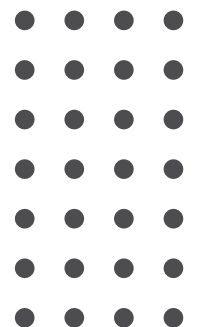




ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR YEAR ENDED JUNE 30, 2023



BEAVERTON SCHOOL DISTRICT

Beaverton, Oregon

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Prepared by:
Business Services Department

Dr. Gustavo Balderas
Superintendent of Schools

Michael Schofield
Associate Superintendent for Business Services

Jason Guchereau
Finance Manager



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INTRODUCTORY SECTION





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

November 27, 2023

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

The Annual Comprehensive Financial Report of the Beaverton School District ("District") for the fiscal year ended June 30, 2023, is hereby submitted. State law requires that an independent audit be made of all District funds within six months following the close of the fiscal year. This report is published to fulfill the requirement for the fiscal year ended June 30, 2023, and consists of management's representations concerning the finances of the District together with the opinions of our auditor.

This report was prepared by the District's Business Services Department. Management assumes full responsibility for the completeness and reliability of the information contained in this report. The District's management has established and maintains a comprehensive internal control framework put in place to protect assets from loss, theft or misuse. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance the financial statements are free of any material misstatements. The internal control structure is subject to periodic evaluation by management. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

These financial statements are presented to compile sufficient reliable information for the preparation of the District's financial statements in conformity with generally accepted accounting principles (GAAP) in the United States of America.

Grove, Mueller & Swank, P.C., Certified Public Accountants, have issued an unmodified ("clean") opinion on the Beaverton School District's financial statements for the year ended June 30, 2023. The independent auditor's report is located at the front of the financial section of this report.

FINANCIAL STATEMENT PRESENTATION

Designed to meet the needs of a broad spectrum of financial statement readers, this Annual Comprehensive Financial Report (ACFR) is divided into five major sections:

The *Introductory Section* includes this transmittal letter, the District's organizational chart and copies of certificates awarded for Beaverton School District's 2022 Annual Comprehensive Financial Report.

The *Financial Section* includes the Independent Auditor's Report, Management's Discussion and Analysis (MD&A), the basic financial statements including notes to the basic financial statements, required supplementary information, and supplementary information including the combining and individual fund financial statements.

The *Statistical Section* includes selected financial and demographic information, generally presented on a multi-year basis.

The *Single Audit Section* includes reports from the independent auditor regarding compliance requirements of the U.S. Office of Management and Budget (OMB) Uniform Guidance Compliance Supplement for major federal programs.

The *Compliance Section* contains the independent auditor's report required by the Minimum Standards for Audits of Oregon Municipal Corporations.

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

PROFILE OF THE DISTRICT

Beaverton School District, a kindergarten through twelfth grade district, was formed July 1, 1960, following a successful vote for unification of twelve elementary school districts and one high school district.

The District is a financially independent, special-purpose municipal corporation exercising financial accountability for all public education within its boundaries. As required by accounting principles generally accepted in the United States of America, all significant activities and organizations have been included in the financial statements.

The District is located predominantly in Washington County, approximately 10 miles west of Portland, Oregon, and encompasses over 57 square miles of land. It serves the residents of the City of Beaverton and various outlying towns and municipalities and is the third largest school district in Oregon.

Student enrollment in the fall of 2022 was 38,770. October 1 enrollment counts are reported to the state in November of each year, allowing time for data entry and confirmation of student records. An enrolled student is defined as a student who attends one or more schools or programs within the District. Regardless of the number of schools or programs attended, each student is counted only once.

ENROLLMENT AND FACILITIES

<u>Grade Level</u>	<u>Number of Programs</u>	<u>Enrollment</u>
Elementary School Programs	35	16,007
Middle School Programs	16	8,559
High School Programs	12	12,110
Special Education Programs	-	1,335
Charter School Programs	2	759
Total Programs and Enrollment	65	38,770

Remaining practically flat from an enrollment of 39,509 in fall of fiscal year 2014, the District has experienced a 1.9 percent decline in enrollment over the past ten years. The District had experienced a higher growth rate through the fall of fiscal year 2020, but is now experiencing declining enrollment due demographic changes. The District expects relatively flat to declining enrollment over the next few years with projected enrollment of 35,843 in 2026-27 based on cohort survival history, current and projected housing development, and overall regional economics.

The demographics of our school district reflect our rich cultural diversity. Our students speak more than 108 languages and dialects and the District's enrollment includes 57.5 percent of students of color. While the area has approximately 9.8 percent poverty, there are fourteen schools that qualify for the Community Eligibility Provision to receive access to free breakfast and lunch each school day.

The Beaverton School District Board ("Board"), elected by a majority of the voting electorate, is the governing body responsible for the District's policy decisions. The seven-member Board has oversight responsibility and control over all activities related to the District. The Board is accountable for all fiscal matters that significantly influence operations.

District management includes a superintendent, two deputy superintendents, an associate superintendent, four chief officers, and 141 principals, vice-principals and district administrators. The District employs 4,231 full-time equivalent personnel, including principals, vice-principals, administrators, teachers, supervisors, secretarial staff, bus

drivers, maintenance personnel, cafeteria staff and other support staff. The District has over 60 buildings and facilities, with an average age of 47 years.

Under Oregon State law, school districts are independent municipal corporations empowered to provide elementary and secondary educational services for the children residing within their boundaries. The District discharges this responsibility by building, operating and maintaining school facilities, developing and maintaining approved educational programs and courses of study, including career/technical educational programs and programs for English language learners and special needs students, and providing for transportation and feeding of students in accordance with District, State and Federal programs. This report includes all funds of the District.

DISTRICT PROMISE, MISSION STATEMENT AND PRIORITIES

District Promise: Belong. Believe. Achieve.

District Mission: Beaverton School District promises a deep sense of belonging while supporting, challenging and inspiring all students to explore their passions, achieve their goals and graduate ready to thrive in their learning and life after high school.

District Vision: In Beaverton School District, we envision every student saying:

- I belong, and I matter.
- I believe in myself, and my community believes in me.
- I am an informed and engaged member of my community.
- I am challenged, supported and successful in my learning.
- I feel connected to my learning, to my peers and to the adults in my school.
- I see a future I want, and I know how to achieve it.

District Values:

- Academic Excellence
- Belonging and Dignity
- Community Connections

The strategic plan identifies four main goal areas to support student success, as well as target outcomes and actions to achieve them:

- Safe & Thriving
- Foundations of Success
- Progress on Standards
- College & Career Ready

Foundational building blocks for the District's efforts are:

- Engaging and Effective Teaching and Learning Systems
- Authentic Engagement with Students, Families and Community
- Facilities and Programs for World-Class Learning
- Effective Systems and Structures for Student Success

Equity, engagement, and excellence underpin all these foundations and goals.

FINANCIAL INFORMATION

Accounting Policies. Governmental funds are used to account for the District's general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available".) "Measurable" means the amount of the transaction can

be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period.

Expenditures are recognized when the liability is incurred, except for in a few cases. Unmatured interest on general long-term debt is recognized when due. Interfund transactions, certain compensated absences, and certain claims and judgments are recognized in the fiscal year as expenditures because they will be liquidated with expendable financial resources.

The financial transactions for the proprietary fund type are recorded on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded at the time they are earned, and expenses are recorded at the time liabilities are incurred.

The accrual and modified accrual basis of accounting as utilized by Beaverton School District are in accordance with generally accepted accounting principles.

Budgetary Controls. The District is required by the State of Oregon to adopt an annual budget for all funds subject to the requirements of Local Budget Law as outlined in the Oregon Revised Statutes 294.305 through 294.565, inclusive. The Oregon Local Budget Law requires the appointment of a budget committee to review and approve the budget. The budget committee consists of the seven members of the Board and seven electors of the District who are appointed by the Board. The administration proposes a budget to the budget committee, and the budget committee may modify or approve the proposed budget.

A summary of the approved budget, together with a notice of public hearing, is published on the District website and in a newspaper having general circulation in the District. A public hearing is held to receive comments from the public concerning the approved budget. The Board adopts the budget, makes appropriations, and levies taxes after the public hearing and before the beginning of the year for which the budget has been prepared. After adoption, the budget may be revised through procedures specified in State statute and Board policy.

Charter Schools. Oregon statute provides state funding for charter schools that flows through the district for schools that local boards of education have granted a charter. The District has two charter schools, Arco Iris Spanish Immersion Charter School and Hope Chinese Charter School, in operation during the 2022-23 fiscal year. Arco Iris has completed its thirteenth year of operations. The school educates 402 full-time students in grades K-8 and has renewed its charter through 2026-27. Hope Chinese has completed its eleventh year of operations. The school educates 370 full time students in grades K-8, and has renewed its charter through 2027-28.

INDEPENDENT AUDIT

The Beaverton School District’s financial statements have been audited by Grove, Mueller & Swank, P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the District for the fiscal year ended June 30, 2023, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall basic financial statement presentation. The independent auditor concluded, based upon their audit, that there was a reasonable basis for rendering an unmodified (“clean”) opinion that the District’s basic financial statements for the fiscal year ended June 30, 2023, are fairly presented in all material respects in conformity with U.S. GAAP. The independent auditor’s report is presented as the first component of the Financial Section of this report.

The independent audit of the District’s basic financial statements includes a federally mandated “Single Audit” designed to meet the special requirements of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the basic financial statements, but also on the District’s internal control over financial reporting and on compliance and other matters, and on compliance related to the administration of federal awards. These reports are available in the Single Audit Section of this report.

ECONOMIC CONDITION

Located in northwestern Oregon, Washington County is one of the six counties that comprise the Portland-Vancouver-Hillsboro Primary Metropolitan Statistical Area (PVH-MSA). The six counties are Washington, Multnomah, Clackamas, Yamhill and Columbia in Oregon, and Clark in Washington. According to the Population Research Center of Portland State University, Multnomah and Washington counties together have one-third of the State of Oregon's population. Washington County's three largest cities are Beaverton, Hillsboro and Tigard. Because the District lies within the PVH-MSA, economic and demographic data is not available specifically for the District. Data is generally available for Washington County and for the PVH-MSA.

Washington County covers 727 square miles and includes sixteen incorporated cities such as Beaverton, Hillsboro, Tigard and Tualatin, as well as a portion of the City of Portland.

Currently, manufacturing accounts for 18 percent of the total non-farm employment in the PVH-MSA, while trade, transportation and utilities account for 18 percent, government jobs 7 percent, professional and business services 18 percent, education and health services 13 percent, and leisure and hospitality 8 percent. A major manufacturing employer in the Beaverton area is Nike, an athletic footwear and apparel manufacturer with its 286-acre world headquarters campus located in Washington County.

The PVH-MSA relies heavily on the manufacturing, high technology industries, wholesale trade and financial activities. According to the Oregon Employment Department, at the end of June 2022, the PVH-MSA unemployment rate was 3.8 percent, compared to the Oregon unemployment rate of 3.9 percent and to the nation's rate of 3.6 percent.

LONG-TERM FINANCIAL PLANNING

The District's unrestricted general fund balance (the total of the committed, assigned and unassigned components of fund balance) at year-end was \$155.8 million, or 28.3 percent of total General Fund revenues. This is composed of two parts - \$17.1 million in committed long-term reserves and \$138.7 million in unassigned ending fund balance. This amount is above the policy guidelines set by Board policy for budgetary and planning purposes of a minimum 5.0 percent of total actual revenues, although the committed long-term reserves is less than the Board policy of an additional 5.0 percent committed in a sustainability fund. The reserves are maintained to absorb economic downturns, state revenue-sharing reductions and other revenue shortfalls, and will prudently be used when needed to provide stability of core programs and legally required activities. Over the next several years, the District plans to spend down a portion of the unassigned ending fund balance to allow a gradual transition at the end of the one-time ESSER funds as it responds to the needs of students and the continuing declining enrollment.

The District issued general obligation bonds in 2016-17 as part of the \$680 million bond measure passed by voters in May 2014 and issued general obligations bonds in 2022-23 as part of the \$723 million bond measure passed by voters in May 2022. These funds were still being used to complete construction on school remodels and building improvements in 2022-23 and into 2023-24. The \$723 million bond measure for additional school remodels and capital construction projects was based on the most recent facilities condition assessment. As the average age of the District's buildings is in excess of 40 years, the District will continue to utilize and update the facilities condition assessment to guide the future needs for the District.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Beaverton School District for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022. This was the forty-second consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the District must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

In addition, the Association of School Business Officials International (ASBO) awarded its Certificate of Excellence in Financial Reporting to the Beaverton School District for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022. The District has achieved this prestigious award for forty-first consecutive year.

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

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

We also thank the members of the Board for their continued support and dedication to the financial operations of the Beaverton School District.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Gustavo Balderas", with a stylized flourish at the end.

Dr. Gustavo Balderas
Superintendent of Schools

A handwritten signature in black ink, appearing to read "Michael Schofield", with a stylized flourish at the end.

Michael Schofield
Associate Superintendent of Business Services



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Beaverton School District
Oregon**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Beaverton School District

**for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2022.**

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



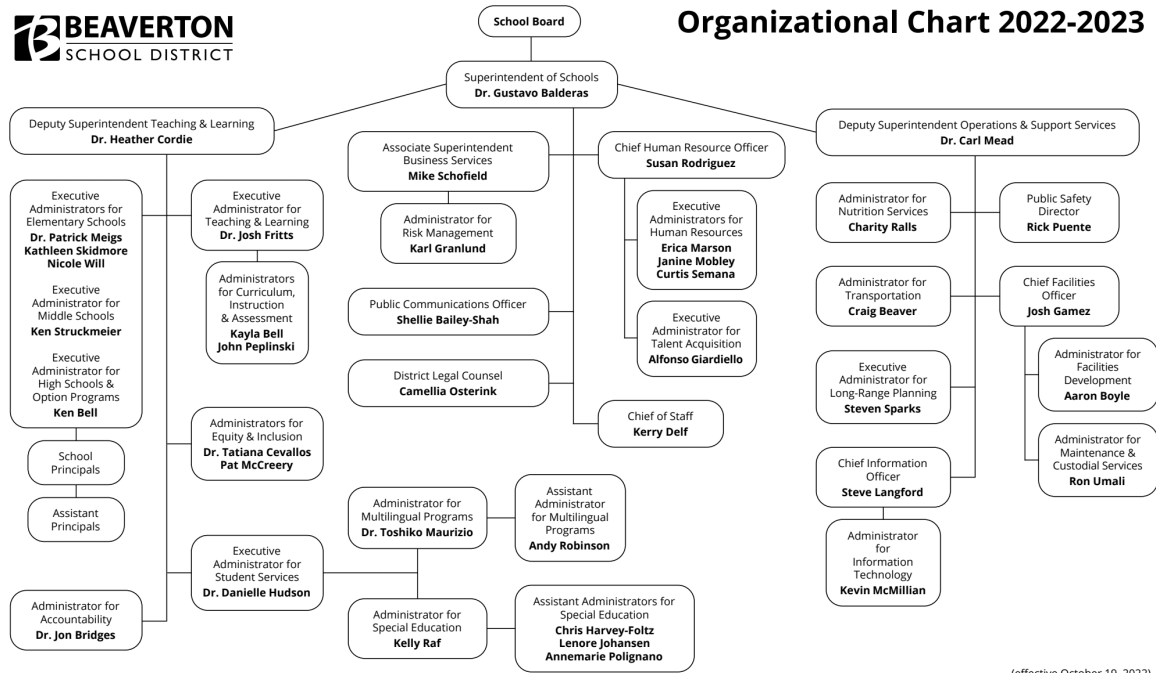
A handwritten signature in black ink, reading 'John W. Hutchison'. The signature is written in a cursive style with a large, flowing 'J'.

John W. Hutchison
President

A handwritten signature in black ink, reading 'Siobhán McMahon'. The signature is written in a cursive style with a large, flowing 'S'.

Siobhán McMahon, CAE
Chief Operations Officer/
Interim Executive Director

Organizational Chart 2022-2023



(effective October 19, 2022)

Beaverton School District Appointed and Elected Officials as of June 30, 2023

Administrative Office:
1260 NW Waterhouse Avenue
Beaverton, OR 97006

<u>Name</u>	<u>Position</u>
Dr. Gustavo Balderas	Superintendent
Dr. Heather Cordie	Deputy Superintendent
Dr. Carl Mead	Deputy Superintendent
Michael Schofield	Associate Superintendent

School Board

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

The Board Members receive mail at the address below:

Beaverton School District
1260 NW Waterhouse Avenue
Beaverton, OR 97006



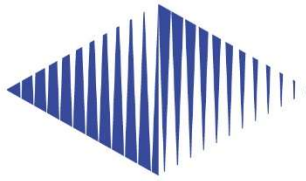


FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT





GROVE, MUELLER & SWANK, P.C.

Certified Public Accountants and Consultants

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

INDEPENDENT AUDITOR'S REPORT

School Board
Beaverton School District
Beaverton, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Beaverton School District, Washington County, Oregon (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the 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 Beaverton School District, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in the notes to the financial statements, the District has implemented Governmental Accounting Standards Board (GASB) Statement No. 96 *Subscription-Based Information Technology Arrangements*, in the current period, which resulted in changes to the presentation of Information Technology subscription related activity. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

The combining schedule and budgetary comparison information presented as required supplementary information, is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, other supplementary information, and statistical section as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The other supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

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

Reports on Other Legal and Regulatory Requirements


Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2023 on our consideration of Beaverton School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Other Reporting Required by Oregon Minimum Standards

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated November 27, 2023, on our consideration of the District's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

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

By: 
Larry E. Grant, A Shareholder
November 27, 2023



MANAGEMENT'S DISCUSSION AND ANALYSIS



BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023

As management of the Beaverton School District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our Transmittal Letter, which can be found on pages 1 - 6 of this report.

NEW ACCOUNTING STANDARDS IMPLEMENTED

The District implemented Governmental Accounting Standards Board (GASB) Statement No. 91, *Conduit Debt Obligations* (GASB No. 91), Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* (GASB No. 94), and Statement No. 96, *Subscription-Based Information Technology Arrangements* (GASB No. 96). The District has also implemented the immediate portions of Statement No. 99, *Omnibus 2022* (GASB No. 99) in fiscal year 2022-23. The District restated prior year net position as a result of the implementation of GASB No. 96 but anticipates no financial impact as a result of implementing the other statements. Additional information can be found in Note 11 and Note 21 of the financial statements.

FINANCIAL HIGHLIGHTS

- In the government-wide statements, the assets and deferred outflows of resources exceeded the liabilities and deferred inflows of resources by \$51.7 million (net position). This is an increase of \$89.6 million from the restated net position for 2022.
- The District's governmental funds report combined ending fund balance of \$548.8 million, an increase of \$338.6 million from the prior year. Approximately 25.3 percent of this total amount, \$138.7 million, was unassigned, available for appropriation at the District's discretion. The remaining fund balances are either nonspendable, restricted or committed: \$367.8 million for use on capital projects, \$9.8 million for debt service and the balance of \$32.5 million for other purposes.
- At the end of the current fiscal year, the unrestricted fund balance (the total of the committed and unassigned components of fund balance) for the General Fund was \$155.8 million, or about 28.3 percent of total General Fund revenue.
- Total cost of all the District's programs was \$666.1 million for the fiscal year, an increase of \$31.5 million (4.9 percent) from the prior year after adjustments for GASB 96 restatement.
- The District's total outstanding long-term debt and equipment financing increased by \$256.3 million (27.8 percent) during the 2022-23 fiscal year due to the issuance of the first series of bonds from the May 2022 bond measure. This was partially offset by the debt service payments and amortization of premiums.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)

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

The Statement of Net Position. The *Statement of Net Position* focuses on resources available for future operations. In simple terms, this statement presents a snapshot view of what the District owns (assets), what it owes (liabilities), and the net difference (net position). Net position may be further separated into amounts restricted for specific purposes and unrestricted amounts. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

In the government-wide financial statements, the District's activities are shown in one category as *governmental activities*. All of the District's basic functions are shown here, such as regular and special education, child nutrition services, transportation, and administration. These activities are primarily financed through property taxes, Oregon's State School Fund and other intergovernmental revenues.

The government-wide financial statements can be found on pages 31 - 32 of this report.

Fund financial statements. The *fund financial statements* provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Beaverton School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and proprietary funds. To be considered a major fund, the fund must meet criteria established by generally accepted accounting principles.

Governmental funds. The *governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year (e.g., uncollected taxes are not recognized as they are not resources yet available at the end of the fiscal year). Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are reconciled to the government-wide Statements of Net Position and Activities.

The District maintains eight individual governmental funds. Information is presented separately in the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances for the General, Grant, Debt Service, and Capital Projects Funds, all of which are considered to be major funds. The General Fund has two types of subfunds included as a separate presentation, which can be found following the notes to the basic financial statements. Data from the other four of the governmental funds are combined into a single,

**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

aggregated presentation, as they are considered to be non-major funds. Additional information and individual fund data for each of these non-major governmental funds is provided as Other Supplementary Information on pages 91 - 98.

Additionally, the District adopts an annual appropriated budget for all funds as required by Oregon budget law. Budgetary comparison statements / schedules have been provided to demonstrate compliance elsewhere in this report.

The basic governmental fund financial statements can be found on pages 33 - 36.

Proprietary funds. The District maintains one proprietary fund type (internal service fund). The internal service fund is an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses its internal service funds to account for insurance claims and premiums. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

The District maintains two individual internal service funds. These funds are combined into a single, aggregated presentation in the basic financial statements. Individual fund data for the internal service funds is provided as Other Supplementary Information in this report.

The basic proprietary fund financial statements are provided on pages 37 - 39 of this report.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 40 - 72 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *Required Supplementary Information (RSI)* including budget to actual presentations for required major funds. This information can be found on pages 75 - 81 of this report. *Other Supplementary Information*, presented on pages 85 - 120, includes combining statements for the nonmajor governmental funds, budgetary comparison for nonmajor and other funds, and other financial schedules.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, its assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$51.7 million at June 30, 2023.

Capital assets, which consist of the District's land, buildings, building improvements, construction in progress, vehicles and equipment, represent 62.0 percent of total assets. The remaining assets consist mainly of cash and investments, grants and property taxes receivable.

The District's largest liability (86.8 percent) is for the repayment of long-term debt and obligations due in more than one year, including all general obligation and limited tax pension obligation bonds as well as post-employment benefit obligations, the Public Employees Retirement System (PERS) net pension obligation, leases, and subscriptions. Other liabilities, representing about 13.2 percent of the District's total liabilities, consist principally of the debt and obligations due within one year, including payables on accounts, accrued salaries and benefits, leases, and subscriptions.

Most of the District's net position (\$398.5 million) reflects its investment in capital assets (e.g., land, buildings, vehicles and equipment), less any related debt used to acquire those assets that is still outstanding and unspent bond proceeds.

BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)

The District uses these capital assets to provide services to students and other District residents; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources (generally property taxes), since the capital assets themselves cannot be used to liquidate these liabilities.

The District's restricted net position (\$13.2 million) reflects resources that are subject to external restrictions on how they may be used. The remaining balance in net position (negative \$360.1 million) is unrestricted.

