chair to effectively bring information and issues to the Board so that it can make proactive data driven decisions on policy and budget/revenue issues.
6. Facilitate and direct, communication between the central office staff and the Board that will require more than 20 minutes of staff time or when confidential by nature.
7. Provide regular communications to the Board. This may include: scheduling information for activities and events, as well as notice, follow-up or resolution of issues.

E. Meeting Operations and Decision Making

1. Respect the scheduled starting and ending times for meetings. Executive sessions and work sessions will end no later than 10 minutes before Board meetings. The Vice Chair will assist the Board Chair with keeping on schedule.
2. Attend and be fully engaged with a minimal distraction from cell phones, etc. at regularly scheduled Board meetings unless prevented by sickness or an unavoidable cause.
3. Cooperate in scheduling special meetings and/or work sessions for planning and training purposes.
4. Prepare for Board meetings by reading materials ahead of the meeting and asking questions that you have of the Superintendent or members of the Executive Team prior to the day of the meeting if possible. If after you have asked questions you intend to pull something from the consent agenda action, please notify the Board Chair and/or Superintendent before the meeting.
5. Board discussions should be thorough yet concise and pertinent to the issues on the agenda.

6. Make it a goal to make no new proposals on the night that the Board is scheduled to make a decision or take action. Items for discussion should be brought first to the Board Chair or Superintendent to be placed on the agenda, by Monday, the week prior to a scheduled Board meeting. Try to avoid surprises.
7. Cast a vote on all matters except when a conflict of interest arises.
8. Uphold decisions that have been made by the Board.

F. Communication

1. Communicate openly and honestly.
2. Respect differences and listen well and for positive intent.
3. Operate as representatives and make decisions in the best interest of the whole District. Consider research, best practices, evaluative data and public input in making mindful and purposeful decisions. Being mindful of the needs of ALL the children in our District and the interests of our collective community.
4. Focus on the situation, issue, or behavior, not the person.
5. When a Board member receives an informal complaint, listen carefully and empathetically. Direct the person to solve the problem at the lowest level.
 - a) Please talk with the teacher.
 - b) Please talk with the principal.
 - c) Please talk with the Superintendent.
6. Formal complaints must be forwarded to the Superintendent. These are heard by the Superintendent or designee. Complainants may appeal the Superintendent's decision to the School Board.
7. If a complainant is unwilling to speak to the Superintendent a Board member may share the issue and the source of the complaint, concern or criticism of the District. The Superintendent will keep the Board informant "source" confidential at the request of a Board member but every effort should be made to encourage trust and open communication. This is the best hope for full understanding and resolution.
8. When the Board receives communication from the community, the chair will respond or will delegate that responsibility to another Board member. A "footnote" statement will be added to the bottom of the board chair's email so that patrons understand that it is the practice of the Board that the chair will be responding on behalf of the board. The footnote will state, "The Board Chair responds to emails sent to the full board. School board members only deliberate when gathered as a quorum as outlined in the Public Meeting Law. To assure that board conversations and deliberations do not occur on email, the Board Chair will respond on behalf of the Board. All Board members receive communications that come from the community and the response given by the Board Chair." All Board members will be included in responses made by the Board chair. Following the communication from the Board chair, other Board members may also respond if they wish. The full Board should be included in communications with the public.
9. When a single Board member receives a communication from a member of the public s/he may respond to that patron as an individual. The Board member may elect to

forward the email and his/her response to the Board Chair or full Board if he/she wishes.

10. When a concern or problem arises, communicate one-on-one with the Board member. If the issue is not resolved, communicate with the Board chair and finally with the Superintendent if necessary.
11. To increase transparency in district operations and board oversight, the Superintendent should be included in meetings between a board member and key stakeholders.
12. When possible and appropriate responses to public questions should be included in Superintendent board updates.

G. Board or Superintendent Committees

Board Committees: The committee chair is responsible for implementing the charge of the Board. The committee chair will provide regular updates of committee progress to the Board. External communication of committee progress is the responsibility of the committee chair – the committee chair will provide advanced copies to the Board and the Superintendent of any external communication 36 hours before release.

Superintendent Committees: Board members may be asked to serve on a Superintendent or District committee. The Board member is a representative of the Board to staff, student, parent and community members. Board members serving on a committee should temper their participation, mindful of their position as an elected official. Board members serving on a committee are to respect the role of the committee chair and refrain from initiating a new direction for the committee or initiating formal community input except when requested by the committee chair. The Board representative on a Superintendent or District committee will assist the Superintendent in reporting committee progress to the Board. Voting rights will be determined on a case-by-case basis.

By signing below, I affirm that I have received, read and will abide by the Board Working Agreements.

Board Member Signature

Date