The breakdown of the Beaverton School District Net Position for Governmental Activities, after GASB 96 restatement, is as follows:

Governmental Activities	June 30, 2022	June 30, 2023	Increase / (Decrease)
Capital assets	\$ 1,070,465,654	\$ 1,083,068,259	\$ 12,602,605
Current and other assets	312,303,356	663,066,771	350,763,415
Total assets	1,382,769,010	1,746,135,030	363,366,020
Deferred outflows of resources	188,169,195	149,066,480	(39,102,715)
Total assets and deferred outflows of resources	1,570,938,205	1,895,201,510	324,263,305
Long-term liabilities	1,168,924,322	1,462,412,769	293,488,447
Other liabilities	172,047,779	221,796,648	49,748,869
Total liabilities	1,340,972,101	1,684,209,417	343,237,316
Deferred inflows of resources	267,854,455	159,320,625	(108,533,830)
Total liabilities and deferred inflows of resources	1,608,826,556	1,843,530,042	234,703,486
Net position:			
Net investment in capital assets	375,051,879	398,543,911	23,492,032
Restricted	5,505,500	13,192,030	7,686,530
Unrestricted	(418,445,730)	(360,064,473)	58,381,257
Total net position	\$ (37,888,351)	\$ 51,671,468	\$ 89,559,819

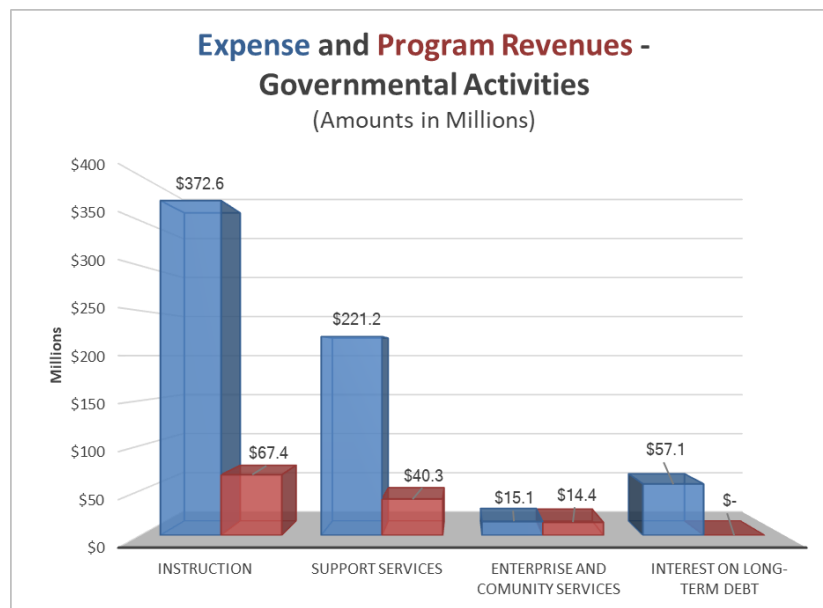
The District's overall financial position changed as indicated by an increase of \$89.6 million in net position. Unrestricted net position increased by \$58.4 million due mainly to the PERS deferred revenues from prior period's improved asset performance that were recognized in the current year. These were offset by a higher PERS net pension liability in the current year. At the same time, the District's investment in capital assets, net of related debt, increased by \$23.5 million due principally to the continued implementation of the construction bond and payment of related debt during the year.

BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)

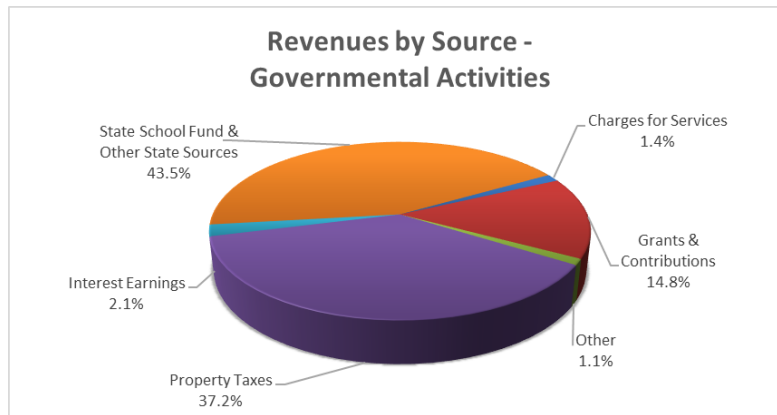
Governmental activities. During the 2022-23 fiscal year, the District's net position increased by \$89.6 million from the restated net position. Additional information related to the GASB 96 restatement can be found in Note 21.

The key elements in this change, after adjustments for GASB 96 restatement, are the following:

Governmental Activities	June 30, 2022	June 30, 2023	Increase / (Decrease)
Revenues:			
Program revenues:			
Charges for services	\$ 5,751,716	\$ 10,213,599	\$ 4,461,883
Operating grants and contributions	118,995,924	111,459,940	(7,535,984)
Capital grants and contributions	1,180,349	424,236	(756,113)
General revenues:			
Property taxes	226,254,042	240,957,024	14,702,982
Local option taxes	37,407,459	39,826,733	2,419,274
Construction excise tax	2,110,725	2,653,813	543,088
State school fund	287,550,313	302,330,272	14,779,959
Other state and local sources	21,463,764	26,345,773	4,882,009
Earnings on investments	706,117	15,826,123	15,120,006
Miscellaneous	11,389,711	5,613,712	(5,775,999)
Total revenues	712,810,120	755,651,225	42,841,105
Expenses:			
Instruction	370,421,973	372,637,322	2,215,349
Support services	211,388,720	221,182,702	9,793,982
Enterprise and community services	15,079,040	15,136,766	57,726
Interest on long-term debt	37,716,601	57,134,616	19,418,015
Total expenses	634,606,334	666,091,406	31,485,072
Increase (decrease) in net position	78,203,786	89,559,819	11,356,033
Net position – July 1 (as restated)	(116,092,137)	(37,888,351)	78,203,786
Net position – June 30	\$ (37,888,351)	\$ 51,671,468	\$ 89,559,819



**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**



- General revenues increased by \$46.7 million in 2022-23 largely due to increased property tax revenues from much higher property valuations, an increase in the state school fund rate that increased revenues even with declining enrollment at the District, and a large increase in earnings on investments as a result of much higher interest rates that increased rapidly in the fiscal year.
- Expenses increased by \$31.5 million in 2022-23, with the most significant increase due to the additional interest expenses from the new bond series issued in the fiscal year.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

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

At June 30, 2023, the District's governmental funds reported combined ending fund balances of \$548.8 million, an increase of \$338.6 million in comparison with the prior year. The majority of this increase was due to the issuance of bonds for capital projects that occurred in the year. Approximately \$410.1 million (74.7 percent) of the ending fund balances constitutes nonspendable, restricted or committed balances. Restricted or committed ending fund balances are constrained to specific purposes by bondholders or the governing body. Another \$138.7 million (23.3 percent) of the ending fund balances are unassigned and available for spending at the District's discretion. Of the fund overall balance, \$367.8 million (67.0 percent) is designated for capital projects, as authorized by voters and the Board, and an additional \$9.8 million (1.8 percent) is dedicated for debt service obligations.

General Fund. The General Fund is the chief operating fund of the District. As of June 30, 2023, committed fund balance was \$17.2 million to fund long-term planning needs and a stability fund. As a measure of the fund's liquidity, it may be useful to compare total fund balance to total fund revenues. At the end of the fiscal year, the General Fund balance was 28.3 percent of General Fund revenues. The fund balance increased by \$36.0 million, as revenues continue to outpace expenditures partially due to the short-term state and federal resources received through the Grant Fund related to the COVID-19 response. Revenues also increased for the year due to the implementation of services to other funds charge of a 2 percent of salaries in all funds to establish a PERS reserve for future rate increases.

**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

Grant Fund. The Grant Fund has zero fund balance, consistent with prior years. Both revenues and expenditures did not have significant changes from the prior year as the District continued utilization of significant grants as that were part of the COVID-19 response.

Debt Service Fund. The Debt Service Fund has a total fund balance of \$9.8 million, all of which is set aside for the payment of debt service. The fund balance increased from \$2.8 million due to larger increases in local property taxes than forecasted and much higher interest earnings than anticipated due to the large increase in market rates in the year.

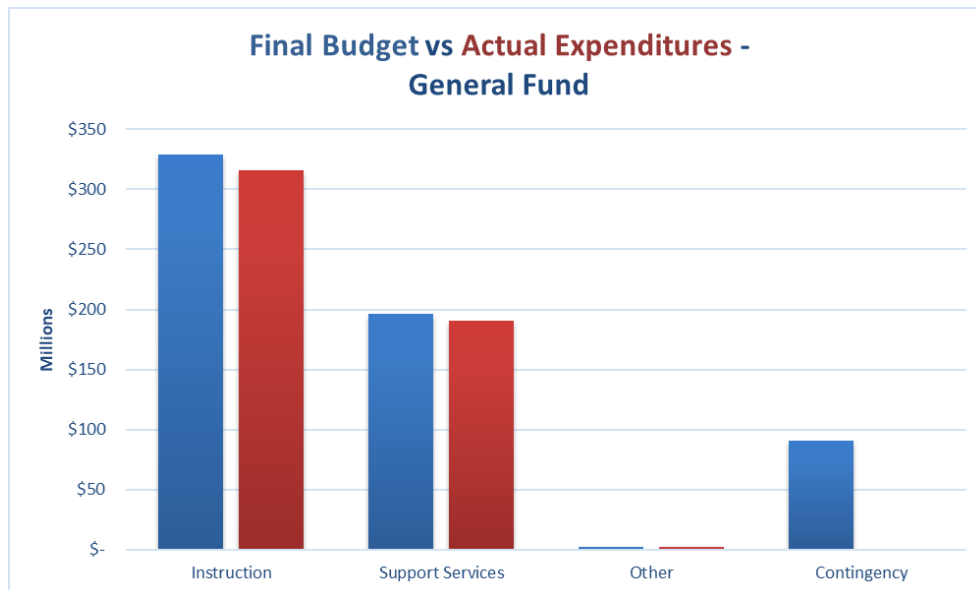
Capital Projects Fund. The Capital Projects Fund has a total fund balance of \$367.8 million, all of which is dedicated for ongoing capital projects. The fund balance increased primarily due to the issuance of the first series of bonds associated with the 2022 Bond Measure for capital construction. Capital expenditures reflect costs incurred as part of the Long-Range Facilities Plan. All of the Capital Projects Fund balance being restricted or committed for capital improvements and repairs.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund adopted budget for the fiscal year ended June 30, 2023, did not have any appropriation changes and all expenditures were within budgeted appropriations.

The most significant differences between estimated revenue and actual revenue were State Sources. State Sources were estimated to be \$295.9 million and actual revenue was \$313.8 million, a difference of \$17.9 million. The District forecasted lower enrollment but received additional State School Fund revenue due to the lower enrollment across the state resulting in a larger than expected per pupil funding amount.

The most significant difference between estimated expenditures and actual expenditures were in Instruction and Support Services, both which were affected by the tight labor market that left many positions open for extended periods of time throughout the year.



**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The District's investment in capital assets includes land, buildings and improvements, vehicles and equipment, intangible right-to-use assets, and construction in progress. As of June 30, 2023, the District had approximately \$1,083.1 million invested in capital assets, net of depreciation/amortization, as shown in the following table:

Capital Asset	June 30, 2022	June 30, 2023	Increase / (Decrease)
Land	\$ 71,493,501	\$ 71,741,409	\$ 247,908
Buildings and improvements	933,380,369	926,805,678	(6,574,691)
Vehicles and equipment	23,537,218	23,612,461	75,243
Intangible right-to-use vehicles and equipment	1,030,887	2,049,503	1,018,616
Intangible right-to-use subscriptions	2,739,292	2,197,682	(541,610)
Construction in progress	38,284,387	56,661,526	18,377,139
Total capital assets, net of related accumulated depreciation / amortization	<u>\$ 1,070,465,654</u>	<u>\$ 1,083,068,259</u>	<u>\$ 12,602,605</u>

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

Long-term debt. At the end of the current fiscal year, the District had a total long-term debt outstanding of \$1,180.0 million outstanding. The debt consisted of general obligation bonds, full faith and credit obligation bonds, pension obligation bonds, equipment financing, and unamortized premium.

State statutes limit the amount of general obligation debt a school district may issue to 7.95 percent of its total real market value. The current debt limit is \$5.8 billion, which is significantly in excess of the District's outstanding general obligation debt.

The District maintains an "AA" rating from Standard & Poor's and an "Aa3" rating from Moody's for general obligation debt.

Additional information on the District's long-term debt can be found in Note 9 on pages 52 - 56 of this report.

Long-Term Debt Type	June 30, 2022	June 30, 2023	Increase / (Decrease)
General obligation bonds	\$ 713,350,265	\$ 978,947,418	\$ 265,597,153
Pension obligation bonds	146,725,000	129,235,000	(17,490,000)
Full faith and credit obligations	30,448,277	29,077,845	(1,370,432)
Unamortized premium	29,575,741	40,361,588	10,785,847
Equipment financing	3,523,064	2,348,719	(1,174,345)
Total long-term debt	<u>\$ 923,622,347</u>	<u>\$ 1,179,970,570</u>	<u>\$ 256,348,223</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Resources supporting District General Fund operations primarily reflect local and state revenues, with additional income representing federal, county, and other sources. The largest segment is determined by the State School Fund formula. Most of the funding provided by the State to the District is based on the District's average daily membership (ADM) of students, either that of the current year or the prior year, whichever is higher. Total student enrollment in 2022-23

**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

decreased from 2021-22 by 606, a decrease of 1.5 percent. The District expects to have declining ADM in 2023-24 but will continue to receive funding based on the 2022-23 ADM.

The 2022-23 budget was based on a K-12 state funding level of \$9.3 billion for the 2021-23 biennium. It includes a local option levy that was renewed in November 2022 that will continue through June 2028. This local option provides 289 teaching positions in an effort to reduce class sizes. The budget was based on post-COVID-19, in-person operations for the entire year. However, the Elementary and Secondary School Emergency Relief Fund (ESSER) II and III have provided additional grant funds to respond to the effects of the situation.

In June 2023, the Board adopted the District budget for the fiscal year 2023-24. The adopted budget for the General Fund for the year ending June 30, 2024, is \$666.3 million. This is an increase of \$43.5 million from the 2022-23 adopted budget. This budget was adopted with estimates assuming continuing declining enrollment, a K-12 state funding level of \$10.1 billion for the 2023-25 biennium, and a smaller continued financial impact of the ESSER supports. The State adopted a final K-12 state funding level of \$10.2 billion for the 2023-25 biennium that will be incorporated in the future.

The Board has set a policy that the District will target 5.0 percent of annual operating revenues as ending fund balance and an additional 5.0 percent to a financial reserve fund. The District will also budget an annual operating contingency equal to 5.0 percent of budgeted revenues. The District policy allows additional reserves to be established for specific purposes, and the District has created a PERS Reserve account that will set aside funds to address the anticipated rate increase for in the future. The District plans to spend down a portion of the unassigned fund balance over the next few years as it responds to the continuing declining enrollment and the end of the one-time ESSER funds.

REQUESTS FOR INFORMATION

This financial report is designed to present the users (citizens, taxpayers, investors and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the District's Finance Manager at 1260 NW Waterhouse Avenue, Beaverton, Oregon 97006.



BASIC FINANCIAL STATEMENTS



BEAVERTON SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023

ASSETS:

Cash and investments	\$ 602,982,116
Receivables	51,647,237
Inventories	604,134
OPEB net asset - RHIA	7,833,284
Capital assets not being depreciated / amortized	128,402,935
Capital assets, net of accumulated depreciation / amortization	954,665,324
TOTAL ASSETS	1,746,135,030

DEFERRED OUTFLOWS OF RESOURCES:

Deferred amount on refunding	13,986,251
PERS deferred outflows	130,892,728
OPEB deferred outflows	4,187,501
TOTAL DEFERRED OUTFLOWS OF RESOURCES	149,066,480

TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	1,895,201,510
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LIABILITIES:

Accounts payable	14,115,339
Accrued salaries and benefits	50,759,286
Compensated absences	5,296,303
Accrued interest payable	33,492,608
Unearned revenue	20,735,017
Accrued claims losses	4,230,000
Other accrued liabilities	667,053
Non-current liabilities	
Due within one year:	
Leases payable	938,318
Subscriptions liability	245,319
Bonds, notes, and equipment financing	91,317,405
Due in more than one year:	
Leases payable	942,983
Subscriptions liability	502,374
Bonds, notes, and equipment financing	1,088,653,165
PERS net pension liability	348,863,875
OPEB total liability - PHIS	23,450,372
TOTAL LIABILITIES	1,684,209,417

DEFERRED INFLOWS OF RESOURCES:

Lease deferred inflows	1,986,271
PERS deferred inflows	145,636,452
OPEB deferred inflows	11,697,902
TOTAL DEFERRED INFLOWS OF RESOURCES	159,320,625

TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	1,843,530,042
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NET POSITION:

Net investment in capital assets	398,543,911
Restricted for student body & special programs	5,602,145
Restricted for scholarships	448,000
Restricted for OPEB	7,141,885
Unrestricted	(360,064,473)
TOTAL NET POSITION	\$ 51,671,468

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

BEAVERTON SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction:					
Regular programs	\$ 274,772,314	\$ 5,136,729	\$ 26,609,769	\$ -	\$ (243,025,816)
Special programs	92,581,067	-	29,740,884	-	(62,840,183)
Summer school programs	5,283,941	-	5,909,046	-	625,105
Total instruction	372,637,322	5,136,729	62,259,699	-	(305,240,894)
Support Services:					
Student support services	57,801,237	-	20,703,962	-	(37,097,275)
Instructional staff support	19,180,891	-	6,697,978	-	(12,482,913)
General administration support	2,699,951	-	103,940	-	(2,596,011)
School administration	35,950,118	-	411,962	-	(35,538,156)
Business support services	76,991,747	985,807	9,899,400	424,236	(65,682,304)
Central activities support	28,558,758	-	1,121,405	-	(27,437,353)
Total support services	221,182,702	985,807	38,938,647	424,236	(180,834,012)
Enterprise and Community Services:					
Food services	14,873,615	4,091,063	10,021,841	-	(760,711)
Community services	263,151	-	239,753	-	(23,398)
Total enterprise and community services:	15,136,766	4,091,063	10,261,594	-	(784,109)
Interest on long-term debt	57,134,616	-	-	-	(57,134,616)
Total governmental activities	\$ 666,091,406	\$ 10,213,599	\$ 111,459,940	\$ 424,236	(543,993,631)
General revenues:					
Property taxes levied for general purposes					162,671,593
Local option taxes levied for general purposes					39,826,733
Property taxes levied for debt service					78,285,431
Construction excise tax					2,653,813
State school fund - general support					302,330,272
Common school fund					5,165,459
Unrestricted state and local sources					21,180,314
Earnings on investments					15,826,123
Gains / (loss) on sale of capital assets					(141,436)
Miscellaneous					5,755,148
Total general revenues					633,553,450
CHANGE IN NET POSITION					89,559,819
NET POSITION, July 1, 2022 as originally reported					(39,831,057)
Restatement (see Note 21)					1,942,706
NET POSITION, July 1, 2022 as restated					(37,888,351)
NET POSITION, June 30, 2023					\$ 51,671,468

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

BEAVERTON SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	General Fund	Grant Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total
ASSETS						
Equity in pooled cash and investments	\$ 190,683,721	\$ -	\$ 7,099,832	\$ 372,402,171	\$ 17,581,913	\$ 587,767,637
Cash with fiscal agent	-	-	338,429	300,000	-	638,429
Receivables	3,803,212	35,822,934	186,305	2,216,029	2,433,287	44,461,767
Property taxes receivable	3,016,901	-	1,137,556	-	-	4,154,457
Lease revenue receivable	2,792,616	-	-	223,361	-	3,015,977
Due from other funds	11,432,397	-	1,971,040	-	-	13,403,437
Inventories	-	-	-	-	604,134	604,134
TOTAL ASSETS	\$ 211,728,847	\$ 35,822,934	\$ 10,733,162	\$ 375,141,561	\$ 20,619,334	\$ 654,045,838
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 5,072,324	\$ 1,971,155	\$ -	\$ 6,686,854	\$ 293,390	\$ 14,023,723
Accrued salaries and benefits	44,270,713	5,279,814	-	34,592	1,159,328	50,744,447
Due to other funds	2,312,737	11,314,523	-	1,969	75,660	13,704,889
Unearned revenue	-	17,247,442	-	-	3,487,575	20,735,017
Other liabilities	482	10,000	-	358,127	298,444	667,053
TOTAL LIABILITIES	51,656,256	35,822,934	-	7,081,542	5,314,397	99,875,129
Deferred Inflows of Resources:						
Unavailable revenue - property taxes	2,484,891	-	935,236	-	-	3,420,127
Unavailable revenue - leases	1,772,913	-	-	213,358	-	1,986,271
TOTAL DEFERRED INFLOWS OF RESOURCES	4,257,804	-	935,236	213,358	-	5,406,398
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	55,914,060	35,822,934	935,236	7,294,900	5,314,397	105,281,527
Fund Balances:						
Nonspendable						
Nutrition Services Fund - Inventories	-	-	-	-	604,134	604,134
Restricted						
Debt Service Fund	-	-	4,022,499	-	-	4,022,499
Capital Projects Fund	-	-	-	354,853,965	-	354,853,965
Student Body & Special Purpose Fund	-	-	-	-	5,602,145	5,602,145
Scholarships Fund	-	-	-	-	448,000	448,000
Committed						
Debt Service Fund	-	-	5,775,427	-	-	5,775,427
Capital Projects Fund	-	-	-	12,992,696	-	12,992,696
Categorical Fund	-	-	-	-	3,324,312	3,324,312
Nutrition Services Fund	-	-	-	-	5,326,346	5,326,346
Long-term Planning Fund	17,162,668	-	-	-	-	17,162,668
Unassigned	138,652,119	-	-	-	-	138,652,119
TOTAL FUND BALANCES	155,814,787	-	9,797,926	367,846,661	15,304,937	548,764,311
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 211,728,847	\$ 35,822,934	\$ 10,733,162	\$ 375,141,561	\$ 20,619,334	\$ 654,045,838

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

BEAVERTON SCHOOL DISTRICT**RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO STATEMENT OF NET POSITION**

JUNE 30, 2023

TOTAL FUND BALANCES	\$ 548,764,311
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Capital assets are not financial resources and therefore are not reported in the governmental funds:

Cost	\$ 1,526,657,066	
Accumulated depreciation / amortization	<u>(443,588,807)</u>	1,083,068,259

A portion of the District's revenues are collected after year-end, but are not available soon enough to pay for the current year's operations, and therefore are not reported in the governmental funds.	3,420,127
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Internal service funds are used by the District to charge the costs of insurance premiums and claims to the individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	10,556,083
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Compensated absences are reported when earned as a liability in the Statement of Net Position while in the governmental funds only the portion that requires the use of current financial resources is reported as a liability.	(5,296,303)
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Long-term liabilities not payable in the current year are not reported as governmental fund liabilities. Interest on long-term debt, notes, and leases is not accrued in the governmental funds, but rather is recognized as an expenditure when due. These liabilities consist of:	
Accrued interest payable	(33,492,608)
Bonds, notes, equipment financing, and unamortized premium	(1,179,970,570)
Leases payable	(1,881,301)
Subscriptions liability	<u>(747,693)</u>
	(1,216,092,172)

Long-term pension assets / liabilities not payable in the current year are not reported as governmental fund liabilities. Actuarial changes create deferred outflows and inflows of resources. These consist of:	
PERS net pension liability	(348,863,875)
PERS deferred outflow of resources	130,892,728
PERS deferred inflows of resources	<u>(145,636,452)</u>
	(363,607,599)

In 2019-20 bond refunding, a larger amount paid to the escrow agent than the premiums of the bonds being refunded that was recorded as interest expense. This deferred outflow of resources is recognized based on the schedule of maturities of the refunded bonds.	13,986,251
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Long-term other postemployment benefits obligation assets / liabilities not payable in the current year are not reported as governmental fund liabilities. Actuarial changes create deferred outflows and inflows of resources. These consist of:	
Net OPEB asset	7,833,284
Total OPEB liability	(23,450,372)
OPEB deferred outflow of resources	4,187,501
OPEB deferred inflows of resources	<u>(11,697,902)</u>
	(23,127,489)

TOTAL NET POSITION	<u><u>\$ 51,671,468</u></u>
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BEAVERTON SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023

	General Fund	Grant Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total
REVENUES:						
Property taxes	\$ 162,331,922	\$ -	\$ 78,285,431	\$ -	\$ -	\$ 240,617,353
Local option levy	39,826,733	-	-	-	-	39,826,733
Construction excise tax	-	-	-	2,653,813	-	2,653,813
Intermediate sources	14,644,653	204,360	65,006	-	-	14,914,019
State sources	313,753,325	59,157,660	-	-	3,581,127	376,492,112
Federal sources	-	34,761,185	-	-	9,818,706	44,579,891
Charges for services	1,207,182	-	-	-	8,981,181	10,188,363
Rentals	711,874	-	-	229,371	-	941,245
Investment earnings	7,122,573	-	1,851,293	5,983,346	483,256	15,440,468
Contributions and donations	1,022	1,105,613	-	15,727	2,111,589	3,233,951
Services to other funds	6,683,716	-	26,184,818	-	-	32,868,534
Recovery of prior years' expenditures	97,814	77	-	1,091,774	193,919	1,383,584
Other	3,284,962	-	-	457,206	695,014	4,437,182
Total revenues	549,665,776	95,228,895	106,386,548	10,431,237	25,864,792	787,577,248
EXPENDITURES:						
Current						
Instruction	315,926,979	59,229,487	-	-	6,042,007	381,198,473
Support services	189,904,423	35,735,610	-	2,696,339	4,377,159	232,713,531
Enterprise and community services	69,829	375,956	-	-	15,254,109	15,699,894
Debt Service						
Principal	2,350,420	-	72,675,432	-	-	75,025,852
Interest	190,831	-	33,079,864	-	-	33,270,695
Capital Outlay						
Facilities acquisition and construction	-	87,831	-	42,385,608	314,053	42,787,492
Total expenditures	508,442,482	95,428,884	105,755,296	45,081,947	25,987,328	780,695,937
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	41,223,294	(199,989)	631,252	(34,650,710)	(122,536)	6,881,311
OTHER FINANCING SOURCES (USES):						
Sale of or compensation for loss of capital assets	1,000	-	-	(143,588)	1,152	(141,436)
Transfers in	-	-	2,119,603	-	7,530	2,127,133
Transfers out	(5,182,952)	-	-	(1,208,289)	(130,691)	(6,521,932)
Issuance of subscriptions	-	199,989	-	-	-	199,989
Issuance of debt	-	-	-	319,412,153	-	319,412,153
Premium on long-term debt issued	-	-	-	16,637,675	-	16,637,675
TOTAL OTHER FINANCING SOURCES (USES)	(5,181,952)	199,989	2,119,603	334,697,951	(122,009)	331,713,582
NET CHANGE IN FUND BALANCES	36,041,342	-	2,750,855	300,047,241	(244,545)	338,594,893
FUND BALANCE, July 1, 2022	119,773,445	-	7,047,071	67,799,420	15,549,482	210,169,418
FUND BALANCE, June 30, 2023	\$ 155,814,787	\$ -	\$ 9,797,926	\$ 367,846,661	\$ 15,304,937	\$ 548,764,311

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

BEAVERTON SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

NET CHANGE IN FUND BALANCES \$ 338,594,893

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 / amortization expense. This is the amount by which capital outlay exceeded depreciation / amortization in the current period:

Net additions to capital assets	\$ 54,441,865	
Less current year depreciation / amortization expense	(41,839,260)	12,602,605

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

Net change in PERS net pension liability / asset	(64,125,448)	
Net change in deferred outflow of resources	(24,506,523)	
Net change in deferred inflow of resources	107,575,825	18,943,854

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

Bond debt related	(262,200,051)	
Lease liability related	(936,899)	
Subscription liability related	32,805	(263,104,145)

In the governmental funds amortization is not recognized for bond premiums. 5,851,828

In refunding bonds, the amount of new bonds in excess of the refunded bonds is a deferred outflow of resources for the Statement of Activities, whereas it is recorded as an other financing use in the year of refunding. (13,955,532)

In the Statement of Activities, interest is accrued on long-term debt, whereas in the governmental funds it is recorded as an interest expenditure when due. (15,750,479)

Certain revenues that do not meet the measurable and available criteria are not recognized in the current year in the governmental funds. In the Statement of Activities, they are recognized as revenue when earned. 339,671

Internal service funds are used by the District to charge the costs of insurance premiums and claims to the individual funds. The net income is reported with governmental activities. 3,027,001

Compensated absences are recognized as an expenditure in the governmental funds when they are paid. In the Statement of Activities compensated absences are recognized as an expense when earned. 984,332

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

Net change in OPEB liability / asset	2,096,106	
Net change in deferred outflow of resources	(640,660)	
Net change in deferred inflow of resources	570,345	2,025,791

CHANGE IN NET POSITION \$ 89,559,819

BEAVERTON SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
JUNE 30, 2023

ASSETS

Current assets:

Equity in pooled cash and investments	\$ 14,576,050
Receivables	15,036
Due from other funds	<u>302,067</u>

TOTAL ASSETS	<u><u>14,893,153</u></u>
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LIABILITIES

Current liabilities:

Accounts payable	91,616
Accrued claims losses	4,230,000
Accrued salaries and benefits	14,839
Due to other funds	<u>615</u>

TOTAL LIABILITIES	<u><u>4,337,070</u></u>
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NET POSITION

Unrestricted	<u>10,556,083</u>
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TOTAL NET POSITION	<u><u>\$ 10,556,083</u></u>
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BEAVERTON SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2023

OPERATING REVENUES:	
Services to other funds	\$ 4,715,282
Recovery of prior years' expenditures	84,784
Other	<u>273,835</u>
TOTAL OPERATING REVENUES	<u>5,073,901</u>
OPERATING EXPENSES:	
Losses and claims	1,779,683
Insurance premiums and assessments	3,313,240
Salaries and benefits	1,200,443
Services, supplies and materials	<u>533,990</u>
TOTAL OPERATING EXPENSES	<u>6,827,356</u>
OPERATING INCOME (LOSS)	(1,753,455)
NONOPERATING REVENUES:	
Investment earnings	<u>385,657</u>
TOTAL NONOPERATING REVENUES	<u>385,657</u>
INCOME (LOSS) BEFORE TRANSFERS	(1,367,798)
TRANSFERS:	
Transfers in	<u>4,394,799</u>
TOTAL TRANSFERS	<u>4,394,799</u>
CHANGE IN NET POSITION	3,027,001
NET POSITION, July 1, 2022	<u>7,529,082</u>
NET POSITION, June 30, 2023	<u><u>\$ 10,556,083</u></u>

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

BEAVERTON SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2023

CASH FLOWS FROM OPERATING ACTIVITIES:

Received from interfund services provided	\$ 5,246,319
Received from recovery of prior years' expenditures	84,784
Paid for goods and services	(4,056,094)
Paid to claimants	(1,772,806)
Paid to employees	(1,110,443)

NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES (1,608,240)

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:

Transfer from other funds	4,394,799
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NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES 4,394,799

CASH FLOWS FROM INVESTING ACTIVITIES:

Interest received	385,657
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NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES 385,657

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS 3,172,216

CASH AND CASH EQUIVALENTS, July 1, 2022 11,403,834

CASH AND CASH EQUIVALENTS, June 30, 2023 \$ 14,576,050

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:

Operating income (loss)	(1,753,455)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Changes in assets and liabilities	
Receivables	170,264
Due from other funds	86,515
Accounts payable	(208,864)
Accrued claims losses	90,000
Accrued salaries and benefits	6,877
Due to other funds	423

NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES \$ (1,608,240)

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Beaverton School District (the District), a consolidation of several districts, was organized under provisions of Oregon Statutes pursuant to Oregon Revised Statutes (ORS) Chapter 332 for the purpose of operating elementary and secondary schools. The District is governed by a separately elected seven-member Board which approves the administrative officials. The daily functioning of the District is under the supervision of the Superintendent. As required by generally accepted accounting principles, all activities of the District have been included in the basic financial statements.

The District qualifies as a primary government as it has a separately elected governing body, is a legally separate entity, and is fiscally independent. Various governmental agencies and special service districts provide service within the District's boundaries, however, the District is not financially accountable for any of these entities, and therefore, none of them are considered component units or included in these basic financial statements.

The District has granted charter to two public charter schools, Arco Iris Spanish Immersion Charter School and Hope Chinese Charter School. These public charter schools are legally separate, tax-exempt organizations governed by their own board of directors; their financial statements may be obtained by contacting their administrative offices.

Basis of Presentation

Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District. These statements include the governmental financial activities of the overall District. Eliminations have been made to minimize the double counting of internal activities, excluding interfund services provided and used as they are not eliminated in the process of consolidation. Governmental activities are financed primarily through property taxes, intergovernmental revenues, and charges for services.

The Statement of Activities presents a comparison between direct expenses and program revenues for each of its functions or programs. Direct expenses are those that are specifically associated with a function and, therefore, are clearly identifiable in relation to that function. Eliminations have been made to minimize the double counting of internal activities in the Statement of Activities. Program revenues include: (1) charges to students or others for tuition, fees, rentals, material, supplies, and/or services provided, (2) operating grants and contributions and (3) capital grants and contributions. Revenues that are not classified as program revenues, including property taxes and state support, are presented as general revenues. Certain functional expenditures contain an element of indirect cost.

Separate financial statements are provided for governmental funds and proprietary funds.

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

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

Fund Financial Statements

The fund financial statements provide information about the District's funds including those of a fiduciary nature. Separate statements for each fund category (governmental and proprietary) are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as other governmental funds.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund and accounts for all revenues and expenditures excluding those required to be accounted for in another fund. This includes the long-term planning sub-fund to account for funds set aside for a specific purpose carrying over one year.

The Grant Fund accounts for revenues and expenditures of grants restricted for specific educational projects. Principal revenue sources are federal, state, and local grants.

The Debt Service Fund provides for the payment of principal and interest on long-term general obligation debt, full faith and credit obligation debt, and pension obligation debt of governmental funds. Principal revenue sources include property taxes, construction excise tax, General Fund transfer and charges to other funds.

The Capital Projects Fund accounts for activities related to the acquisition, construction and equipping of facilities. Principal revenue sources are proceeds from the sale of bonds and interest earnings.

Additionally, the District reports the following fund types:

Special Revenue Funds account for revenue sources that are restricted to expenditures for specific purposes such as supplies and equipment, capital improvements, student body activity funds, individual school activity programs, scholarships, and the revenues and expenditures for the food dispensing programs.

Internal Service Funds account for insurance services provided to other departments of the District on a cost-reimbursement basis.

Measurement Focus and Basis of Accounting

Government-wide and internal service financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District receives value without giving equal value in exchange, include state school fund support, property taxes, grants, entitlements and donations. On the accrual basis of accounting, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Under terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net positions available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs and then general revenues.

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

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and accrued vacation which are recognized as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in the governmental funds and proceeds from general long-term debt and acquisitions under leases are reported as other financing sources.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's internal service funds are charges for insurance services. Operating expenses for internal service funds include the cost of materials and supplies, insurance premiums, losses and claims, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Cash, Cash Equivalents, and Investments

The District's cash and cash equivalents consist of cash on hand, demand deposits and short-term investments with original maturities of three months or less. These short-term investments are stated at cost, which approximates fair value.

The District's investments consist of corporate securities, U.S. Government Treasury securities, U.S. Government Agency securities, state and local government obligations, bank deposits and savings accounts and the State of Oregon Treasurer's Local Government Investment Pool (LGIP). The District's investments are reported at fair value based upon quoted market rates. Changes in the fair value of investments are recorded as investment earnings. The LGIP is stated at cost which approximates fair value. Fair value of the LGIP is the same as the District's value in the pool shares.

The LGIP is administered by the Oregon State Treasury and is commingled with the State's short-term funds. It is an open-ended no-load diversified portfolio offered to any agency, political subdivision, or public corporation of the State that by law is made the custodian of, or has control of, any funds. In seeking to best serve local governments of Oregon, the Oregon legislature established the Oregon Short-Term Fund Board. The purpose of the Board is to advise the Oregon State Treasury in the management and investment options of the LGIP.

Property Taxes Receivable

Property taxes are levied and become a lien on July 1. Collection dates are November 15, February 15 and May 15 following the lien date. Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

Uncollected property taxes are recorded on the Statement of Net Position. Uncollected taxes are deemed to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established. All property tax receivables are due from property owners within the District.

Accounts and Other Receivables

Accounts and other receivables are comprised primarily of State school support, claims for reimbursement of costs under various federal and state grants and investment interest. Amounts are periodically reviewed for collectability. At June 30, 2023, no allowance for doubtful accounts was considered necessary.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

Grants

Unreimbursed expenditures due from grantor agencies are reflected in the basic financial statements as receivables and revenues. Grant revenues are recorded at the time eligible expenditures are incurred. Grant monies received prior to the occurrence of qualifying expenditures are recorded as unearned revenue.

Inventories

Inventories consist of supplies held for sale. Inventories are charged as expenditures when consumed and are stated at cost using the first-in, first-out (FIFO) method. A portion of the inventory consists of donated United States Department of Agriculture (USDA) commodities. Commodities are recorded as expenditures when consumed and are stated at their fair value based on guidelines provided by the USDA.

Capital Assets

Capital assets are recorded at original or estimated original cost. Donated capital assets are recorded at their acquisition value on the date donated. The District defines capital assets as assets with an initial cost of more than \$5,000 and an estimated life in excess of one year. Maintenance and repairs that do not add to the value of the asset or that do not materially extend assets lives are not capitalized. Capital assets are depreciated using the straight-line method over the following useful lives with Buildings and Improvements being 10 to 50 years and Vehicles and Equipment being 5 to 30 years.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position and the Balance Sheet occasionally report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) so will *not* be recognized as an outflow of resources (expense/expenditure) until that time. The government has three items that arise only under a full accrual basis of accounting that qualify for reporting in this category. The Statement of Net Position reports one type related to the deferred amount on refunding bonds, one type related to the net OPEB liability, and one type related to the net PERS pension liability. These amounts are deferred and recognized as an outflow of resources in the period that the amounts become available.

In addition to liabilities, the Statement of Net Position and the Balance Sheet occasionally reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has multiple items that arise for reporting in this category. The Balance Sheet reports unavailable revenues from two sources: property taxes and leases. The Statement of Net Position reports one type related to leases, one type related to the net OPEB liability, and one type related to the net PERS pension liability. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Retirement Plans and Other Post-Employment Benefits

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

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

The 2003 Oregon Legislature passed PERS reform legislation and essentially created a new retirement plan for employees hired on or after August 29, 2003. These aforementioned employees become members of the Oregon Public Service Retirement Plan (OPSRP). OPSRP is a hybrid retirement plan with two components: the Pension Program (defined benefit plan) and the Individual Account Program (defined contribution; established and maintained as a tax-qualified governmental defined contribution plan). OPSRP is administered by PERS.

In addition, the District has other post-employment benefit plans for employees. As a member of PERS, the District contributes to the Retirement Health Insurance Accounts (RHIA) for eligible District employees. This plan was established by the Oregon Legislature. The District also has a Postemployment Health Insurance Subsidy (PHIS) plan that provides postemployment insurance for eligible employees and their spouses. This plan was established by the District in accordance with ORS 243.303.

The District offers its employees tax deferred annuity plans established pursuant to Section 403(b) and 457(b) of the Internal Revenue Code. Contributions are made through salary reductions from participating employees up to the amounts specified in the Code. The District makes contributions for active administrators as part of their benefit package but is not responsible for any amount postemployment. Employees are immediately vested in their own contributions, any District contributions, and earnings on those contributions. There are no forfeitures on any of these plans. These plans are administrated by Carruth Compliance Consulting.

Benefit terms for the active administrators, including contribution requirements, are established in the agreement with the Association of Beaverton School Administrators and may be amended in future agreements. For each administrator, the District is required to contribute \$100 per month that may be used to purchase a retirement financial product and to contribute 5 percent of salary to the 403(b) plans. For the year ended June 30, 2023, the total of these District contributions was \$1,280,646.

Compensated Absences

It is the District's policy to permit employees to accumulate earned, but unused vacation and sick pay benefits. As the District does not have a policy to pay any amounts when employees separate from service with the District, there is no liability for unpaid accumulated sick leave. All vacation pay is considered to be current as the District policy states that vacation will lapse if not taken within six months following the year end. It is accrued when earned in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only as they come due, for example, as a result of employee resignation and retirements.

Long-Term Debt

In the government-wide financial statements, long-term debt is reported as a liability in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Savings realized from advance refunding of debt are recorded as deferred outflows of resources and amortized over the remaining life of the related defeased debt.

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

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

Net Position

Net position is comprised of the various net earnings from operations, nonoperating revenues, expenses, and contributions of capital. Net position is classified in the following three categories:

Net investment in capital assets – consists of all capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The District has unspent bond proceeds in the form of cash and investments to fund bond expenditures in subsequent years of \$398.5 million.

Restricted – consists of external constraints placed on asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. There are net positions restricted for debt service and student body.

Unrestricted net position – consists of all other assets that are not included in other categories previously mentioned.

Use of Estimates

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

Governmental Fund Balances

In the governmental financial statements, fund balances are reported in classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Governmental Fund type fund balances are classified as follows:

Nonspendable – Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact. Resources in nonspendable form include inventories, prepaids and deposits, and assets held for resale. The District has a nonspendable fund balance in Nutrition Services Fund associated with inventories.

Restricted – Amounts that can be spent only for specific purposes when the constraints placed on the use of these resources are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. The District has a restricted fund balance in the Debt Service Fund for the payment of debt obligations, a restricted balance in the Capital Projects Fund for the payment of capital construction associated with bond measures, a restricted balance in the Student Body & Special Purpose Fund for the payment of those special programs, and a restricted balance in the Scholarship Fund for the issuance of future scholarship payments based on the scholarship agreements established.

Committed – Amounts that can be used only for specific purposes determined by a formal action of the School Board. The use of committed funds would be approved by resolution. The School Board can modify or rescind the commitment at any time through an amending resolution. The District has a committed fund balance in the

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

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

Assigned – Amounts that are constrained by the District’s intent to use them for a specific purpose, but are neither restricted nor committed, are reported as assigned fund balance. Intent is expressed when the School Board approves which resources should be “reserved” during the adoption of the annual budget. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body. The Superintendent and Chief Financial Officer have been granted the authority to assign fund balances, pursuant to School Board resolution.

Unassigned – All amounts not included in other spendable classifications. This residual classification represents fund balance that has not been restricted, committed, or assigned within the General Fund. This classification is also used to report any negative fund balance amounts in other governmental funds.

The governing body has approved the following order of spending regarding fund balance categories: Restricted resources are spent first when both restricted and unrestricted (committed, assigned or unassigned) resources are available for expenditures. When unrestricted resources are exhausted, the order of spending is committed (if applicable), assigned (if applicable) and unassigned.

Definitions of Governmental Fund Types

The General Fund is used to account for all financial resources not accounted for in another fund. In addition, certain funds budgeted as Special Revenue Funds are reported as part of the General Fund because their source of funds primarily has been transfers from the General Fund.

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term “proceeds of specific revenues sources” means that the revenue sources for the fund must be from restricted or committed sources, specifically that a substantial portion of the revenue must be from these sources and be expended in accordance with those requirements.

Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt Service Funds should be used to report resources if legally mandated. Financial resources that are being accumulated for principal and interest maturing in future years should also be reported in Debt Service Funds.

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Fund Balance Policy

School Board policy mandates that the District budget in such a way as to ensure an ending General Fund balance of at least five percent of General Fund budgeted revenues. It also mandates an additional economic reserve of 5.0 percent of anticipated operating revenues is maintained to address adverse conditions which may negatively affect the District’s revenues. Additional reserves may be created by the Board for specific purposes.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budget

A budget is prepared and legally adopted for each governmental fund type, proprietary fund type and private-purpose trust fund on the modified accrual basis of accounting. The budgetary basis of accounting is the same as accounting principles generally accepted in the United States of America for the governmental fund types and private-purpose trust fund, except capital outlay expenditures, including items below the District's capitalization level which are budgeted by major function in the governmental fund types. The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations.

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

Supplemental budgets less than 10 percent of a fund's original budget may be adopted by the Board at a regular meeting. A supplemental budget greater than 10 percent of a fund's original budget requires hearings before the public, publication in newspapers and approval by the Board. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control (major function levels) with Board approval. During the year, there were no supplemental budgets with additional appropriations adopted for 2022-23. Appropriations lapse at the end of each fiscal year.

3. CASH AND INVESTMENTS

The District maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the balance sheet as "Equity in pooled cash and investments." In addition, cash and investments are separately held by several of the District's funds.

Cash and investments are comprised of the following at June 30, 2023:

Cash with fiscal agent	\$ 638,429
Petty cash	520
Deposits with banks	19,129,146
Investments	583,214,021
	<u>\$ 602,982,116</u>

Cash and investments are shown on the basic financial statements Statement of Net Position as \$602,982,116.

At year-end, the District's deposits with various financial institutions had a bank value of \$22,752,475 and a book value of \$19,129,146. All deposits not covered by FDIC insurance are covered by the Public Funds Collateralization Program (PFCP) of the State of Oregon. The PFCP is a shared liability structure for participating bank depositories, better protecting public funds though still not guaranteeing that all funds are 100 percent protected. Barring any exceptions, a bank depository is required to pledge collateral valued at 10 percent of their quarter-end public fund deposits if they are well capitalized, 25 percent of their quarter-end public fund deposits if they are adequately capitalized, or 110 percent of their quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110 percent by the Office of the State Treasurer. In the event of a participating bank failure, the entire pool

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

of collateral pledged by all qualified Oregon public funds bank depositories is available to repay deposits of public funds of government entities.

Custodial credit risk for deposits is the risk that in the event of a bank failure, the District's deposits may not be returned. The Federal Depositary Insurance Corporation (FDIC) provides insurance for the District's deposits with financial institutions up to \$250,000 each for the aggregate of all demand deposits and the aggregate of all time-deposits at each institution. Deposits in excess of FDIC coverage with institutions participating in the Oregon Public Funds Collateralization Program (PFCP) are collateralized with securities held by the Federal Home Loan Bank of Seattle in the name of the institution. As of June 30, 2023, \$22,502,475 of the District's bank balances were exposed to custodial credit risk as they were collateralized with securities held by the pledging financial institution's agent, but not in the District's name.

As of June 30, 2023 the District held the following investments and maturities:

Investment Type	Fair Value	Weighted Average Maturity in Years	Percent of Investment Portfolio
U.S. Treasury securities	\$ 339,638,408	0.720	58.2%
U.S. Agency securities	181,487,073	0.386	31.1%
Corporate indebtedness	9,833,500	0.296	1.7%
Local Government Investment Pool (LGIP)	52,255,040	0.003	9.0%
	<u>\$ 583,214,021</u>	<u>0.545</u>	<u>100.0%</u>

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of an asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments in U.S. Treasury securities, U.S. Agency securities, state and local government obligations, and corporate securities are valued using quoted market prices and are fair value Level 1, except for corporate commercial paper which is fair value Level 2. The LGIP is comprised of a variety of investments, characterized as a Level 2 fair value measurement in the Oregon Short Term Fund's audited financial report.

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

As a means of limiting its exposure to fair value losses arising from rising interest rates, the District's investment policy limits investment as follows:

Investment Type	Maximum Percent of Portfolio	Maximum Length to Maturity
U.S. Treasury securities	100.0%	18 months for operating funds, 3 years for capital project funds
U.S. Agency securities	100.0%	18 months for operating funds, 3 years for capital project funds
State and local government obligations	30.0%	18 months for operating funds, 3 years for capital project funds
Certificate of deposits	50.0%	18 months
Repurchase agreements	25.0%	30 days
Bankers' acceptances	25.0%	6 months
Corporate indebtedness	35.0%	18 months
Bank deposits and savings accounts	10.0%	N/A
Local Government Investment Pool (LGIP)	100.0%	N/A

The maximum amount of pooled investments to be placed in the LGIP is limited by Oregon State Statutes and will increase proportionately with the Portland Consumer Price Index. The limit can be temporarily exceeded for ten business days and does not apply either to pass-through funds or to funds invested on behalf of another governmental unit.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District minimizes custodial credit risk by limiting investments to the types of securities allowed by law; and pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisors with which the District will do business. All of the investments above, except for the investment in the LGIP which is not evidenced by securities, are held in safekeeping by U.S. Bank in the District's account name.

The District's credit risk policy, which adheres to State of Oregon law, is to limit its investments to the following: Issuers within Oregon must be rated "A" (bonds) or A-2 / P-2 (commercial paper) or better by Standard and Poor's, Moody's Investors Service or any other nationally recognized statistical rating organization, issuers not in Oregon must be rated AA / Aa (bonds) or A-1 / P-1 (commercial paper) or better.

At June 30, 2023, the District's investments were rated by either Moody's or Standard and Poor's as follows:

Investment Type	Rating	Amount
U.S. Treasury securities	Exempt	\$ 339,638,408
U.S. Agency securities	Aaa/AAA	141,805,073
	Not Rated	39,682,000
Total U.S. agency securities		521,125,481
Corporate indebtedness	Aaa/AAA	9,833,500
Local Government Investment Pool (LGIP)	Not Rated	52,255,040
Total investments		\$ 583,214,021

The Oregon State Treasurer maintains the Oregon Short-Term Fund, of which the LGIP is a part, and is not registered with the U.S. Securities and Exchange Commission. Participation by local governments is voluntary. The State of Oregon investment policies are governed by statute and the Oregon Investment Council. In accordance with Oregon Statute, funds are invested as a prudent investor would do, exercising reasonable care, skill, and caution. The LGIP was created to offer a short-term investment alternative to Oregon local governments. The investments are regulated by the Oregon Short-Term Fund Board and approved by the Oregon Investment Council (ORS 294.805 to 294.895). The State of Oregon LGIP is unrated for credit quality. Separate financial statements for the Oregon Short-Term Fund are available from the Oregon State Treasurer and can be found here:

<https://www.oregon.gov/treasury/public-financial-services/oregon-short-term-funds/pages/default.aspx>

The District's policy for investing in individual issuers varies depending on the type of investments. No more than 35% of the total portfolio of investments may be invested in any single U.S. government agency. No more than 10% of the total portfolio may be invested in a single issuer of bankers' acceptances. At the time of purchase, investments in corporate securities of any one issuer may not exceed 5% of the investment portfolio. At June 30, 2023, in addition to US Treasuries and the LGIP, more than 5% of the District's portfolio was invested in Federal Home Loan Bank and Federal Agricultural Mortgage. These investments were 20.1% and 6.8% of the District's total investments respectively.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

4. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2023 is as follows:

	Due to Other Funds	Due from Other Funds
General Fund	\$ 2,312,737	\$ 11,432,397
Grant Fund	11,314,523	-
Debt Service Fund	-	1,971,040
Capital Projects Fund	1,969	-
Other Governmental Funds	75,660	-
Internal Service Funds	615	302,067
Total	<u>\$ 13,705,504</u>	<u>\$ 13,705,504</u>

There is a \$10,928,550 interfund balance in the General Fund to fund reimbursable expenditures in the Grant Fund. The remaining \$2,776,954 interfund balances between funds are the result of payroll accruals

Interfund transfers for the year ended June 30, 2023 are as follows:

	Transfer in	Transfer out
General Fund	\$ -	\$ 5,182,952
Debt Service Fund	2,119,603	-
Capital Projects Fund	-	1,208,289
Other Governmental Funds	7,530	130,691
Internal Service Fund	4,394,799	-
Total	<u>\$ 6,521,932</u>	<u>\$ 6,521,932</u>

Transfers were made from the Capital Projects Funds to the Debt Service Fund totaling \$1,208,289, from the General Fund to the Debt Service Fund totaling \$782,153, and from the Equipment Replacement Fund to the Debt Service Fund totaling \$129,161 to pay principal and interest payments on the full faith and credit obligations. The General Fund also transferred \$4,394,799 into the Insurance Reserve Fund to support the internal service fund and transferred \$6,000 into the Equipment Replacement Fund to fund future equipment purchases. Transfers were also made from the Food Service Fund to the Special Purpose Fund totaling \$1,030 for volunteer donations and from the Scholarship Fund to the Special Purpose Fund totaling \$500 for scholarship sponsored projects.

5. RECEIVABLES

Receivables are comprised of the following as of June 30, 2023:

Account	General Fund	Grant Fund	Debt Service Fund	Capital Projects Fund	Other Governmental Funds	Internal Service Funds	Total
Receivables:							
Intergovernmental receivable	\$ 3,214,709	\$ -	\$ 185,546	\$ 954,407	\$ -	\$ -	\$ 4,363,221
Grants receivable	-	35,822,934	-	-	1,902,545	-	37,725,479
Interest receivable	308,685	-	-	1,094,490	-	-	1,403,175
Other receivable	279,818	-	759	167,132	530,742	15,036	984,928
Total receivables	3,803,212	35,822,934	186,305	2,216,029	2,433,287	15,036	44,476,803
Property taxes receivable	3,016,901	-	1,137,556	-	-	-	4,154,457
Lease revenue receivable	2,792,616	-	-	223,361	-	-	3,015,977
	<u>\$ 9,612,729</u>	<u>\$ 35,822,934</u>	<u>\$ 1,323,861</u>	<u>\$ 2,439,390</u>	<u>\$ 2,433,287</u>	<u>\$ 15,036</u>	<u>\$ 51,647,237</u>

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

6. CAPITAL ASSETS

Capital assets activity for the year was as follows:

	Balance June 30, 2022	Additions	Reductions	Balance June 30, 2023
Capital assets not being depreciated:				
Land	\$ 71,493,501	\$ 247,908	\$ -	\$ 71,741,409
Construction in progress	38,284,387	32,147,630	(13,770,491)	56,661,526
Total capital assets not being depreciated / amortized	109,777,888	32,395,538	(13,770,491)	128,402,935
Capital assets being depreciated / amortized:				
Buildings and improvements	1,303,396,594	26,866,937	-	1,330,263,531
Vehicles and equipment	56,508,197	4,971,675	(2,744,776)	58,735,096
Intangible right-to-use vehicles and equipment	2,224,961	3,688,436	-	5,913,397
Intangible right-to-use subscriptions	3,745,628	289,770	(693,291)	3,342,107
Total capital assets being depreciated / amortized	1,365,875,380	35,816,818	(3,438,067)	1,398,254,131
Less accumulated depreciation / amortization for:				
Buildings and improvements	(370,016,225)	(33,441,628)	-	(403,457,853)
Vehicles and equipment	(32,970,979)	(4,896,432)	2,744,776	(35,122,635)
Intangible right-to-use vehicles and equipment	(1,194,074)	(2,669,820)	-	(3,863,894)
Intangible right-to-use subscriptions	(1,006,336)	(831,380)	693,291	(1,144,425)
Total accumulated depreciation / amortization	(405,187,614)	(41,839,260)	3,438,067	(443,588,807)
Total capital assets being depreciated / amortized, net	960,687,766	(6,022,442)	-	954,665,324
Total capital assets, net	\$ 1,070,465,654	\$ 26,373,096	\$ (13,770,491)	\$ 1,083,068,259

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

Regular programs	\$ 32,167,961
Special programs	63,358
Student support services	136,202
General administration support	742
Business support services	6,401,493
Central activities support	2,712,054
Food services	357,450
	<u>\$ 41,839,260</u>

7. LEASE RECEIVABLES

Lease Terms

Cell Tower Leases

The District has entered into multiple long-term leases as the lessor of land for cell tower usage. Accounting for these leases is recognized in the General Fund. The first was entered into in 1997 and expired in 2002, providing for 5 extensions of 5-years each, with lease rental increasing annually based on the percentage increase of the Consumer Price Index capped at 4.0%. It was subsequently amended in 2017 to extend the lease for a total of 11 extensions with final expiration in 2057. The second was entered into in 2000 and expired in 2005, providing for 4 extensions of 5-years each, with lease rental increasing annually based on the percentage increase of the Consumer Price Index capped at 4.0%. It was subsequently amended in 2017 to extend the lease for a total of 10 extensions with final expiration in 2055. The third was entered into in 2004 and expired in 2009, providing for 4 extensions of 5-years each, with lease rental increasing with each extension by 15.0%. It was subsequently

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

amended in 2014 to expand the area involved in the lease as well as the monthly rental amount for the remainder of the lease.

Tenant Leases

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

Lease Revenues

Inflows of Resources	General Fund	Capital Projects Fund	Total
Lease Revenue	\$ 54,560	\$ 502,184	\$ 556,744
Interest Revenue	32,289	14,147	46,436
Total Revenue	<u>\$ 86,849</u>	<u>\$ 516,331</u>	<u>\$ 603,180</u>

8. LONG-TERM LIABILITIES

Long-term liabilities activity for the year ended June 30, 2023 is as follows:

	Balance June 30, 2022	Additions	Reductions	Balance June 30, 2023	Due Within One Year
Governmental activities:					
General obligation bonds	\$ 713,350,265	\$ 319,412,153	\$ 53,815,000	\$ 978,947,418	\$ 57,372,968
Pension obligation bonds	146,725,000	-	17,490,000	129,235,000	18,980,000
Full faith & credit obligations	30,448,277	-	1,370,432	29,077,845	8,410,666
Unamortized premium	29,575,741	16,637,675	5,851,828	40,361,588	5,379,427
Equipment financing	3,523,064	-	1,174,345	2,348,719	1,174,344
Total bonds and equipment financing, net	923,622,347	336,049,828	79,701,605	1,179,970,570	91,317,405
Lease liability	944,402	1,870,442	933,543	1,881,301	938,318
Subscriptions liability	790,236	199,989	242,532	747,693	245,319
Net pension liability	284,738,427	64,125,448	-	348,863,875	-
OPEB total liability	25,571,604	2,072,010	4,193,242	23,450,372	-
	<u>\$ 1,235,667,016</u>	<u>\$ 404,317,717</u>	<u>\$ 85,070,922</u>	<u>\$ 1,554,913,811</u>	<u>\$ 92,501,042</u>

9. LONG-TERM DEBT

Bonds Payable

General Obligation Bonds

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. These bonds generally are issued as 20-year serial bonds or 30-year serial bonds with equal amounts of principal maturing each year. The Oregon State Statute establishes a legal debt limit for the District of 7.95% of real market value. The debt limit for the year ended June 30, 2023 was \$5.8 billion.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

On August 25, 2011, the District issued \$42,175,000 in General Obligation Bonds, Series 2011 to refund Series 2001 Bonds, Series 2002 Bonds, Series 2003 Bonds, and obtain a savings in total debt service requirement. Interest rates on the bonds range from 2.0% to 5.0%, payable semiannually in June and December. Principal is paid annually in June, with a final maturity in June 2023. The Series 2011 Bonds maturing on or after June 15, 2022 were subject to redemption prior to maturity at a price of par plus accrued interest on or after June 15, 2021.

On August 7, 2014, the District issued \$20,393,784 in General Obligation Bonds, Series 2014A and \$361,755,000 in General Obligation Bonds, Series 2014B to finance the first phase of capital construction and improvements related to the \$680 million bond measure passed by voters on May 20, 2014. Interest rates on the Series 2014A Bonds range from 0.9% to 2.2%. Interest on the Series 2014B Bonds range from 2.0% to 5.0%. Interest is payable semiannually in June and December. Principal is paid annually in June, with a final maturity in June 2020 and June 2034 for the Series 2014A Bonds and Series 2014B Bonds, respectively. The Series 2014B Bonds maturing on or after June 15, 2025 are subject to redemption prior to maturity at a price of par plus accrued interest on or after June 15, 2024. In June 2020, the Series 2014B Bonds maturing on or after June 15, 2025 were refunded and are considered defeased.

On May 11, 2017, the District issued \$38,990,000 in General Obligation Bonds, Series 2017A, \$76,483,176 in General Obligation Bonds, Series 2017B, \$32,980,000 in General Obligation Bonds, Series 2017C, and \$149,397,089 in General Obligation Bonds, Series 2017D to finance the second phase of capital construction and improvements related to the \$680 million bond measure passed by voters on May 20, 2014. Principal is paid in June, with a final maturity in June 2028 for the Series 2017A Bonds, June 2034 for the Series 2017B Bonds, June 2035 for the Series 2017C Bonds, and June 2036 for the Series 2017D Bonds.

The Series 2017A are taxable bonds with interest rates from 1.5% to 3.2%. Interest is payable semiannually in June and December for the Series 2017A Bonds. The Series 2017A Bonds maturing on June 15, 2028 are subject to redemption prior to maturity at a price of par plus accrued interest on or after June 15, 2027. The Series 2017B are deferred interest bonds with interest rates from 3.6% to 4.1%. Interest on the Series 2017B Bonds is payable only at maturity. The Series 2017B Bonds are subject to redemption prior to maturity at a price of 100% of the accreted par value on the redemption date on or after June 15, 2027. The Series 2017C are current interest bonds with an interest rate of 5.0%. Interest is payable semiannually in June and December for the Series 2017C Series Bonds. The Series 2017C Bonds maturing in 2028 and 2035 are subject to redemption prior to maturity at a price of par plus accrued interest on or after June 15, 2027. The Series 2017D are convertible deferred interest bonds with an interest rate of 5.0%. The Series 2017D Bonds converted into current interest bonds in June 2018, interest is now payable semiannually in June and December. The 2017D Series Bonds maturing in 2035 and 2036 are subject to redemption prior to maturity at a price of 100% of accreted par value plus accrued interest on or after June 15, 2027.

On June 30, 2020, the District issued \$432,745,000 in General Obligation Bonds, Series 2020, placing the proceeds of the new bonds in irrevocable trusts to provide for all future debt service payments on a portion of the Series 2012B Bonds and Series 2014B Bonds, in order to obtain a savings in total debt service requirement. The Series 2020 have an interest rate range from 0.4% to 2.1% and is payable semiannually in June and December. Principal is paid annually in June, with a final maturity in June 2034. The Series 2020 Bonds maturing on or after June 15, 2031 are subject to redemption prior to maturity at a price of par plus accrued interest on or after June 15, 2030.

On July 12, 2022, the District issued \$142,742,153 in General Obligation Bonds, Series 2022A and \$176,670,000 in General Obligation Bonds, Series 2022B to finance the first phase of capital construction and improvements related to the \$723 million bond measure passed by voters on May 17, 2022. Principal is paid in June, with a final maturity in June 2048 for the Series 2022A Bonds and June 2052 for the Series 2022B Bonds.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

The Series 2022A are deferred interest bonds with interest rates from 4.4% to 4.9%. Interest on the Series 2022A Bonds is payable only at maturity. The Series 2022A Bonds are subject to redemption prior to maturity at a price of 100% of the accreted par value on the redemption date on or after June 15, 2032. If not previously redeemed, the Term Bond maturing on June 15, 2048 is subject to mandatory redemption based on a schedule between 2043 and 2048. The Series 2022B are current interest bonds with an interest rate of 5.0%. Interest is payable semiannually in June and December for the Series 2022B Series Bonds. The Series 2022B Bonds maturing on or after June 15, 2033 are subject to redemption prior to maturity at a price of par plus accrued interest on or after June 15, 2032.

Limited Tax Pension Obligation Bonds

On June 21, 2005, the District participated with thirteen Oregon school districts and two educational service districts in a pooled issuance of taxable pension obligation bonds to finance the District's estimated PERS unfunded actuarial liability. The District issued \$189,935,000 in debt as part of a pooled issuance of \$475,205,000. Except for the payment of its pension bond payments and additional charges when due, each school district has no obligation or liability to any other participating school district's pension bonds or liabilities to PERS.

Bond proceeds were paid to the Oregon Public Employees Retirement System. An intercept agreement with the State of Oregon was required as a condition of issuance; therefore, a portion of State School Fund support is withheld on a monthly basis to repay debt. Funds are accumulated and invested by a trust officer and annual principal and interest payments are made each June 30, beginning June 2005 and ending June 2028. The bond interest rates range from 4.1% to 4.8%.

On February 26, 2015, the District issued \$79,220,000 taxable pension obligation bonds to finance District's estimated PERS unfunded actuarial liability. The bond proceeds were paid to the Oregon Public Employees Retirement System. No intercept agreement exists for the bonds issued in 2015. Annual principal and interest payments are made each June 30, beginning in June 2015 and ending June 2034. The bond interest rates range from 0.4% to 4.1%.

Full Faith and Credit Obligation Bonds

In 2009, the District issued full faith and credit obligation bonds to provide funds for the construction of the Transportation Service Center, an option school auditorium, bus particulate traps and an option school remodel. On April 27, 2016, the District issued \$16,260,000 full faith and credit obligation bonds, placing the proceeds of new bonds in irrevocable trusts to provide for all future debt service payments on the old obligations. Interest rates on the 2016 bonds range from 2.0% to 4.0% with a final maturity date of June 1, 2036.

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

Equipment Financing

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

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

Debt Defeased

On June 30, 2020, the District issued \$432,745,000 in General Obligation Bonds with interest rates ranging between 0.4% and 2.1%. The District issued the bonds to advance refund \$71,060,000 of the outstanding Series 2012B Bonds and \$298,310,000 of the Series 2014B Bonds. The District used the net proceeds to purchase U.S. government securities. These securities were deposited in an irrevocable trust to provide for all future debt service on the refunded portion of the bonds. As a result, these bonds are considered defeased, and the District has removed the liability from its accounts. The trust account assets and liabilities for the defeased obligations are not included in the District's basic financial statements. The 2012B Bonds had a call date of June 15, 2022 and are no longer outstanding. At June 30, 2023, the outstanding principal of the remaining defeased bonds is \$298,310,000.

The advance refunding reduced total debt service payments over the life of the issue by nearly \$43.2 million. This resulted in an economic gain (the difference between the present value of the debt service payments on the old and new debt) of \$37.0 million.

Debt Activity

The following is a summary of long-term debt transactions of governmental activities for the year ended June 30, 2023:

Issue Date	Original Issue	Principal Outstanding on June 30, 2022	Additions	Reductions	Principal Outstanding on June 30, 2023	Interest Rates
General obligation bonds:						
August 25, 2011	\$ 42,175,000	\$ 3,955,000	\$ -	\$ 3,955,000	\$ -	2.0 - 5.0%
August 7, 2014	38,990,000	17,850,000	-	7,140,000	10,710,000	2.0 - 5.0%
May 11, 2017	38,990,000	29,010,000	-	5,775,000	23,235,000	1.5 - 3.2%
May 11, 2017	76,483,176	76,483,176	-	-	76,483,176	3.6 - 4.1%
May 11, 2017	32,980,000	32,980,000	-	-	32,980,000	5.0%
May 11, 2017	149,397,089	149,397,089	-	-	149,397,089	5.0%
June 30, 2020	432,745,000	403,675,000	-	23,295,000	380,380,000	0.4 - 2.1%
July 12, 2022	142,742,153	-	142,742,153	-	142,742,153	4.4 - 4.9%
July 12, 2022	176,670,000	-	176,670,000	13,650,000	163,020,000	5.0%
		713,350,265	319,412,153	53,815,000	978,947,418	
Limited tax pension obligation bonds:						
June 21, 2005	189,935,000	93,590,000	-	13,685,000	79,905,000	4.1 - 4.8%
February 26, 2015	79,220,000	53,135,000	-	3,805,000	49,330,000	0.4 - 4.1%
		146,725,000	-	17,490,000	129,235,000	
Full faith and credit obligation bonds:						
April 27, 2016	16,260,000	14,530,000	-	805,000	13,725,000	2.0 - 4.0%
November 30, 2021	9,200,000	8,918,277	-	565,432	8,352,845	1.8%
November 30, 2021	7,000,000	7,000,000	-	-	7,000,000	0.8%
		30,448,277	-	1,370,432	29,077,845	
Equipment financing	4,697,408	3,523,064	-	1,174,345	2,348,719	0.0%
Total bonds and equipment financing:		894,046,606	319,412,153	73,849,777	1,139,608,982	
Unamortized premium		29,575,741	16,637,675	5,851,828	40,361,588	
Total		\$ 923,622,347	\$ 336,049,828	\$ 79,701,605	\$ 1,179,970,570	

Payments on the general obligation bonds are made by the Debt Service Fund from property taxes and earnings on investments. Payments on pension bonds are made by the Debt Service Fund from revenue from charges to other funds. The payments on the full faith and credit obligation bonds and equipment financing are made by the General Fund and Capital Projects Fund. Federal arbitrage restrictions apply to substantially all debt.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

Future Debt Maturities

Future debt maturities are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ 85,937,979	\$ 31,752,843	\$ 117,690,822
2025	87,020,281	29,092,238	116,112,519
2026	77,430,209	26,535,126	103,965,335
2027	83,217,494	23,835,497	107,052,991
2028	78,243,490	20,855,758	99,099,248
2029-2033	289,546,889	127,980,375	417,527,264
2034-2038	240,062,051	94,401,927	334,463,978
2039-2043	66,662,208	116,468,015	183,130,223
2044-2048	40,733,381	109,786,636	150,520,017
2049-2053	90,755,000	11,806,000	102,561,000
	<u>\$ 1,139,608,982</u>	<u>\$ 592,514,415</u>	<u>\$ 1,732,123,397</u>

10. LEASE LIABILITY

The District entered into a master equity lease agreement as lessee for financing the acquisition of vehicles. The first set of vehicles were delivered in 2017-18 with a total cost of approximately \$976,000 and were capitalized over the life of the lease. The second set of vehicles were delivered in 2018-19 with a total cost of approximately \$531,000 and were capitalized over the life of the lease. The third set of vehicles were delivered in 2019-20 with a total cost of approximately \$358,000 and were capitalized over the life of the lease. The fourth set of vehicles were delivered in 2020-21 with a total cost of approximately \$79,000 and were capitalized over the life of the lease. The fifth set of vehicles were delivered in 2021-22 with a total cost of approximately \$253,000 and were capitalized over the life of the lease. The lease obligations were paid from the General Fund.

The District entered into agreements for ethernet and dark fiber network access. The first agreement access initiated in 2017-18 with a total cost of approximately \$166,000. The second agreement access initiated in 2019-20 with a total cost of \$2,616,000. The third agreement access initiated in 2020-21 with a total cost of \$742,000. The lease obligations were paid from the General Fund.

The total net assets associated with these leases at June 30, 2023 were \$2,049,503.

The District has entered into two agreements for future dark fiber network access in 2022-23, one of approximately \$2.1 million and one of approximately \$2.5 million, with an expected commencement date in 2023-24. As these have not commenced service, no obligation has been recognized as of June 30, 2023.

Future lease obligations are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ 938,318	\$ 88,152	\$ 1,026,470
2025	233,651	50,307	283,958
2026	106,269	37,175	143,444
2027	133,248	31,325	164,573
2028	48,327	24,033	72,360
2029-2033	284,550	77,250	361,800
2034-2038	136,938	7,782	144,720
	<u>\$ 1,881,301</u>	<u>\$ 316,024</u>	<u>\$ 2,197,325</u>

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

11. SUBSCRIPTION LIABILITY

The District has previously entered into multiple subscription-based information technology arrangements (SBITA) for software licenses that extend over a year. All SBITAs either had an initial payment for the entire period or have a schedule of payments over the contract period. The District made a payment of \$89,871 for the commencement of a software contract, and no other payments that were not included in the measurement of the subscription liability. The breakdown of the SBITAs are as follows:

Commencement	End Date	Initial Asset Value	Net Asset Value as of June 30, 2023	Initial Subscription Liability	Associated Interest Rate	Subscription Liability as of June 30, 2023
7/1/2021	6/30/2023	\$ 256,000	\$ -	\$ -	N/A	\$ -
5/1/2022	6/30/2025	402,071	253,937	-	N/A	-
10/1/2018	6/30/2023	437,291	-	349,838	2.6%	-
7/1/2022	6/30/2025	289,770	193,170	199,989	2.2%	199,989
4/1/2022	3/31/2027	752,536	564,435	699,976	2.3%	547,704
7/1/2020	6/30/2028	1,897,730	1,186,140	-	N/A	-
Total Amount			<u>\$ 2,197,682</u>			<u>\$ 747,693</u>

Future subscription obligations are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ 245,319	\$ 17,151	\$ 262,470
2025	247,890	11,580	259,470
2026	151,752	5,928	157,680
2027	102,732	2,388	105,120
	<u>\$ 747,693</u>	<u>\$ 37,047</u>	<u>\$ 784,740</u>

12. PENSION PLAN

Plan Overview Description

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

<http://www.oregon.gov/PERS/pages/financials/Actuarial-Financial-Information.aspx>

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

Tier One / Tier Two Retirement Benefit Plan - ORS Chapter 238

Tier One / Tier Two Retirement Benefit Plan is closed to new members hired on or after August 29, 2003.

Pension Benefits – The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0% for police and fire employees, and 1.67% for general service employees) is multiplied by the number of years of service and the final average salary. Benefits

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if it results in greater benefits.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

Death Benefits – Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

- the member was employed by PERS employer at the time of death,
- the member died within 120 days after termination of PERS covered employment,
- the member died as a result of injury sustained while employed in a PERS-covered job, or
- the member was on an official leave of absence from a PERS-covered job at the time of death.

Disability Benefits – A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

Benefit Changes After Retirement – Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the fair value equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.

Oregon Public Service Retirement Plan Pension Defined Pension Program (OPSRP DB) - ORS Chapter 238A

The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.

Pension Benefits – This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

Police and fire: 1.8% 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% 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.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

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

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

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

Benefit Changes After Retirement – Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.

Contributions

PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2019 actuarial valuation, which became effective July 1, 2021. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments, and their rates have been reduced.

Employer contributions for the year ended June 30, 2023 were approximately \$55,689,000 excluding amounts to fund employer specific liabilities. Approximately \$26,139,000 was charged for the year ended June 30, 2023 as PERS benefits expenditures to be used for bond payments as they become due. These contributions occur in all governmental funds that have salary expenditures, which typically are the General Fund, Grant Fund, Capital Projects Fund, and the Nutrition Services Fund. Approximately (\$18,944,000) was recognized as employer pension expense during the reporting period.

At June 30, 2023, the District reported a net pension liability of \$348,863,875 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, rolled forward to a measurement date of June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. On June 30, 2022, the District's proportion was 2.28%, which was a decrease of approximately 0.10% from its proportion measured as of June 30, 2021.

	Deferred Outflow of Resources	Deferred (Inflow) of Resources	Net
Differences between expected and actual experience	\$ 16,934,526	\$ (2,175,579)	
Changes of assumptions	54,738,627	(500,093)	
Net difference between projected and actual earnings on investments	-	(62,370,112)	
Changes in proportionate share	1,841,671	(39,896,429)	
Differences between employer contributions and employer's proportionate share of system contributions	1,688,497	(40,694,239)	
Subtotal - Amortized Deferrals	75,203,321	(145,636,452)	\$ (70,433,131)
District contributions subsequent to measurement date	55,689,407	-	55,689,407
Total deferred outflow (inflow) of resources	\$ 130,892,728	\$ (145,636,452)	\$ (14,743,724)

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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

The \$55,689,407 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year. Other amounts reported as deferred outflows or inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal year ending June 30,	Amount
2024	\$ (15,245,152)
2025	(23,903,426)
2026	(43,070,613)
2027	16,520,465
2028	(4,734,405)
Total	<u>\$ (70,433,131)</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system wide GASB 68 reporting summary dated January 20, 2023, which can be found at:

<http://www.oregon.gov/pers/emp/pages/GASB.aspx>

Actuarial Valuations

The employer contribution rates effective July 1, 2021 through June 30, 2023, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), and (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 22 years.

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

Actuarial Methods and Assumptions:

Valuation date	December 31, 2020
Measurement date	June 30, 2022
Experience study	2020, published July 2021
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Inflation rate	2.40%
Long-term expected rate of return	6.90%
Discount rate	6.90%
Projected salary increases	3.40%
Cost of living adjustments (COLA)	Blend of 2.0% COLA and graded COLA (1.25% / 0.15%) in accordance with <i>Moro</i> decision; blend based on service.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

Mortality	<p>Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale with job category adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>
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(Source: June 30, 2022 Oregon PERS Annual Comprehensive Financial Report; Table 25; page 71)

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2020 Experience Study which is reviewed for the four-year period ending December 31, 2020.

Discount Rate – The discount rate used to measure the total pension liability was 6.9% for the Defined Benefit Pension Plan, the same as in the prior fiscal year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Depletion Date Projection – GASB 67 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan’s Fiduciary Net Position (fair value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 67 will often require that the actuary perform complex projections of future benefit payments and asset values. GASB 67 (paragraph 43) does allow for alternative evaluations of projected solvency if such evaluation can reliably be made. GASB 67 does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

The following circumstances justify an alternative evaluation of sufficiency for Oregon PERS:

- Oregon PERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100.0% funded position by the end of the amortization period if future experience follows assumption.
- GASB 67 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan’s funded position.

Based on these circumstances, the detailed depletion date projections outlined in GASB 67 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

(Source: June 30, 2022 PERS Annual Comprehensive Financial Report; page 70)

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

Assumed Asset Allocation

Asset Class / Strategy	OIC Policy Range	Current Year Target
Debt Securities	15.0 – 25.0%	20.0%
Public Equity	25.0 – 35.0%	30.0%
Real Estate	7.5 – 17.5%	12.5%
Private Equity	15.0 – 27.5%	20.0%
Risk Parity	0.0 – 3.5%	2.5%
Real Assets	2.5 – 10.0%	7.5%
Diversifying Strategies	2.5 – 10.0%	7.5%
Opportunity Portfolio	0.0 – 5.0%	0.0%
Total		100.0%

(Source: June 30, 2022 Oregon PERS Annual Comprehensive Financial Report; page 104)

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and the Oregon Investment Council’s (OIC) investment advisors. The table below shows Milliman’s assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC’s description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

(Source: June 30, 2022 Oregon PERS Annual Comprehensive Financial Report; page 70)

Asset Class	Target Allocation	Annual Arithmetic Return	20-Year Annualized Geometric Mean	Annual Standard Deviation
Global Equity	30.62%	7.11%	5.85%	17.05%
Private Equity	25.50	11.35	7.71	30.00
Core Fixed Income	23.75	2.80	2.73	3.85
Real Estate	12.25	6.29	5.66	12.00
Master Limited Partnerships	0.75	7.65	5.71	21.30
Infrastructure	1.50	7.24	6.26	15.00
Commodities	0.63	4.68	3.10	18.85
Hedge Fund of Funds - Multistrategy	1.25	5.42	5.11	8.45
Hedge Fund Equity - Hedge	0.63	5.85	5.31	11.05
Hedge Fund - Macro	5.62	5.33	5.06	7.90
US Cash	(2.50)	1.77	1.76	1.20
Assumed Inflation - Mean			2.40%	1.65%

(Source: June 30, 2022 Oregon PERS Annual Comprehensive Financial Report; Table 31; page 74)

Sensitivity – Sensitivity of the District’s proportionate share of the net pension liability to changes in the discount rate. The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 6.90%, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

	Decrease 1% 5.90%	Current Rate 6.90%	Increase 1% 7.90%
District's proportionate share of the net pension liability / (asset)	\$ 618,679,903	\$ 348,863,875	\$ 123,040,315

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

Additional disclosures related to Oregon PERS not applicable to specific employers are available online at the below website, or by contacting Oregon PERS at the following address: P.O. Box 23700, Tigard, OR, 97281-3700, <http://www.oregon.gov/pers/Pages/index.aspx>

OPSRP Individual Account Program (OPSRP IAP)

Plan Description – ORS Chapter 238A created the OPSRP, which consists of the Defined Benefit Pension Program and the Individual Account Program (IAP). Membership includes public employees hired on or after August 29, 2003. PERS members retain their existing defined benefit plan accounts, but member contributions are deposited into the member’s IAP account. OPSRP is part of Oregon PERS and is administered by the Oregon PERS Board.

Pension Benefits – An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. Upon retirement, a member of the OPSRP IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

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

Contributions – Employees of the District pay 6% of their covered payroll. The District did not make any optional contributions to member IAP accounts for the year ended June 30, 2023.

13. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

The District offers a postemployment health insurance subsidy and tax shelter annuity and contributes to a retirement health insurance account through Oregon PERS. The breakdown of the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB are:

	Postemployment Health Insurance Subsidy	Postemployment Health Insurance Account	Net
Total OPEB Liability	\$ 23,450,372	\$ -	\$ 23,450,372
Net OPEB Asset	-	7,833,284	7,833,284
OPEB Deferred Outflows of Resources	3,808,130	379,371	4,187,501
OPEB Deferred Inflows of Resources	10,627,132	1,070,770	11,697,902
OPEB Expense	(1,089,238)	(936,553)	(2,025,791)

Postemployment Health Insurance Subsidy (PHIS)

Plan description – The District operates a single-employer defined benefit plan that provides postemployment health, dental, vision and life insurance benefits to eligible employees and their spouses. Benefits and eligibility for members are established through the collective bargaining agreements and Oregon State law. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75. The District’s post-retirement healthcare

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

plan was established in accordance with ORS 243.303. ORS stipulate that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees.

Benefits Provided – Eligible retirees and their dependents under age 65 are allowed to continue to enroll in the same health care coverage as offered to active employees. The retiree’s coverage selection is available only upon retirement although coverage can continue until the retiree’s age 65. The spouse’s coverage is available until the spouse’s age 65 but also must be selected at the time of retirement. Following the retiree’s death or attainment of age 65, the retiree’s spouse can continue full coverage until the spouse’s age 65. The retiree or surviving spouse is responsible for paying the full premium at the applicable tier. The difference between retiree claims costs, which because of the effect of age is generally higher in comparison to all plan members, and the amount of retiree healthcare premiums represents the District’s implicit employer subsidy. Eligibility is determined by:

- For administrators and classified members, the employee must retire with an immediate service or disability retirement benefit under the Oregon PERS.
- For certified members, the employee must retire with an immediate service benefit under OPERS or be eligible for a benefit under the District’s Long Term Disability program.

Employees covered by benefit terms – As of June 30, 2021, the date of the most recent valuation, there were 5,010 active and 160 retired members in the plan.

Total OPEB Liability

The District’s total OPEB liability of \$23,450,372 was determined by an actuarial valuation as of July 1, 2021, adjusted to a measurement date of June 30, 2022.

Actuarial assumptions and other inputs

The total OPEB liability measured as of June 30, 2021 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Valuation date	July 1, 2021
Measurement date	June 30, 2022
Inflation	2.40%
Projected salary growth	2.75%
Discount rate	3.54% (previously 2.16%)
Withdrawal, retirement, and mortality rates	December 31, 2020 Oregon PERS valuation
Election and lapse rates	40.0% of eligible employees; 34.0% spouse coverage; 3.0% annual lapse rate
Actuarial cost method	Entry Age Normal Level Percent of Pay
Mortality	<p>Healthy Annuitant – Pub-2010 Healthy Retiree, Sex Distinct, benefits-weighted, Generational Projection with Unisex Social Security Data Scale</p> <ul style="list-style-type: none"> • Male Beneficiary – General, set back 12 months • Male Member – Blend 80.0% Teachers and 20.0% General, no set back • Female Beneficiary – General, no set back • Female Member – Teachers, no set back <p>Disabled Retiree – Pub-2010 Disabled Retiree, Sex Distinct, benefits-weighted, Generational Projection with Unisex 2017 Social Security Data Scale</p> <ul style="list-style-type: none"> • Male Member – Non-Safety, set forward 24 months • Female Member – Non-Safety, set forward 12 months <p>Non-Annuitant – Pub-2010 Employee, Sex Distinct, headcount-weighted, Generational Projection with Unisex 2017 Social Security Data Scale</p> <ul style="list-style-type: none"> • Male Member – 125.0% of same table and set back as Healthy Annuitant assumption • Female member – 100.0% of same table and set back as Healthy Annuitant assumption

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

Disability	Percentage of the 1985 Class 1 Rates: 25.0% with a 0.2% cap; Ordinary Disability only; no duty disability assumed
Retirement	Based on Oregon PERS assumptions. Annual rates are based on age, Tier / ORSRP, and duration of service

Discount Rate – Under GASB 75, unfunded plans must use a discount rate that reflects a 20-year tax-exempt municipal bond yield or index rate. The discount rate in effect for the June 30, 2023 reporting date is 3.54%, reflecting the Bond Buyer 20-Year General Obligation Bond Index at the time of the valuation.

Health Care Cost Trend – The actuarial calculations used an assumption that medical costs will decrease 1.6% in the first year, 5.3% in the second year, 5.1% in the third year. Over the subsequent 50 years, the trend is assumed to gradually decrease to an ultimate rate of 3.8% in 2074 and beyond. These trends are based on a model circulated by the Society of Actuaries that considers current trends in health care costs, the potential impacts of certain well-defined aspects of the healthcare reform legislation, and long-term constraints on trend such as growth in per capita income. It also assumes that dental costs will not increase in the first year and then increase by the lesser of the medical trend described above and 4.0% per year thereafter.

Changes in the Total OPEB Liability

	Increase (Decrease) Total OPEB Liability
Balance as of June 30, 2022	\$ 25,571,604
Changes for the year:	
Service cost	1,502,312
Interest on total OPEB liability	569,698
Effect of assumptions changes or inputs	(2,787,728)
Benefit payments	(1,405,514)
Balance as of June 30, 2023	<u>\$ 23,450,372</u>

The effects of assumptions changes or inputs reflect a change in the discount rate from 2.16% to 3.54%.

Sensitivity

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

	Decrease 1% 2.54%	Current Rate 3.54%	Increase 1% 4.54%
District's net OPEB liability (asset)	<u>\$ 25,441,114</u>	<u>\$ 23,450,372</u>	<u>\$ 21,612,541</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the District for the Postemployment Health Insurance Subsidy, as well as what the total OPEB liability would be if it were calculated using a health care cost trend rates that are 1-percentage-point lower (4.3% adjusting to 2.8%) or 1-percentage-point higher (6.3% adjusting to 4.8%) than the current trend rates:

	Decrease 1.0%	Current Trend Rate	Increase 1.0%
District's net OPEB liability (asset)	<u>\$ 20,934,335</u>	<u>\$ 23,450,372</u>	<u>\$ 26,424,397</u>

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

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

For the year ended June 30, 2023, the District recognized an OPEB expense of (\$1,089,238) related to the PHIS OPEB. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflow of Resources	Deferred (Inflow) of Resources	Net
Differences between expected and actual experience	\$ 473,359	\$ -	
Changes of assumptions	1,925,851	(10,627,132)	
Subtotal - Amortized Deferrals	2,399,210	(10,627,132)	\$ (8,227,922)
District contributions subsequent to measurement date	1,408,920	-	1,408,920
Total deferred outflow (inflow) of resources	\$ 3,808,130	\$ (10,627,132)	\$ (6,819,002)

The \$1,408,920 reported as deferred outflows of resources related to PHIS OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the next fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to PHIS OPEB will be recognized in OPEB expense as follows:

Fiscal year ending June 30,	Amount
2024	\$ (1,752,328)
2025	(1,752,328)
2026	(1,583,798)
2027	(1,444,224)
2028	(684,403)
Thereafter	(1,010,841)
Total	\$ (8,227,922)

Retirement Health Insurance Account (RHIA)

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

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

Contributions - Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to \$60 or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the Retirement Health Insurance Account established by the employer, and any monthly cost in excess of \$60 shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a PERS-sponsored health plan. A surviving spouse or dependent

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

of a deceased PERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from PERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by OPERS, currently 0.1% of Tier 1 and Tier 2 payroll and 0.0% of OPSRP of annual covered payroll. These contributions occur in all governmental funds that have salary expenditures, which typically are the General Fund, Grant Fund, Capital Projects Fund, and the Nutrition Services Fund. The OPERS Board of Trustees sets the employer contribution rate based on the annual required contribution (ARC) of the employers, an amount actuarially determined. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The District's contributions to RHIA for the years ended June 30, 2023, 2022, and 2021 were approximately \$55,000, \$54,000, and \$71,000 which equaled the required contributions each year.

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

At June 30, 2023, the District reported an asset of \$7,833,284 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date. The District's proportion of the net OPEB liability was based on the District's actual, legally required contributions made during the fiscal year being compared to the total actual contributions made in the fiscal year by all employers. The District's proportionate share as of the measurement date is 2.20%, changed from 2.29% for the prior measurement date.

For the year ended June 30, 2023, the District recognized OPEB expense reduction of (\$936,553) related to the RHIA OPEB. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to the RHIA OPEB from the following sources:

	Deferred Outflow of Resources	Deferred (Inflow) of Resources	Net
Differences between expected and actual experience	\$ -	\$ (212,276)	
Changes of assumptions	61,333	(261,106)	
Net difference between projected and actual earnings on investments	-	(597,388)	
Changes in proportionate share	262,887	-	
Subtotal - Amortized Deferrals	324,220	(1,070,770)	\$ (746,550)
District contributions subsequent to measurement date	55,151	-	55,151
Total deferred outflow (inflow) of resources	\$ 379,371	\$ (1,070,770)	\$ (691,399)

The \$55,151 reported as deferred outflows of resources related to RHIA OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the next fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to RHIA OPEB will be recognized in OPEB expense as follows:

Fiscal year ending June 30,	Amount
2024	\$ (239,835)
2025	(321,060)
2026	(376,980)
2027	191,325
Total	\$ (746,550)

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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

Actuarial assumptions and other inputs

The net OPEB liability measured as of June 30, 2022, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Valuation date	December 31, 2020
Measurement date	June 30, 2022
Experience Study	2020, published July 20, 2021
Actuarial assumptions:	
Actuarial cost method	Entry Age Normal
Inflation rate	2.40%
Long-term expected rate of return	6.90%
Discount rate	6.90%
Projected salary increases	3.40%
Retiree healthcare participation	Healthy retirees: 27.5%; Disabled retirees: 15.0%
Healthcare cost trend rate	Not applicable. Statute stipulates \$60 monthly payment for healthcare insurance.
Mortality	<p>Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Active members: Pub-2010 Employees, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees: Pub-2010 Disabled retirees, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

(Source: June 30, 2022 Oregon PERS Annual Comprehensive Financial Report; Table 28; page 73)

Discount Rate

The discount rate used to measure the net OPEB liability at June 30, 2022 was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. For more information on the long-term expected rate of return for each major asset class, calculated using both the arithmetic and geometric means, see the breakdown in Footnote 12.

(Source: June 30, 2022 Oregon PERS Annual Comprehensive Financial Report; page 72)

Sensitivity Analysis

Sensitivity of the District's proportionate share of net OPEB liability to changes in the discount rate. The following presents the District's proportionate share of net OPEB liability for the Retirement Health Insurance Account, as well as what the proportionate share of net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current discount rate:

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

	Decrease 1% 5.90%	Current Rate 6.90%	Increase 1% 7.90%
District's proportionate share of net OPEB liability (asset)	\$ (7,059,997)	\$ (7,833,284)	\$ (8,496,171)

Sensitivity of the District's proportionate share of net OPEB liability to changes in the healthcare cost trend rates. The District's proportionate share of net OPEB asset for the Retirement Health Insurance Account is \$7,833,284. The ORS stipulates a \$60 monthly payment, so there would be no change to the proportionate share of net OPEB liability if it were calculated using health care cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rates.

14. COMPENSATED ABSENCES

The General Fund is the primary fund where the compensated absences liability is liquidated. Activity for compensated absences for the year ended June 30, 2023, all of which are considered due within one year, as follows:

	Balance June 30, 2022	Additions	Reductions	Balance June 30, 2023
Compensated Absences	\$ 6,280,635	\$ 5,232,296	\$ (6,216,628)	\$ 5,296,303

15. RISK MANAGEMENT

Self-Insurance

Internal Service Funds (Insurance Reserve and Workers' Compensation Funds) account for the costs incurred for workers' compensation claims, general liability claims, and property and fire losses.

The District provides currently for estimated losses to be incurred from pending claims and for claims incurred but not reported (IBNR). IBNR claims are claims that are incurred through the end of the fiscal year, but not reported until after that date. These liabilities are based on actuarial valuations or District estimates.

The District is self-insured for costs up to policy deductible limits as follows:

- General Liability and School Board errors and omissions – \$500,000 per occurrence
- Fire loss, property damage, all risk (theft, vandalism, etc.) – \$500,000 per occurrence
- Workers' compensation claims – \$500,000 per claim

The District is exposed to various risks of loss related to torts, theft or damage to and destruction of assets, errors and omissions, and natural disasters for which the District carries commercial insurance. The District does not engage in risk financing activities where the risk is greater than the self-insurance amounts. Settlements did not exceed insurance coverage for the years ended June 30, 2023, 2022, or 2021. There have also been no reductions to the District's insurance coverage during the year. The District anticipates that all accrued claims losses will be paid within twelve months.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

Changes in the balances of claims liabilities at the end of the year are as follows:

	2023	2022	2021
Accrued claims losses, July 1	\$ 4,140,000	\$ 4,140,000	\$ 3,162,000
Incurring claims, including an estimate of claims incurred but not reported (IBNR)	1,869,683	1,569,164	3,340,195
Claims payments	(1,779,683)	(1,569,164)	(2,362,195)
Accrued claim losses, June 30	<u>\$ 4,230,000</u>	<u>\$ 4,140,000</u>	<u>\$ 4,140,000</u>

16. SCHOOL FUNDING

The District is dependent on the State of Oregon for a substantial portion of its operating funds. Due to funding fluctuations at the State level, future funding for school districts is impacted by the economic growth statewide, which has been affected by the COVID-19 pandemic and changing demographic trends in the state. The ultimate effect of this on the District's future operations is not yet determinable.

The largest segment is determined by the State School Fund formula, with the majority of funding provided by the State to the District based on the District's average daily membership of students (ADMr). The State gives additional weightings for certain categories of individuals including students in poverty, students in ESL programs, and students on Individual Education Plans. The State then proportions the State School Fund based on the resulting weighted average daily membership (ADMw) of the District compared to that of the State totals, using either the current year ADMw or the prior year ADMw (if higher) for each District. For 2022-23, the District had estimated ADMw of 45,968 and an extended ADMw of 46,463. The Statewide estimated ADMw is 669,270. For 2020-21, the District had a finalized ADMw of 46,463 and an extended ADMw of 46,997 within the Statewide ADMw of 676,899.

17. TAX ABATEMENTS

Washington County Tax Abatements

The District's property tax revenues were reduced by approximately \$745,000 under agreements entered into by Washington County for the fiscal year ended June 30, 2023.

18. COMMITMENTS AND CONTINGENCIES

The District is committed under various accepted bid agreements and contracts for approximately \$86.2 million for goods, services, and construction of facilities.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by these agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the District. The amount, if any, of costs which may be disallowed by the grantor cannot be determined at this time, although District management expects such amounts, if any, to be immaterial.

The District, in the regular course of business, is named as a defendant in various lawsuits. The likely outcome of these lawsuits is not presently determinable.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

19. NEW ACCOUNTING STANDARDS IMPLEMENTED

For the fiscal year ended June 30, 2023, the District implemented the following new accounting standards:

GASB Statement No. 91 *"Conduit Debt Obligations."* This Statement clarifies the definition of conduit debt obligations and establishes the required accounting and note disclosures.

GASB Statement No. 94 *"Public-Private and Public-Public Partnerships and Availability Payment Arrangements."* This Statement provides guidance for accounting and financial reporting for public-private and public-public partnership arrangements, including service concession arrangements and availability payment arrangements, that do not meet the definition of a lease.

GASB Statement No. 96 *"Subscription-Based Information Technology Arrangements."* This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements, including terminology, capitalization criteria, and note disclosures.

For the fiscal year ended June 30, 2023, the District partially implemented of the following new accounting standards that had multiple implementation dates:

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

20. NEW PRONOUNCEMENTS

The District will implement new GASB pronouncements no later than the required fiscal year. Management has not determined the effect on the financial statements from implementing any of the following pronouncements.

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

GASB Statement No. 101 *"Compensated Absences."* This Statement provides for accounting and financial reporting for compensated absences, including the definition of leave and guidance for measuring the liability for leave that has not been used. The Statement is effective for fiscal years beginning after December 15, 2023.

21. RESTATEMENT OF PRIOR YEAR NET POSITION

The District had previously entered into subscription-based information technology arrangements that were recorded as expenditures as payments occurred. Per GASB 96, these arrangements are treated as a subscription asset and a subscription liability, along with accrued interest associated with the liability. A restatement of the prior year net position was required to record these arrangements that had previously been entered into. Additional details on these subscription liabilities are in Footnote 11.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2023

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

Net Position - July 1, 2022, as originally reported	\$ (39,831,057)
Addition of Subscription Asset, net	2,739,292
Addition of Subscription Liability	(790,236)
Adjustment of Accrued Interest	<u>(6,350)</u>
Net Position - July 1, 2022, as restarted	<u>\$ (37,888,351)</u>

REQUIRED SUPPLEMENTARY INFORMATION



BEAVERTON SCHOOL DISTRICT
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY FOR PERS
JUNE 30, 2023

Year ended June 30,	Employer's proportion of the net pension liability (NPL)	Employer's proportionate share of the net pension liability (NPL) ¹	Covered payroll ²	NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	2.28%	\$ 348,863,875	\$ 329,524,511	105.9%	84.5%
2022 ⁷	2.38%	284,738,427	288,434,472	98.7%	87.6%
2021	2.62%	571,876,034	279,841,650	204.4%	75.8%
2020	2.60%	450,146,458	293,949,194	153.1%	80.2%
2019 ⁶	2.60%	393,909,116	281,116,984	140.1%	82.1%
2018	2.44%	328,358,025	266,160,397	123.4%	83.1%
2017 ⁵	2.24%	336,425,374	243,813,517	138.0%	80.5%
2016 ⁴	2.05%	117,982,257	219,944,988	53.6%	91.9%
2015 ³	2.72%	(61,675,451)	200,544,298	-30.8%	103.6%
2014	2.72%	138,852,440	187,686,710	74.0%	92.0%

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF CONTRIBUTIONS FOR PERS
JUNE 30, 2023

Year ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency / (excess)	Covered payroll	Contributions as a percentage of covered payroll
2023	\$ 55,689,407	\$ 55,689,407	\$ -	\$ 349,436,569	15.9%
2022	48,742,675	48,742,675	-	329,524,511	14.8%
2021	53,786,853	53,786,853	-	288,434,742	18.6%
2020	53,400,012	53,400,012	-	279,841,650	19.1%
2019	40,289,531	40,289,531	-	293,949,194	13.7%
2018	37,341,000	37,341,000	-	281,116,984	13.3%
2017	21,355,242	21,355,242	-	266,160,397	8.0%
2016	20,427,165	20,427,165	-	243,813,517	8.4%
2015	29,448,081	29,448,081	-	219,944,988	13.4%
2014	28,332,951	28,332,951	-	200,544,298	14.1%

Notes:

¹ The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date.

² Amounts for covered payroll use the prior year's data to match the measurement date used by the pension plan.

³ The June 30, 2015 NPL reflects benefit changes from the Senate Bills 822 and 861.

⁴ The June 30, 2016 NPL reflects benefit changes from the Oregon Supreme Court's ruling in *Moro v. State of Oregon*, which overturned portions of Senate Bills 822 and 861.

⁵ The June 30, 2017 NPL reflects assumption changes reducing inflation rate from 2.75% to 2.50%, the long-term expected rate of return from 7.75% to 7.50%, the discount rate from 7.75% to 7.50% and the projected salary increases from 3.75% to 3.50%.

⁶ The June 30, 2019 NPL reflects assumption changes reducing the long-term expected rate of return from 7.50% to 7.20% and the discount rate from 7.50% to 7.20%.

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

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY FOR RHIA
JUNE 30, 2023

Year ended June 30,	District's proportion of the net OPEB liability	District's proportionate share of the net OPEB liability (NOL) ¹	Covered payroll ²	NOL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2023	2.20%	\$ (7,833,284)	\$ 329,524,511	-2.4%	194.7%
2022	2.29%	(7,858,410)	288,434,472	-2.7%	183.9%
2021	2.56%	(5,207,786)	279,841,650	-1.9%	150.1%
2020	2.59%	(4,996,093)	293,949,194	-1.7%	144.4%
2019	2.54%	(2,835,569)	281,116,984	-1.0%	124.0%
2018	2.44%	(1,017,705)	266,160,397	-0.4%	108.9%
2017	2.39%	648,737	243,813,517	0.3%	94.1%

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF CONTRIBUTIONS FOR RHIA
JUNE 30, 2023

Year ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency / (excess)	Covered payroll	Contributions as a percent of covered payroll
2023	\$ 55,151	\$ 55,151	\$ -	\$ 349,436,569	0.0%
2022	54,334	54,334	-	329,524,511	0.0%
2021	70,588	70,588	-	288,434,742	0.0%
2020	67,000	67,000	-	279,841,650	0.0%
2019	1,282,000	1,282,000	-	293,949,194	0.4%
2018	1,225,000	1,225,000	-	281,116,984	0.4%
2017	1,216,000	1,216,000	-	266,160,397	0.5%

Notes:

These schedules are required to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

¹ The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date.

² Amounts for covered payroll use the prior year's data to match the measurement date used by the pension plan for each fiscal year.

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY - PHIS
JUNE 30, 2023
(DOLLAR AMOUNTS IN THOUSANDS)

Year ended June 30,	Service cost	Interest	Change of benefit terms	Difference between expected and actual results	Changes of assumptions or other inputs	Benefit payments	Net change in total OPEB liability
2023	\$ 1,502	\$ 570	\$ -	\$ -	\$ (2,788)	\$ (1,046)	\$ (1,762)
2022	1,879	671	-	411	(5,175)	(1,404)	(3,618)
2021	1,455	909	-	-	3,060	(1,511)	3,913
2020	1,847	1,215	-	334	(6,913)	(1,485)	(5,002)
2019	1,894	1,099	-	-	(798)	(1,447)	748
2018	2,102	894	-	-	(1,998)	(1,460)	(462)

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF TOTAL OPEB LIABILITY AND RELATED RATIOS - PHIS
JUNE 30, 2023
(DOLLAR AMOUNTS IN THOUSANDS)

Year ended June 30,	Total OPEB liability beginning	Net change in total liability	Total OPEB liability ending	Covered employee payroll ²	Total OPEB liability as percentage of covered payroll	Discount rate
2023	\$ 25,572	\$ (1,762)	\$ 23,810	\$ 329,525	7.2%	3.54%
2022	29,190	(3,618)	25,572	288,435	8.9%	2.16%
2021	25,277	3,913	29,190	279,842	10.4%	2.21%
2020	30,279	(5,002)	25,277	293,949	8.6%	3.50%
2019	29,531	748	30,279	281,117	10.8%	3.87%
2018	29,993	(462)	29,531	266,160	11.1%	3.58%
2017	-	-	29,993	243,814	12.3%	2.85%

Notes:

These schedules are required to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

There are no assets accumulated in a trust to pay related benefits for this plan.

Changes of assumptions. Changes of assumptions and other inputs reflect the effects of changes to the discount rate each period.

¹ The amounts presented for each fiscal year were actuarially determined at July 1 of odd years and rolled forward to the measurement date.

² Amounts for covered employee payroll use the prior year's data to match the measurement date used by the pension plan for each fiscal year.

BEAVERTON SCHOOL DISTRICT
**RECONCILIATION OF BUDGETARY TO REPORTING FUNDS - COMBINING SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE (GAAP BASIS)**
GENERAL FUND
YEAR ENDED JUNE 30, 2023

	Budgetary Funds: General Fund	Budgetary Funds: Long-Term Planning	Total (reported as General Fund)
REVENUES:			
Property taxes	\$ 162,331,922	\$ -	\$ 162,331,922
Local option levy	39,826,733	-	39,826,733
Intermediate sources	14,644,653	-	14,644,653
State sources	313,753,325	-	313,753,325
Charges for services	1,207,182	-	1,207,182
Rentals	711,874	-	711,874
Investment earnings	6,771,845	350,728	7,122,573
Contributions and donations	1,022	-	1,022
Services to other funds	-	6,683,716	6,683,716
Recovery of prior years' expenditures	97,814	-	97,814
Other	3,284,962	-	3,284,962
TOTAL REVENUES	542,631,332	7,034,444	549,665,776
EXPENDITURES:			
Current:			
Instruction	315,926,979	-	315,926,979
Support services	189,904,423	-	189,904,423
Enterprise and community services	69,829	-	69,829
Debt service:			
Principal	2,350,420	-	2,350,420
Interest	190,831	-	190,831
TOTAL EXPENDITURES	508,442,482	-	508,442,482
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	34,188,850	7,034,444	41,223,294
OTHER FINANCING SOURCES (USES):			
Sale of or compensation for loss of capital assets	1,000	-	1,000
Transfers out	(5,182,952)	-	(5,182,952)
TOTAL OTHER FINANCING SOURCES (USES)	(5,181,952)	-	(5,181,952)
NET CHANGE IN FUND BALANCES	29,006,898	7,034,444	36,041,342
FUND BALANCE, July 1, 2022	109,645,221	10,128,224	119,773,445
FUND BALANCE, June 30, 2023	\$ 138,652,119	\$ 17,162,668	\$ 155,814,787

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2023

	Budget Adopted	Budget Final	Actual Budget Basis	Variance with Final Budget	Adjustments to GAAP	Actual GAAP Basis
REVENUES:						
Property taxes	\$ 163,000,000	\$ 163,000,000	\$ 162,331,922	\$ (668,078)	\$ -	\$ 162,331,922
Local option levy	38,200,000	38,200,000	39,826,733	1,626,733	-	39,826,733
Intermediate sources	12,853,740	12,853,740	14,644,653	1,790,913	-	14,644,653
State sources	295,852,839	295,852,839	313,753,325	17,900,486	-	313,753,325
Charges for services	1,536,000	1,536,000	1,207,182	(328,818)	-	1,207,182
Rentals	720,000	720,000	711,874	(8,126)	-	711,874
Investment earnings	575,000	575,000	6,771,845	6,196,845	-	6,771,845
Contributions and donations	-	-	1,022	1,022	-	1,022
Recovery of prior years' expenditures	50,000	50,000	97,814	47,814	-	97,814
Other	3,683,962	3,683,962	3,284,962	(399,000)	-	3,284,962
Total revenues	516,471,541	516,471,541	542,631,332	26,159,791	-	542,631,332
EXPENDITURES:						
Instruction	330,396,521	330,396,521	315,926,979	14,469,542	-	315,926,979
Support services	194,815,858	194,815,858	190,846,008	3,969,850	(941,585)	189,904,423
Enterprise and community services	250,000	250,000	69,829	180,171	-	69,829
Facilities acquisition and construction	100,000	100,000	-	100,000	-	-
Debt service:	1,814,352	1,814,352	1,599,666	214,686	(1,599,666)	-
Principal	-	-	-	-	2,350,420	2,350,420
Interest	-	-	-	-	190,831	190,831
Contingencies	90,261,858	90,261,858	-	90,261,858	-	-
Total expenditures	617,638,589	617,638,589	508,442,482	109,196,107	-	508,442,482
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(101,167,048)	(101,167,048)	34,188,850	135,355,898	-	34,188,850
OTHER FINANCING SOURCES (USES):						
Sale of or compensation for loss of capital assets	-	-	1,000	1,000	-	1,000
Transfers out	(5,182,952)	(5,182,952)	(5,182,952)	-	-	(5,182,952)
Issuance of lease payables	550,000	550,000	-	(550,000)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(4,632,952)	(4,632,952)	(5,181,952)	(549,000)	-	(5,181,952)
NET CHANGE IN FUND BALANCE	(105,800,000)	(105,800,000)	29,006,898	134,806,898	-	29,006,898
FUND BALANCE, July 1, 2022	105,800,000	105,800,000	109,645,221	3,845,221	-	109,645,221
FUND BALANCE, June 30, 2023	\$ -	\$ -	\$ 138,652,119	\$ 138,652,119	\$ -	\$ 138,652,119

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GRANT FUND
YEAR ENDED JUNE 30, 2023

	Budget Adopted	Budget Final	Actual Budget Basis	Variance with Final Budget	Adjustments to GAAP	Actual GAAP Basis
REVENUES:						
Intermediate sources	\$ 715,311	\$ 715,311	\$ 204,360	\$ (510,951)	\$ -	\$ 204,360
State sources	79,156,032	79,156,032	59,157,660	(19,998,372)	-	59,157,660
Federal sources	81,605,755	81,605,755	34,761,185	(46,844,570)	-	34,761,185
Contributions and donations	3,193,393	3,193,393	1,105,613	(2,087,780)	-	1,105,613
Recovery of prior years' expenditures	-	-	77	77	-	77
Total revenues	164,670,491	164,670,491	95,228,895	(69,441,596)	-	95,228,895
EXPENDITURES:						
Instruction	77,116,856	77,116,856	59,229,487	17,887,369	-	59,229,487
Support services	65,514,153	65,514,153	35,535,621	29,978,532	199,989	35,735,610
Enterprise and community services	4,050,512	4,050,512	375,956	3,674,556	-	375,956
Facilities acquisition and construction	17,988,970	17,988,970	87,831	17,901,139	-	87,831
Total expenditures	164,670,491	164,670,491	95,228,895	69,441,596	199,989	95,428,884
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-	(199,989)	(199,989)
OTHER FINANCING SOURCES (USES):						
Issuance of subscriptions	-	-	-	-	199,989	199,989
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	199,989	199,989
NET CHANGE IN FUND BALANCE	-	-	-	-	-	-
FUND BALANCE, July 1, 2022	-	-	-	-	-	-
FUND BALANCE, June 30, 2023	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

BEAVERTON SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1: BUDGET BASIS OF ACCOUNTING

The schedule of revenues, expenditures, and changes in fund balances – budget and actual have been prepared on the prescribed budget basis of accounting for the District. All District Funds were budgeted on a generally accepted accounting principles (GAAP) basis. Normal adjustments were made to budgeted expenses to accommodate operational needs of the District that were within functions required by Oregon Budget Law.

The District accounts for certain transactions on a budgetary basis which differs from GAAP basis. A description of the principal differences between the budgetary basis and GAAP in recording and reporting transactions follows:

Summary	Budgetary Basis	GAAP Basis
Properties acquired by long-term financing such as leases or subscriptions	Only the current year's payment is recorded as an expenditure of the fund in which the payments are budgeted.	The net present value of the total stream of payments is recorded in the fund from which payments will be made as an expenditure in the year of acquisition with a corresponding offset to other financing sources. Subsequent payments on the obligations are recorded as debt service expenditures.
Classification of expenditures by character	Budgets and appropriations are made at the major function.	Expenditures are classified and reported by character within the financial statements. For some expenditures such as debt service, the character of expenditures is at the object level.



OTHER SUPPLEMENTARY INFORMATION



BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2023

	Budget Adopted	Budget Final	Actual Budget Basis	Variance with Final Budget	Adjustments to GAAP	Actual GAAP Basis
REVENUES:						
Property taxes	\$ 77,031,650	\$ 77,031,650	\$ 78,285,431	\$ 1,253,781	\$ -	\$ 78,285,431
Intermediate sources	-	-	65,006	65,006	-	65,006
Investment earnings	175,000	175,000	1,851,293	1,676,293	-	1,851,293
Services to other funds	22,933,760	22,933,760	26,184,818	3,251,058	-	26,184,818
Total revenues	100,140,410	100,140,410	106,386,548	6,246,138	-	106,386,548
EXPENDITURES:						
Debt service:	105,760,013	105,760,013	105,755,296	4,717	(105,755,296)	-
Principal	-	-	-	-	72,675,432	72,675,432
Interest	-	-	-	-	33,079,864	33,079,864
Total expenditures	105,760,013	105,760,013	105,755,296	4,717	-	105,755,296
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(5,619,603)	(5,619,603)	631,252	6,250,855	-	631,252
OTHER FINANCING SOURCES (USES):						
Transfers in	2,119,603	2,119,603	2,119,603	-	-	2,119,603
TOTAL OTHER FINANCING SOURCES (USES)	2,119,603	2,119,603	2,119,603	-	-	2,119,603
NET CHANGE IN FUND BALANCE	(3,500,000)	(3,500,000)	2,750,855	6,250,855	-	2,750,855
FUND BALANCE, July 1, 2022	3,500,000	3,500,000	7,047,071	3,547,071	-	7,047,071
FUND BALANCE, June 30, 2023	\$ -	\$ -	\$ 9,797,926	\$ 9,797,926	\$ -	\$ 9,797,926

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2023

	Budget Adopted	Budget Final	Actual	Variance with Final Budget
REVENUES:				
Construction excise tax	\$ 3,225,000	\$ 3,225,000	\$ 2,653,813	\$ (571,187)
Rentals	301,987	301,987	229,371	(72,616)
Investment earnings	2,051,000	2,051,000	5,983,346	3,932,346
Contributions and donations	550,000	550,000	15,727	(534,273)
Recovery of prior years' expenditures	2,050,000	2,050,000	1,091,774	(958,226)
Other	500,000	500,000	457,206	(42,794)
Total revenues	8,677,987	8,677,987	10,431,237	1,753,250
EXPENDITURES:				
Support services	8,774,386	8,774,386	2,696,339	6,078,047
Facilities acquisition and construction	557,113,275	557,113,275	42,385,608	514,727,667
Total expenditures	565,887,661	565,887,661	45,081,947	520,805,714
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(557,209,674)	(557,209,674)	(34,650,710)	522,558,964
OTHER FINANCING SOURCES (USES):				
Sale of or compensation for loss of capital assets	400,000	400,000	(143,588)	(543,588)
Transfers out	(1,208,289)	(1,208,289)	(1,208,289)	-
Issuance of debt	480,000,000	480,000,000	319,412,153	(160,587,847)
Premium on long-term debt issued	-	-	16,637,675	16,637,675
TOTAL OTHER FINANCING SOURCES (USES)	479,191,711	479,191,711	334,697,951	(144,493,760)
NET CHANGE IN FUND BALANCE	(78,017,963)	(78,017,963)	300,047,241	378,065,204
FUND BALANCE, July 1, 2022	78,017,963	78,017,963	67,799,420	(10,218,543)
FUND BALANCE, June 30, 2023	\$ -	\$ -	\$ 367,846,661	\$ 367,846,661

GENERAL FUND

These funds account for the accumulation of resources for particular activities or functions from designated sources. Funds included in this category combine into the General Fund in the combined basic financial statements and are:

General Fund – accounts for the basic financial operations of the District.

Long-Term Planning Fund – accounts for funds for capital equipment replacement and sustainability. Principal resources are transfers from other funds and state grants.



BEAVERTON SCHOOL DISTRICT**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****LONG-TERM PLANNING FUND****YEAR ENDED JUNE 30, 2023**

	Budget Adopted	Budget Final	Actual	Variance with Final Budget
REVENUES:				
Investment earnings	\$ -	\$ -	\$ 350,728	\$ 350,728
Services to other funds	6,450,000	6,450,000	6,683,716	233,716
Total revenues	6,450,000	6,450,000	7,034,444	584,444
EXPENDITURES:				
Contingencies	16,050,000	16,050,000	-	16,050,000
Total expenditures	16,050,000	16,050,000	-	16,050,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(9,600,000)	(9,600,000)	7,034,444	16,634,444
NET CHANGE IN FUND BALANCE	(9,600,000)	(9,600,000)	7,034,444	16,634,444
FUND BALANCE, July 1, 2022	9,600,000	9,600,000	10,128,224	528,224
FUND BALANCE, June 30, 2023	\$ -	\$ -	\$ 17,162,668	\$ 17,162,668

BEAVERTON SCHOOL DISTRICT
RECONCILIATION OF BUDGETARY TO REPORTING FUNDS - COMBINING BALANCE SHEET
GENERAL FUND
JUNE 30, 2023

	Budgetary Funds: General Fund	Budgetary Funds: Long-Term Planning	Total (reported as General Fund)
ASSETS			
Equity in pooled cash and investments	\$ 174,024,901	\$ 16,658,820	\$ 190,683,721
Receivables	3,803,212	-	3,803,212
Property taxes receivable	3,016,901	-	3,016,901
Lease rental receivable	2,792,616	-	2,792,616
Due from other funds	10,928,549	503,848	11,432,397
TOTAL ASSETS	\$ 194,566,179	\$ 17,162,668	\$ 211,728,847
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 5,072,324	\$ -	\$ 5,072,324
Accrued salaries and benefits	44,270,713	-	44,270,713
Due to other funds	2,312,737	-	2,312,737
Other liabilities	482	-	482
TOTAL LIABILITIES	51,656,256	-	51,656,256
Deferred Inflows of Resources:			
Unavailable revenue - property taxes	2,484,891	-	2,484,891
Unavailable revenue - leases	1,772,913	-	1,772,913
TOTAL DEFERRED INFLOWS OF RESOURCES	4,257,804	-	4,257,804
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	55,914,060	-	55,914,060
Fund Balances:			
Committed	-	17,162,668	17,162,668
Unassigned	138,652,119	-	138,652,119
TOTAL FUND BALANCES	138,652,119	17,162,668	155,814,787
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 194,566,179	\$ 17,162,668	\$ 211,728,847

NONMAJOR GOVERNMENTAL FUNDS

These funds account for revenues and expenditures restricted for specific educational projects, the District's food dispensing program and student participation fees. Included are the following funds:

Student Body & Special Purpose Fund – accounts for the receipts and disbursements of the various schools' student body activity funds, as well as the District's individual school. Principal revenue sources are fundraising and donations.

Categorical Fund – accounts for resources reserved for expenditures on classroom supplies and equipment, capital improvements and replacements. Principal revenue source is the State of Oregon facility grant.

Scholarships Fund – accounts for fundraising and scholarship resources received and held by the District. Disbursements from this fund are made in accordance with the trust and fundraising agreements.

Nutrition Services Fund – accounts for revenues and expenditures for the food dispensing programs. Principal revenue sources are sales of food and subsidies under the National School Lunch and Breakfast Programs and other federal grants received through the State of Oregon.



BEAVERTON SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023

	Student Body & Special Purpose	Categorical	Scholarships	Nutrition Services	Total
ASSETS					
Equity in pooled cash and investments	\$ 5,441,437	\$ 6,816,857	\$ 469,880	\$ 4,853,739	\$ 17,581,913
Receivables	452,254	20	-	1,981,013	2,433,287
Inventories	-	-	-	604,134	604,134
TOTAL ASSETS	\$ 5,893,691	\$ 6,816,877	\$ 469,880	\$ 7,438,886	\$ 20,619,334
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 177,760	\$ 4,141	\$ 21,880	\$ 89,609	\$ 293,390
Accrued salaries and benefits	96,184	787	-	1,062,357	1,159,328
Due to other funds	7,145	62	-	68,453	75,660
Unearned revenue	-	3,487,575	-	-	3,487,575
Other liabilities	10,457	-	-	287,987	298,444
TOTAL LIABILITIES	291,546	3,492,565	21,880	1,508,406	5,314,397
Fund Balances:					
Nonspendable	-	-	-	604,134	604,134
Restricted	5,602,145	-	448,000	-	6,050,145
Committed	-	3,324,312	-	5,326,346	8,650,658
TOTAL FUND BALANCES	5,602,145	3,324,312	448,000	5,930,480	15,304,937
TOTAL LIABILITIES AND FUND BALANCES	\$ 5,893,691	\$ 6,816,877	\$ 469,880	\$ 7,438,886	\$ 20,619,334

BEAVERTON SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023

	Student Body & Special Purpose	Categorical	Scholarships	Nutrition Services	Total
REVENUES:					
State sources	\$ 68,569	\$ 1,911,324	\$ -	\$ 1,601,234	\$ 3,581,127
Federal sources	-	-	-	9,818,706	9,818,706
Charges for services	4,621,168	268,950	-	4,091,063	8,981,181
Investment earnings	146,457	224,000	11,968	100,831	483,256
Contributions and donations	2,044,659	-	66,930	-	2,111,589
Recovery of prior years' expenditures	1,762	191,279	-	878	193,919
Other	641,616	46,836	-	6,562	695,014
Total revenues	7,524,231	2,642,389	78,898	15,619,274	25,864,792
EXPENDITURES:					
Instruction	6,042,007	-	-	-	6,042,007
Support services	818,687	3,541,897	-	16,575	4,377,159
Enterprise and community services	18,635	-	83,814	15,151,660	15,254,109
Facilities, acquisition and construction	96,371	217,682	-	-	314,053
Total expenditures	6,975,700	3,759,579	83,814	15,168,235	25,987,328
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	548,531	(1,117,190)	(4,916)	451,039	(122,536)
OTHER FINANCING SOURCES (USES):					
Sale of or compensation for loss of capital assets	-	-	-	1,152	1,152
Transfers in	1,530	6,000	-	-	7,530
Transfers out	-	(129,161)	(500)	(1,030)	(130,691)
TOTAL OTHER FINANCING SOURCES (USES)	1,530	(123,161)	(500)	122	(122,009)
NET CHANGE IN FUND BALANCES	550,061	(1,240,351)	(5,416)	451,161	(244,545)
FUND BALANCE, July 1, 2022	5,052,084	4,564,663	453,416	5,479,319	15,549,482
FUND BALANCE, June 30, 2023	\$ 5,602,145	\$ 3,324,312	\$ 448,000	\$ 5,930,480	\$ 15,304,937

BEAVERTON SCHOOL DISTRICT**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****STUDENT BODY AND SPECIAL PURPOSE FUND****YEAR ENDED JUNE 30, 2023**

	Budget Adopted	Budget Final	Actual	Variance with Final Budget
REVENUES:				
State sources	\$ -	\$ -	\$ 68,569	\$ 68,569
Charges for services	3,300,000	3,300,000	4,621,168	1,321,168
Investment earnings	-	-	146,457	146,457
Contributions and donations	4,000,000	4,000,000	2,044,659	(1,955,341)
Recovery of prior years' expenditures	-	-	1,762	1,762
Other	500,000	500,000	641,616	141,616
	<u>7,800,000</u>	<u>7,800,000</u>	<u>7,524,231</u>	<u>(275,769)</u>
Total revenues				
EXPENDITURES:				
Instruction	10,896,219	10,896,219	6,042,007	4,854,212
Support services	1,307,781	1,307,781	818,687	489,094
Enterprise and community services	350,000	350,000	18,635	331,365
Facilities acquisition and construction	1,000,000	1,000,000	96,371	903,629
	<u>13,554,000</u>	<u>13,554,000</u>	<u>6,975,700</u>	<u>6,578,300</u>
Total expenditures				
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(5,754,000)</u>	<u>(5,754,000)</u>	<u>548,531</u>	<u>6,302,531</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	19,000	19,000	1,530	(17,470)
Transfers out	<u>(15,000)</u>	<u>(15,000)</u>	<u>-</u>	<u>15,000</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>4,000</u>	<u>4,000</u>	<u>1,530</u>	<u>(2,470)</u>
NET CHANGE IN FUND BALANCE	<u>(5,750,000)</u>	<u>(5,750,000)</u>	<u>550,061</u>	<u>6,300,061</u>
FUND BALANCE, July 1, 2022	<u>5,750,000</u>	<u>5,750,000</u>	<u>5,052,084</u>	<u>(697,916)</u>
FUND BALANCE, June 30, 2023	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,602,145</u>	<u>\$ 5,602,145</u>

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CATEGORICAL FUND
YEAR ENDED JUNE 30, 2023

	Budget Adopted	Budget Final	Actual	Variance with Final Budget
REVENUES:				
State sources	\$ 1,900,000	\$ 1,900,000	\$ 1,911,324	\$ 11,324
Charges for services	325,000	325,000	268,950	(56,050)
Investment earnings	25,000	25,000	224,000	199,000
Recovery of prior years' expenditures	-	-	191,279	191,279
Other	600,000	600,000	46,836	(553,164)
Total revenues	2,850,000	2,850,000	2,642,389	(207,611)
EXPENDITURES:				
Instruction	100,000	100,000	-	100,000
Support services	5,501,839	5,501,839	3,541,897	1,959,942
Facilities acquisition and construction	1,525,000	1,525,000	217,682	1,307,318
Total expenditures	7,126,839	7,126,839	3,759,579	3,367,260
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(4,276,839)	(4,276,839)	(1,117,190)	3,159,649
OTHER FINANCING SOURCES (USES):				
Transfers in	6,000	6,000	6,000	-
Transfers out	(129,161)	(129,161)	(129,161)	-
TOTAL OTHER FINANCING SOURCES (USES)	(123,161)	(123,161)	(123,161)	-
NET CHANGE IN FUND BALANCE	(4,400,000)	(4,400,000)	(1,240,351)	3,159,649
FUND BALANCE, July 1, 2022	4,400,000	4,400,000	4,564,663	164,663
FUND BALANCE, June 30, 2023	\$ -	\$ -	\$ 3,324,312	\$ 3,324,312

BEAVERTON SCHOOL DISTRICT**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****SCHOLARSHIPS FUND****YEAR ENDED JUNE 30, 2023**

	Budget Adopted	Budget Final	Actual	Variance with Final Budget
REVENUES:				
Investment earnings	\$ -	\$ -	\$ 11,968	\$ 11,968
Contributions and donations	100,000	100,000	66,930	(33,070)
Total revenues	100,000	100,000	78,898	(21,102)
EXPENDITURES:				
Enterprise and community services	500,000	500,000	83,814	416,186
Total expenditures	500,000	500,000	83,814	416,186
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(400,000)	(400,000)	(4,916)	395,084
OTHER FINANCING SOURCES (USES):				
Transfers in	15,000	15,000	-	(15,000)
Transfers out	(15,000)	(15,000)	(500)	14,500
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(500)	(500)
NET CHANGE IN FUND BALANCE	(400,000)	(400,000)	(5,416)	394,584
FUND BALANCE, July 1, 2022	400,000	400,000	453,416	53,416
FUND BALANCE, June 30, 2023	\$ -	\$ -	\$ 448,000	\$ 448,000

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NUTRITION SERVICES FUND
YEAR ENDED JUNE 30, 2023

	Budget Adopted	Budget Final	Actual	Variance with Final Budget
REVENUES:				
State sources	\$ 355,000	\$ 355,000	\$ 1,601,234	\$ 1,246,234
Federal sources	10,430,163	10,430,163	9,818,706	(611,457)
Charges for services	5,935,573	5,935,573	4,091,063	(1,844,510)
Investment earnings	4,000	4,000	100,831	96,831
Contributions and donations	4,000	4,000	-	(4,000)
Recovery of prior years' expenditures	-	-	878	878
Other	5,000	5,000	6,562	1,562
Total revenues	16,733,736	16,733,736	15,619,274	(1,114,462)
EXPENDITURES:				
Support services	16,575	16,575	16,575	-
Enterprise and community services	19,363,161	19,363,161	15,151,660	4,211,501
Total expenditures	19,379,736	19,379,736	15,168,235	4,211,501
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,646,000)	(2,646,000)	451,039	3,097,039
OTHER FINANCING SOURCES (USES):				
Sale of or compensation for loss of capital assets	-	-	1,152	1,152
Transfers out	(4,000)	(4,000)	(1,030)	2,970
TOTAL OTHER FINANCING SOURCES (USES)	(4,000)	(4,000)	122	4,122
NET CHANGE IN FUND BALANCE	(2,650,000)	(2,650,000)	451,161	3,101,161
FUND BALANCE, July 1, 2022	2,650,000	2,650,000	5,479,319	2,829,319
FUND BALANCE, June 30, 2023	\$ -	\$ -	\$ 5,930,480	\$ 5,930,480

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one District department to other District departments, on a cost reimbursement basis. Included are:

Insurance Reserve Fund – accounts for costs incurred by the District under its self-insurance programs, except workers' compensation, up to insurance policy deductible limits.

Workers' Compensation Fund – accounts for workers' compensation claims relating to on-the-job injuries up to insurance policy deductible limits.



BEAVERTON SCHOOL DISTRICT
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2023

	Insurance Reserve	Workers' Compensation	Total
ASSETS			
Current assets:			
Equity in pooled cash and investments	\$ 8,934,997	\$ 5,641,053	\$ 14,576,050
Receivables	14,878	158	15,036
Due from other funds	148,376	153,691	302,067
TOTAL ASSETS	9,098,251	5,794,902	14,893,153
LIABILITIES			
Current liabilities:			
Accounts payable	58,166	33,450	91,616
Accrued claims losses	2,375,000	1,855,000	4,230,000
Accrued salaries and benefits	1,878	12,961	14,839
Due to other funds	150	465	615
TOTAL LIABILITIES	2,435,194	1,901,876	4,337,070
NET POSITION			
Unrestricted	6,663,057	3,893,026	10,556,083
TOTAL NET POSITION	\$ 6,663,057	\$ 3,893,026	\$ 10,556,083

BEAVERTON SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2023

	Insurance Reserve	Workers' Compensation	Total
OPERATING REVENUES:			
Services to other funds	\$ 2,358,796	\$ 2,356,486	\$ 4,715,282
Recovery of prior years' expenditures	23,996	60,788	84,784
Other	273,835	-	273,835
TOTAL OPERATING REVENUES	2,656,627	2,417,274	5,073,901
OPERATING EXPENSES:			
Losses and claims	191,621	1,588,062	1,779,683
Insurance premiums and assessments	3,155,034	158,206	3,313,240
Salaries and benefits	599,690	600,753	1,200,443
Services, supplies and materials	392,912	141,078	533,990
TOTAL OPERATING EXPENSES	4,339,257	2,488,099	6,827,356
OPERATING INCOME (LOSS)	(1,682,630)	(70,825)	(1,753,455)
NONOPERATING REVENUE:			
Investment earnings	233,761	151,896	385,657
TOTAL NONOPERATING REVENUES	233,761	151,896	385,657
INCOME (LOSS) BEFORE TRANSFERS	(1,448,869)	81,071	(1,367,798)
TRANSFERS:			
Transfers in	4,394,799	-	4,394,799
TOTAL TRANSFERS	4,394,799	-	4,394,799
CHANGE IN NET POSITION	2,945,930	81,071	3,027,001
NET POSITION, July 1, 2022	3,717,127	3,811,955	7,529,082
NET POSITION, June 30, 2023	\$ 6,663,057	\$ 3,893,026	\$ 10,556,083

BEAVERTON SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2023

	Insurance Reserve	Workers' Compensation	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Received from interfund services provided	\$ 2,829,699	\$ 2,416,620	\$ 5,246,319
Received from recovery of prior years' expenditures	23,996	60,788	84,784
Paid for goods and services	(3,785,431)	(270,663)	(4,056,094)
Paid to claimants	(189,743)	(1,583,063)	(1,772,806)
Paid to employees	(599,690)	(510,753)	(1,110,443)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(1,721,169)	112,929	(1,608,240)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfer from other funds	4,394,799	-	4,394,799
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	4,394,799	-	4,394,799
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received	233,761	151,896	385,657
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	233,761	151,896	385,657
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,907,391	264,825	3,172,216
CASH AND CASH EQUIVALENTS, July 1, 2022	6,027,606	5,376,228	11,403,834
CASH AND CASH EQUIVALENTS, June 30, 2023	\$ 8,934,997	\$ 5,641,053	\$ 14,576,050
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ (1,682,630)	\$ (70,825)	\$ (1,753,455)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Changes in assets and liabilities			
Receivables	170,422	(158)	170,264
Due from other funds	26,496	60,019	86,515
Accounts payable	(237,485)	28,621	(208,864)
Accrued claims losses	-	90,000	90,000
Accrued salaries and benefits	1,878	4,999	6,877
Due to other funds	150	273	423
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (1,721,169)	\$ 112,929	\$ (1,608,240)

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
INSURANCE RESERVE FUND
YEAR ENDED JUNE 30, 2023

	Budget Adopted	Budget Final	Actual	Variance with Final Budget
REVENUES:				
Investment earnings	\$ 10,000	\$ 10,000	\$ 233,761	\$ 223,761
Services to other funds	2,091,676	2,091,676	2,358,796	267,120
Recovery of prior years' expenditures	-	-	23,996	23,996
Other	155,000	155,000	273,835	118,835
Total revenues	2,256,676	2,256,676	2,890,388	633,712
EXPENDITURES:				
Support services	6,777,001	6,777,001	4,339,257	2,437,744
Facilities acquisition and construction	160,308	160,308	-	160,308
Contingencies	1,214,166	1,214,166	-	1,214,166
Total expenditures	8,151,475	8,151,475	4,339,257	3,812,218
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(5,894,799)	(5,894,799)	(1,448,869)	4,445,930
OTHER FINANCING SOURCES (USES):				
Transfers in	4,394,799	4,394,799	4,394,799	-
TOTAL OTHER FINANCING SOURCES (USES)	4,394,799	4,394,799	4,394,799	-
NET CHANGE IN FUND BALANCE	(1,500,000)	(1,500,000)	2,945,930	4,445,930
FUND BALANCE, July 1, 2022	1,500,000	1,500,000	3,717,127	2,217,127
FUND BALANCE, June 30, 2023	\$ -	\$ -	\$ 6,663,057	\$ 6,663,057

BEAVERTON SCHOOL DISTRICT**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****WORKERS' COMPENSATION FUND****YEAR ENDED JUNE 30, 2023**

	Budget Adopted	Budget Final	Actual	Variance with Final Budget
REVENUES:				
Investment earnings	\$ 10,000	\$ 10,000	\$ 151,896	\$ 141,896
Services to other funds	1,984,823	1,984,823	2,356,486	371,663
Recovery of prior years' expenditures	50,000	50,000	60,788	10,788
Total revenues	2,044,823	2,044,823	2,569,170	524,347
EXPENDITURES:				
Support services	3,798,415	3,798,415	2,488,099	1,310,316
Contingencies	2,146,408	2,146,408	-	2,146,408
Total expenditures	5,944,823	5,944,823	2,488,099	3,456,724
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,900,000)	(3,900,000)	81,071	3,981,071
NET CHANGE IN FUND BALANCE	(3,900,000)	(3,900,000)	81,071	3,981,071
FUND BALANCE, July 1, 2022	3,900,000	3,900,000	3,811,955	(88,045)
FUND BALANCE, June 30, 2023	\$ -	\$ -	\$ 3,893,026	\$ 3,893,026



OTHER FINANCIAL SCHEDULES

Reference

The Oregon Program Budgeting and Accounting Manual (PBAM) defines the following major fund numbers and major objects numbers, which are referenced in the following Other Financial Schedules:

Fund Numbers

100 – General Fund
200 – Special Revenue Funds
300 – Debt Service Funds
400 – Capital Project Funds
500 – Enterprise Funds¹
600 – Internal Service Funds
700 – Trust and Agency Funds¹

Object Numbers

100 – Salaries
200 – Associated Payroll Costs
300 – Purchased Services
400 – Supplies and Materials
500 – Capital Outlay
600 – Other Objects
700 – Transfers
800 – Other Uses of Funds

¹ Beaverton School District did not have any Enterprise Funds or Trust and Agency Funds in the fiscal year.



BEAVERTON SCHOOL DISTRICT
REVENUE SUMMARY - ALL FUNDS
YEAR ENDED JUNE 30, 2023

	Fund 100	Fund 200	Fund 300	Fund 400	Fund 600	Total
Local Sources						
1111 Current year taxes	\$ 160,982,268	\$ -	\$ 77,688,734	\$ -	\$ -	\$ 238,671,002
1112 Prior year taxes	1,312,718	-	582,385	-	-	1,895,103
1114 Payments in lieu of property taxes	36,936	-	14,312	-	-	51,248
1121 Current year local option levy	39,514,403	-	-	-	-	39,514,403
1122 Prior year local option levy	312,330	-	-	-	-	312,330
1130 Construction excise tax	-	-	-	2,653,813	-	2,653,813
1311 Tuition from individuals	900	-	-	-	-	900
1312 Tuition from other districts within the state	323,156	-	-	-	-	323,156
1330 Summer school tuition	165,150	-	-	-	-	165,150
1411 Transportation fees from individuals	44,562	-	-	-	-	44,562
1500 Earnings on investments	6,771,845	833,982	1,851,293	5,983,346	385,657	15,826,123
1600 Food service	-	4,091,063	-	-	-	4,091,063
1700 Extracurricular activities	673,414	4,890,119	-	-	-	5,563,533
1910 Rentals	711,874	-	-	229,371	-	941,245
1920 Contributions & Donations	1,022	3,217,203	-	15,727	-	3,233,952
1950 Textbook sales	-	25,385	-	-	-	25,385
1960 Recovery of prior years' expenditures	97,814	193,997	-	1,091,774	84,785	1,468,370
1970 Services to other funds	-	6,683,716	26,184,818	-	4,715,283	37,583,817
1980 Fees charged to grants	2,117,851	-	-	-	-	2,117,851
1990 Miscellaneous	1,167,110	669,627	-	457,206	273,834	2,567,777
Total Local Sources	214,233,353	20,605,092	106,321,542	10,431,237	5,459,559	357,050,783
Intermediate Sources						
2101 County school fund	1,028,609	-	-	-	-	1,028,609
2102 ESD apportionment	12,056,652	-	-	-	-	12,056,652
2104 ESD apportionment - preschool	528,650	-	-	-	-	528,650
2199 Other intermediate sources	1,030,741	-	65,006	-	-	1,095,747
2200 Restricted revenue	-	204,360	-	-	-	204,360
Total Intermediate Sources	14,644,652	204,360	65,006	-	-	14,914,018
State Sources						
3101 State school fund	302,330,272	-	-	-	-	302,330,272
3102 State school fund match	-	155,566	-	-	-	155,566
3103 Common school fund	5,165,459	-	-	-	-	5,165,459
3199 Other unrestricted grants-in-aid	6,257,594	57,496	-	-	-	6,315,090
3222 State school fund - transportation equip	-	1,853,828	-	-	-	1,853,828
3299 Other restricted grants-in-aid	-	60,671,898	-	-	-	60,671,898
Total State Sources	313,753,325	62,738,788	-	-	-	376,492,113
Federal Sources						
4300 Restricted direct from federal	-	33,680	-	-	-	33,680
4500 Restricted through state	-	42,963,445	-	-	-	42,963,445
4700 Federal grants	-	304,639	-	-	-	304,639
4910 Commodities	-	1,278,128	-	-	-	1,278,128
Total Federal Sources	-	44,579,892	-	-	-	44,579,892
Other Sources						
5110 Proceeds from the sale of bonds	-	-	-	319,412,153	-	319,412,153
5120 Proceeds from bond premium	-	-	-	16,637,675	-	16,637,675
5200 Transfers in	-	7,530	2,119,603	-	4,394,799	6,521,932
5300 Sale/compensation for loss of capital assets	1,000	1,152	-	(143,588)	-	(141,436)
Total Other Sources	1,000	8,682	2,119,603	335,906,240	4,394,799	342,430,324
TOTAL REVENUES	\$ 542,632,330	\$ 128,136,814	\$ 108,506,151	\$ 346,337,477	\$ 9,854,358	\$ 1,135,467,130

BEAVERTON SCHOOL DISTRICT
GENERAL FUND (100) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2023

	Object 100	Object 200	Object 300	Object 400
Instruction				
1110 Elementary programs	\$ 70,672,705	\$ 39,744,938	\$ 855,392	\$ 1,589,364
1120 Middle school programs	31,396,500	16,954,810	266,825	794,290
1130 High school programs	49,452,350	26,179,253	1,329,550	1,679,174
1140 Pre-kindergarten programs	1,438,044	1,026,719	-	104,486
1210 Talented and gifted programs	193,301	74,356	10,270	116,063
1220 Restrictive programs	15,216,934	10,983,717	1,061,294	41,124
1250 Resource rooms	7,883,371	4,281,208	946	3,743
1280 Alternative education	1,743,073	969,010	8,713,530	89,789
1290 Designated programs	13,003,308	7,371,928	268,566	128,729
1430 Summer school - high school	-	-	-	887
Total Instruction	190,999,586	107,585,939	12,506,373	4,547,649
Support Services				
2110 Attendance and social work services	3,361,388	2,540,164	620,397	69,185
2120 Guidance services	11,372,644	6,766,347	701,858	23,891
2130 Health services	677,925	450,829	67,465	49,488
2140 Psychological services	2,405,859	1,252,085	1,610	32,250
2150 Speech pathology and audiology services	4,076,939	2,195,379	1,055,463	37,421
2160 Other student treatment services	284,527	154,246	2,180	15,505
2190 Service direction - student support services	2,982,615	1,665,518	57,801	114,065
2210 Improvement of instruction services	1,870,434	1,001,717	114,096	15,397
2220 Educational media services	3,674,543	2,714,203	12,566	347,722
2230 Assessment and testing	48,723	45,786	-	208,886
2240 Instructional staff development	1,803,657	1,272,053	663,729	214,778
2310 Board of education services	13,538	914	312,449	10,734
2320 Executive administration services	1,526,731	786,556	54,015	67,306
2410 Office of the principal services	22,434,809	13,700,721	71,848	421,479
2490 Other support services - school administration	1,752,263	1,004,577	58,635	74,961
2510 Direction of business support services	317,767	152,536	2,716	2,536
2520 Fiscal services	1,715,990	943,810	136,678	41,633
2540 Operation and maintenance of plant services	15,921,359	10,134,656	12,683,822	2,194,564
2550 Student transportation services	11,573,222	8,766,272	841,640	2,400,977
2570 Internal services	801,933	487,661	384,143	35,774
2620 Planning and development services	358,220	208,809	239,093	203,815
2630 Information services	692,040	400,637	44,962	35,318
2640 Staff services	2,502,573	1,637,402	212,737	202,611
2660 Technology services	6,299,216	3,685,528	1,540,600	2,071,691
2680 Interpretation and translation services	261	90	-	-
Total Support Services	98,469,176	61,968,496	19,880,503	8,891,987
Enterprise and Community Services				
3110 Food services	-	-	-	-
Total Enterprise and Community Services	-	-	-	-
Other Uses				
5110 Debt Service	-	-	-	-
5200 Transfers of funds	-	-	-	-
Total Other Uses	-	-	-	-
TOTAL EXPENDITURES	\$ 289,468,762	\$ 169,554,435	\$ 32,386,876	\$ 13,439,636

Continued on next page.

BEAVERTON SCHOOL DISTRICT
GENERAL FUND (100) EXPENDITURE SUMMARY (Continued)
YEAR ENDED JUNE 30, 2023

	Object 500	Object 600	Object 700	Total
Instruction				
1110 Elementary programs	\$ -	\$ 4,358	\$ -	\$ 112,866,757
1120 Middle school programs	2,875	4,992	-	49,420,292
1130 High school programs	8,795	102,626	-	78,751,748
1140 Pre-kindergarten programs	-	150	-	2,569,399
1210 Talented and gifted programs	-	-	-	393,990
1220 Restrictive programs	-	100	-	27,303,169
1250 Resource rooms	-	-	-	12,169,268
1280 Alternative education	-	1,895	-	11,517,297
1290 Designated programs	-	161,641	-	20,934,172
1430 Summer school - high school	-	-	-	887
Total Instruction	11,670	275,762	-	315,926,979
Support Services				
2110 Attendance and social work services	18,671	2,406	-	6,612,211
2120 Guidance services	-	930	-	18,865,670
2130 Health services	-	-	-	1,245,707
2140 Psychological services	-	-	-	3,691,804
2150 Speech pathology and audiology services	-	185	-	7,365,387
2160 Other student treatment services	-	-	-	456,458
2190 Service direction - student support services	-	129,170	-	4,949,169
2210 Improvement of instruction services	-	93,135	-	3,094,779
2220 Educational media services	-	960	-	6,749,994
2230 Assessment and testing	-	-	-	303,395
2240 Instructional staff development	-	88,725	-	4,042,942
2310 Board of education services	-	22,140	-	359,775
2320 Executive administration services	-	32,822	-	2,467,430
2410 Office of the principal services	18,516	21,127	-	36,668,500
2490 Other support services - school administration	-	2,417	-	2,892,853
2510 Direction of business support services	-	3,892	-	479,447
2520 Fiscal services	-	233,321	-	3,071,432
2540 Operation and maintenance of plant services	665,023	23,399	-	41,622,823
2550 Student transportation services	-	159,484	-	23,741,595
2570 Internal services	23,960	6,646	-	1,740,117
2620 Planning and development services	-	33,452	-	1,043,389
2630 Information services	-	3,198	-	1,176,155
2640 Staff services	-	3,895	-	4,559,218
2660 Technology services	43,077	5,295	-	13,645,407
2680 Interpretation and translation services	-	-	-	351
Total Support Services	769,247	866,599	-	190,846,008
Enterprise and Community Services				
3110 Food services	-	69,829	-	69,829
Total Enterprise and Community Services	-	69,829	-	69,829
Other Uses				
5110 Debt Service	-	1,599,665	-	1,599,665
5200 Transfers of funds	-	-	5,182,952	5,182,952
Total Other Uses	-	1,599,665	5,182,952	6,782,617
TOTAL EXPENDITURES	\$ 780,917	\$ 2,811,855	\$ 5,182,952	\$ 513,625,433

BEAVERTON SCHOOL DISTRICT
SPECIAL REVENUE FUNDS (200) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2023

	Object 100	Object 200	Object 300	Object 400
Instruction				
1110 Elementary programs	\$ 5,010,736	\$ 2,716,037	\$ 600,139	\$ 898,061
1120 Middle school programs	2,391,102	1,228,862	2,175,432	329,084
1130 High school programs	4,771,742	2,347,885	2,100,599	3,055,707
1140 Pre-kindergarten programs	276,314	205,054	9,777	39,779
1210 Programs for talented & gifted	750	274	-	-
1220 Restrictive programs	890,893	480,161	303	13,689
1250 Resource rooms	1,841,605	1,076,859	-	141
1270 Educationally disadvantaged	3,449,842	2,012,697	157,377	650,542
1280 Alternative education	77,496	47,724	10,537	834
1290 Designated programs	11,017,566	6,136,893	650,493	1,096,601
1410 Summer school - elementary school	1,375,429	426,382	-	232,648
1420 Summer school - middle school	599,208	188,338	-	106,519
1430 Summer School - high school	738,337	244,152	3,522	117,884
1490 Other summer school	961,095	319,088	543,187	53,256
Total Instruction	33,402,115	17,430,406	6,251,366	6,594,745
Support Services				
2110 Attendance and social work services	5,321,331	3,210,403	130,633	90,281
2120 Guidance services	961,951	473,388	209,859	164,924
2130 Health services	1,833,875	1,047,359	22,257	-
2140 Psychological services	1,368,375	823,355	-	4,600
2150 Speech pathology and audiology services	802,985	441,304	31,800	615
2160 Other student treatment services	3,000	997	1,731,609	-
2190 Service direction - student support services	1,029,180	532,072	12,803	463,936
2210 Improvement of instruction services	1,635,919	824,055	440,373	28,711
2220 Educational media services	697,412	366,099	81,780	51,636
2240 Instructional staff development	1,311,137	585,216	671,599	177,111
2310 Board of education services	-	-	96,181	-
2320 Executive administration services	6,250	1,510	-	-
2410 Office of the principal services	132,307	49,261	20,451	139,568
2490 Other support services - school administration	147,501	86,918	-	-
2510 Direction of business support services	1,250	456	-	-
2520 Fiscal services	34,600	13,470	72	-
2540 Operation and maintenance of plant services	723,246	392,156	114,183	16,775
2550 Student transportation services	330,538	100,994	153,703	10,868
2570 Internal services	11,250	3,868	-	-
2620 Planning and development services	2,500	845	13,960	-
2630 Information services	7,500	2,296	-	21,974
2640 Staff services	686,993	374,257	40,375	11,189
2660 Technology services	155,215	52,900	-	568,746
2690 Other support services - central	6,250	2,201	-	-
Total Support Services	17,210,565	9,385,380	3,771,638	1,750,934
Enterprise and Community Services				
3110 Service area direction	1,040,130	605,286	63,739	1,289,375
3120 Food preparation and dispensing services	4,145,167	3,120,909	68,666	4,824,901
3140 Food services - summer school	98,972	32,602	2,545	52,426
3390 Other community services	71,145	24,419	121,596	57,913
Total Enterprise and Community Services	5,355,414	3,783,216	256,546	6,224,615
Facilities Acquisition and Construction				
4110 Service area direction	30,000	10,426	-	-
4150 Building acquisition, construction and improvement services	-	-	17,813	6,143
Total Facilities Acquisition and Construction	30,000	10,426	17,813	6,143
Other Uses				
5200 Transfers of funds	-	-	-	-
Total Other Uses	-	-	-	-
TOTAL EXPENDITURES	\$ 55,998,094	\$ 30,609,428	\$ 10,297,363	\$ 14,576,437

Continued on next page.

BEAVERTON SCHOOL DISTRICT
SPECIAL REVENUE FUNDS (200) EXPENDITURE SUMMARY (Continued)
YEAR ENDED JUNE 30, 2023

	Object 500	Object 600	Object 700	Total
Instruction				
1110 Elementary programs	\$ 8,112	\$ 318	\$ 911,503	\$ 10,144,906
1120 Middle school programs	-	5,672	-	6,130,152
1130 High school programs	153,777	321,590	31,378	12,782,678
1140 Pre-kindergarten programs	-	-	-	530,924
1210 Programs for talented & gifted	-	-	-	1,024
1220 Restrictive programs	-	388	-	1,385,434
1250 Resource rooms	-	-	-	2,918,605
1270 Educationally disadvantaged	-	-	-	6,270,458
1280 Alternative education	-	-	-	136,591
1290 Designated programs	148,745	1,378	10,000	19,061,676
1410 Summer school - elementary school	-	-	-	2,034,459
1420 Summer school - middle school	-	-	-	894,065
1430 Summer School - high school	-	-	-	1,103,895
1490 Other summer school	-	-	-	1,876,626
Total Instruction	310,634	329,346	952,881	65,271,493
Support Services				
2110 Attendance and social work services	-	95	-	8,752,743
2120 Guidance services	-	300	-	1,810,422
2130 Health services	-	-	-	2,903,491
2140 Psychological services	-	-	-	2,196,330
2150 Speech pathology and audiology services	-	-	-	1,276,704
2160 Other student treatment services	-	-	-	1,735,606
2190 Service direction - student support services	-	-	-	2,037,991
2210 Improvement of instruction services	-	-	-	2,929,058
2220 Educational media services	-	65	-	1,196,992
2240 Instructional staff development	-	-	-	2,745,063
2310 Board of education services	-	-	-	96,181
2320 Executive administration services	-	-	-	7,760
2410 Office of the principal services	-	-	-	341,587
2490 Other support services - school administration	-	-	-	234,419
2510 Direction of business support services	-	-	-	1,706
2520 Fiscal services	-	2,109,345	-	2,157,487
2540 Operation and maintenance of plant services	2,186,517	-	-	3,432,877
2550 Student transportation services	3,494,850	90	-	4,091,043
2570 Internal services	-	-	-	15,118
2620 Planning and development services	-	-	-	17,305
2630 Information services	-	-	-	31,770
2640 Staff services	-	3,000	-	1,115,814
2660 Technology services	-	-	-	776,861
2690 Other support services - central	-	-	-	8,451
Total Support Services	5,681,367	2,112,895	-	39,912,779
Enterprise and Community Services				
3110 Service area direction	-	1,426	-	2,999,956
3120 Food preparation and dispensing services	8,113	538	-	12,168,294
3140 Food services - summer school	-	-	-	186,545
3390 Other community services	-	200	-	275,273
Total Enterprise and Community Services	8,113	2,164	-	15,630,068
Facilities Acquisition and Construction				
4110 Service area direction	-	-	-	40,426
4150 Building acquisition, construction and improvement services	337,502	-	-	361,458
Total Facilities Acquisition and Construction	337,502	-	-	401,884
Other Uses				
5200 Transfers of funds	-	-	130,691	130,691
Total Other Uses	-	-	130,691	130,691
TOTAL EXPENDITURES	\$ 6,337,616	\$ 2,444,405	\$ 1,083,572	\$ 121,346,915

BEAVERTON SCHOOL DISTRICT
DEBT SERVICE FUNDS (300) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2023

	<u>Object 600</u>	<u>Total</u>
Other Uses		
5110 Debt service	<u>\$ 105,755,296</u>	<u>\$ 105,755,296</u>
Total Other Uses	<u>105,755,296</u>	<u>105,755,296</u>
TOTAL EXPENDITURES	<u><u>\$ 105,755,296</u></u>	<u><u>\$ 105,755,296</u></u>

Continued on next page.

BEAVERTON SCHOOL DISTRICT
CAPITAL PROJECTS FUNDS (400) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2023

	Object 100	Object 200	Object 300	Object 400
Support Services				
2510 Direction of business support services	\$ -	\$ -	\$ 1,920,447	\$ -
2540 Operation and maintenance of plant services	-	-	35,958	148
2550 Student transportation services	-	-	-	-
2620 Planning and development services	171,594	96,417	-	-
Total Support Services	171,594	96,417	1,956,405	148
Facilities Acquisition and Construction				
4110 Service area direction	2,999,145	1,578,686	23,105	220,471
4120 Site acquisition and development	220	72	77,255	711,087
4150 Building acquisition, construction and improvement services	-	30	11,350,028	847,440
4180 Other capital items	9,192	1,942	142,894	2,558,935
Total Facilities Acquisition and Construction	3,008,557	1,580,730	11,593,282	4,337,933
Other Uses				
5200 Transfers of funds	-	-	-	-
Total Other Uses	-	-	-	-
TOTAL EXPENDITURES	\$ 3,180,151	\$ 1,677,147	\$ 13,549,687	\$ 4,338,081

Continued on next page.

BEAVERTON SCHOOL DISTRICT
CAPITAL PROJECTS FUNDS (400) EXPENDITURE SUMMARY (Continued)
YEAR ENDED JUNE 30, 2023

	Object 500	Object 600	Object 700	Total
Support Services				
2510 Direction of business support services	\$ -	\$ -	\$ -	\$ 1,920,447
2540 Operation and maintenance of plant services	5,014	25,520	-	66,640
2550 Student transportation services	441,240	-	-	441,240
2620 Planning and development services	-	-	-	268,011
Total Support Services	446,254	25,520	-	2,696,338
Facilities Acquisition and Construction				
4110 Service area direction	-	25	-	4,821,432
4120 Site acquisition and development	1,464,814	300	-	2,253,748
4150 Building acquisition, construction and improvement services	18,389,071	618,329	-	31,204,898
4180 Other capital items	1,392,568	-	-	4,105,531
Total Facilities Acquisition and Construction	21,246,453	618,654	-	42,385,609
Other Uses				
5200 Transfers of funds	-	-	1,208,289	1,208,289
Total Other Uses	-	-	1,208,289	1,208,289
TOTAL EXPENDITURES	\$ 21,692,707	\$ 644,174	\$ 1,208,289	\$ 46,290,236

BEAVERTON SCHOOL DISTRICT
INTERNAL SERVICE FUNDS (600) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2023

	Object 100	Object 200	Object 300	Object 400
Support Services				
2320 Executive administration services	\$ 23,475	\$ 11,998	\$ 90	\$ -
2520 Fiscal services	100,280	53,964	720	-
2640 Staff services	64,451	25,012	65,600	-
2690 Other support services	601,356	319,907	349,439	85,321
Total Support Services	789,562	410,881	415,849	85,321
TOTAL EXPENDITURES	\$ 789,562	\$ 410,881	\$ 415,849	\$ 85,321

Continued on next page.

BEAVERTON SCHOOL DISTRICT
INTERNAL SERVICE FUNDS (600) EXPENDITURE SUMMARY (Continued)
YEAR ENDED JUNE 30, 2023

	<u>Object 600</u>	<u>Total</u>
Support Services		
2320 Executive administration services	\$ -	\$ 35,563
2520 Fiscal services	-	154,964
2640 Staff services	-	155,063
2690 Other support services	<u>5,094,967</u>	<u>6,481,767</u>
Total Support Services	<u>5,094,967</u>	<u>6,827,357</u>
TOTAL EXPENDITURES	<u><u>\$ 5,094,967</u></u>	<u><u>\$ 6,827,357</u></u>

BEAVERTON SCHOOL DISTRICT**SUPPLEMENTAL INFORMATION AS REQUIRED BY THE OREGON DEPARTMENT OF EDUCATION**

YEAR ENDED JUNE 30, 2023

A Energy Bill for Heating - All Funds:

Please enter your expenditures for electricity, heating fuel, and water & sewage for these Functions & Objects.

	Objects 325, 326, & 327
Function 2540	\$ 9,361,960
Function 2550	-

B Replacement of Equipment - General Fund:

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

\$	195,105
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Exclude these functions:

- 1113 Elementary Co-curricular Activities
- 1122 Middle School Co-curricular Activities
- 1132 High School Co-curricular Activities
- 1140 Pre-Kindergarten
- 1300 Continuing Education
- 1400 Summer School
- 2550 Pupil Transportation
- 3100 Food Service
- 3300 Community Services
- 4150 Construction

BEAVERTON SCHOOL DISTRICT
SUPPLEMENTAL INFORMATION AS REQUIRED BY BOND DISCLOSURE AGREEMENTS
GENERAL FUND ADOPTED BUDGETS
FOR FISCAL YEARS 2022-23 AND 2023-24

	Fiscal Year 2022-23	Fiscal Year 2023-24
<u>Resources</u>		
Local Sources	\$ 207,764,962	\$ 216,914,817
Intermediate Sources	12,853,740	12,994,240
State Sources	295,852,839	312,412,345
Miscellaneous	106,350,000	124,000,000
Total Resources	<u>\$ 622,821,541</u>	<u>\$ 666,321,402</u>
<u>Expenditures</u>		
Salaries	\$ 297,278,053	\$ 304,463,573
Associated Payroll Costs	178,109,137	181,201,161
Purchased Services	32,495,664	37,527,365
Supplies and Materials	15,522,033	16,687,560
Capital Outlay	860,500	576,300
Other Objects	3,111,344	3,133,396
Transfers	5,182,952	6,734,854
Other Uses of Funds	90,261,858	115,997,193
Total Expenditures	<u>\$ 622,821,541</u>	<u>\$ 666,321,402</u>



STATISTICAL SECTION



STATISTICAL SECTION OVERVIEW

This section provides further details as a context for a better understanding of the financial statements.

<u>Contents</u>	<u>Page</u>
<i>Financial Trends</i> These schedules contain trend information to help the reader understand how financial performance has changed over time.	123
<i>Revenue Capacity</i> These schedules contain information to help the reader assess the Beaverton School District's most significant local revenue sources, state school fund and property taxes.	129
<i>Debt Capacity</i> These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the ability to issue additional debt in the future.	133
<i>Demographic and Economic Information</i> These schedules offer demographic and economic indicators to help the reader understand the environment within which the School District's financial activities take place.	136
<i>Operating Information</i> These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	138

Sources: The information in these schedules is derived from the comprehensive annual financial reports for fiscal years ended June 30, 2014-23, unless otherwise noted.



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

	2023	2022 ^a	2021 ^b	2020 ^c	2019
Governmental activities					
Net investment in capital assets	\$ 398,543,911	\$ 375,051,879	\$ 363,941,382	\$ 356,573,540	\$ 307,682,555
Restricted for:					
Debt Service	-	-	-	-	1,172,594
Student Body & Special Programs	5,602,145	5,052,084	4,480,627	3,622,843	3,628,068
Scholarships	448,000	453,416	433,033	377,129	-
OPEB	7,141,885	-	-	-	-
Unrestricted	(360,064,473)	(418,445,730)	(487,831,183)	(443,644,322)	(385,553,862)
Total primary government net position	\$ 51,671,468	\$ (37,888,351)	\$ (118,976,141)	\$ (83,070,810)	\$ (73,070,645)

	2018	2017 ^d	2016	2015	2014 ^e
Governmental activities					
Net investment in capital assets	\$ 290,846,498	\$ 268,188,162	\$ 262,579,965	\$ 263,555,013	\$ 251,817,765
Restricted for:					
Debt Service	-	569,986	1,881,023	2,063,774	2,322,704
Student Body & Special Programs	3,532,119	3,178,608	3,379,994	2,866,864	2,943,385
Scholarships	-	-	-	-	-
OPEB	-	-	-	-	-
Unrestricted	(324,030,095)	(270,093,399)	(215,261,216)	(119,174,972)	(228,749,495)
Total primary government net position	\$ (29,651,478)	\$ 1,843,357	\$ 52,579,766	\$ 149,310,679	\$ 28,334,359

Note:

^a Fiscal year 2022 was restated due to GASB 96.

^b Fiscal year 2021 was restated due to GASB 87.

^c Fiscal year 2020 was restated due to GASB 84.

^d Fiscal year 2017 was restated due to GASB 75.

^e Fiscal year 2014 was restated due to GASB 68.

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

	2023	2022 ^a	2021	2020	2019
Expenses					
Governmental activities:					
Instruction:					
Regular programs	\$ 274,772,314	\$ 270,132,377	\$ 301,704,813	\$ 288,892,592	\$ 279,440,871
Special programs	92,581,067	94,507,464	93,251,469	90,491,175	95,302,554
Summer school programs	5,283,941	5,782,132	1,708,621	1,109,484	1,350,107
Total instruction	372,637,322	370,421,973	396,664,903	380,493,251	376,093,532
Support Services:					
Student support services	57,801,237	59,059,795	58,409,842	51,821,053	48,475,828
Instructional staff support	19,180,891	17,218,227	16,446,478	17,777,675	21,880,138
General administration support	2,699,951	2,500,741	2,676,096	2,693,105	2,293,158
School administration	35,950,118	37,832,998	43,089,145	40,686,686	38,378,126
Business support services	76,991,747	68,600,645	66,107,841	67,425,522	65,984,943
Central activities support	28,558,758	26,176,314	30,977,881	29,615,964	27,475,179
Supplemental retirement	-	-	-	-	-
Total support services	221,182,702	211,388,720	217,707,283	210,020,005	204,487,372
Enterprise and Community Services:					
Food services	14,873,615	14,940,601	13,225,696	14,989,398	15,965,965
Community services	263,151	138,439	210,475	77,473	7,829
Custody and care of children services	-	-	2,376,891	-	-
Total enterprise and community services:	15,136,766	15,079,040	15,813,062	15,066,871	15,973,794
Interest on long-term debt	57,134,616	37,716,601	42,847,357	9,742,394	36,313,634
Total primary government expenses	666,091,406	634,606,334	673,032,605	615,322,521	632,868,332
Program Revenues					
Governmental activities:					
Charges for services					
Instruction	5,136,729	4,598,960	1,693,119	4,499,211	5,428,180
Support Services	985,807	1,021,684	566,836	1,321,345	1,251,795
Enterprise and community services	4,091,063	131,072	-	3,633,227	5,478,412
Operating grants and contributions	111,459,940	118,995,924	63,896,255	38,950,024	41,978,368
Capital grants and contributions	424,236	1,180,349	312,280	314,535	622,611
Total primary government program revenues	122,097,775	125,927,989	66,468,490	48,718,342	54,759,366
Net (Expense)/Revenue					
Total primary government net expense	\$ (543,993,631)	\$ (508,678,345)	\$ (606,564,115)	\$ (566,604,179)	\$ (578,108,966)
General Revenues and Other Changes in Net Position					
Governmental activities:					
Property taxes levied for general purposes	\$ 162,671,593	\$ 156,112,692	\$ 150,517,521	\$ 143,814,106	\$ 137,034,319
Local option taxes levied for general purposes	39,826,733	37,407,459	35,807,436	34,194,060	33,330,338
Property taxes levied for debt service	78,285,431	70,141,350	67,493,267	60,651,036	62,457,809
Construction excise tax	2,653,813	2,110,725	2,780,732	2,465,595	3,391,946
State school fund - general support	302,330,272	287,550,313	285,817,276	281,611,303	257,695,444
Common school fund	5,165,459	4,613,181	4,534,297	4,036,355	4,499,398
Unrestricted state and local sources	21,180,314	16,850,583	16,099,070	15,954,525	15,218,199
Earnings on investments	15,826,123	706,117	1,028,129	6,728,554	12,172,451
Gain on sale of capital asset	(141,436)	79,088	487,858	382,800	284,741
Miscellaneous	5,755,148	11,310,623	6,093,198	6,388,551	8,605,154
Total primary government	633,553,450	586,882,131	570,658,784	556,226,885	534,689,799
Change in Net Position					
Total primary government	\$ 89,559,819	\$ 78,203,786	\$ (35,905,331)	\$ (10,377,294)	\$ (43,419,167)

^a Fiscal year 2022 was restated due to GASB 96.

Continued on the next page.

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

	2018	2017	2016	2015	2014
Expenses					
Governmental activities:					
Instruction:					
Regular programs	\$ 261,781,198	\$ 251,640,423	\$ 278,194,402	\$ 151,695,546	\$ 171,453,815
Special programs	90,816,316	81,559,619	85,436,319	52,710,940	62,155,870
Summer school programs	1,599,044	1,202,441	1,446,450	823,881	746,800
Total instruction	354,196,558	334,402,483	365,077,171	205,230,367	234,356,485
Support Services:					
Student support services	43,245,977	38,745,667	39,284,776	21,318,056	25,864,345
Instructional staff support	21,579,054	20,507,887	20,225,200	10,122,238	10,435,278
General administration support	2,233,419	2,144,094	2,325,564	1,453,617	1,560,440
School administration	36,716,727	33,442,147	34,893,849	19,465,092	24,474,041
Business support services	62,356,966	56,468,112	55,384,931	41,631,222	46,057,995
Central activities support	24,743,049	21,562,471	22,841,783	13,373,047	16,829,201
Supplemental retirement	9,830	39,736	38,011	100,893	796,395
Total support services	190,885,022	172,910,114	174,994,114	107,464,165	126,017,695
Enterprise and Community Services:					
Food services	14,889,225	14,006,876	15,413,542	11,736,797	12,763,646
Community services	15,453	4,571	12,273	47,469	138,592
Custody and care of children services	-	-	-	-	-
Total enterprise and community services:	14,904,678	14,011,447	15,425,815	11,784,266	12,902,238
Interest on long-term debt	34,035,456	30,307,560	36,159,370	34,413,599	16,163,540
Total primary government expenses	594,021,714	551,631,604	591,656,470	358,892,397	389,439,958
Program Revenues					
Governmental activities:					
Charges for services					
Instruction	5,270,449	6,031,333	6,964,291	10,217,286	10,098,793
Support Services	1,562,046	1,428,741	860,873	877,606	904,645
Enterprise and community services	4,884,146	4,431,211	4,426,767	4,190,202	4,137,738
Operating grants and contributions	37,291,667	30,565,670	28,805,495	28,314,126	29,592,463
Capital grants and contributions	472,169	361,917	1,226,334	-	-
Total primary government program revenues	49,480,477	42,818,872	42,283,760	43,599,220	44,733,639
Net (Expense)/Revenue					
Total primary government net expense	\$ (544,541,237)	\$ (508,812,732)	\$ (549,372,710)	\$ (315,293,177)	\$ (344,706,319)
General Revenues and Other Changes in Net Position					
Governmental activities:					
Property taxes levied for general purposes	\$ 128,140,820	\$ 125,870,990	\$ 120,530,968	\$ 114,933,952	\$ 110,583,679
Local option taxes levied for general purposes	31,005,163	28,882,071	26,192,500	24,213,931	19,060,210
Property taxes levied for debt service	58,897,201	52,900,525	51,502,850	51,440,929	49,732,072
Construction excise tax	3,217,459	3,829,430	3,069,069	2,997,116	2,407,510
State school fund - general support	258,157,569	231,739,269	228,865,870	216,460,563	199,569,316
Common school fund	4,191,413	5,011,850	4,691,786	3,796,074	3,537,242
Unrestricted state and local sources	17,260,645	14,767,326	13,006,206	15,770,697	12,110,552
Earnings on investments	4,943,574	2,351,393	3,198,636	2,541,728	517,574
Gain on sale of capital asset	298,016	139,540	15,250	200	767,803
Miscellaneous	6,934,542	2,377,106	1,568,662	4,114,307	1,760,973
Total primary government	513,046,402	467,869,500	452,641,797	436,269,497	400,046,931
Change in Net Position					
Total primary government	\$ (31,494,835)	\$ (40,943,232)	\$ (96,730,913)	\$ 120,976,320	\$ 55,340,612

^a Fiscal year 2022 was restated due to GASB 96.

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

	2023	2022	2021 ^a	2020 ^a	2019
General Fund					
Committed	\$ 17,162,668	\$ 10,128,224	\$ 6,644,557	\$ 6,149,838	\$ 24,369,523
Unassigned	138,652,119	109,645,221	85,626,331	56,424,054	16,915,100
Total General Fund	\$ 155,814,787	\$ 119,773,445	\$ 92,270,888	\$ 62,573,892	\$ 41,284,623
All Other Governmental Funds					
Non-spendable, reported in:					
Nutrition Services Fund	\$ 604,134	\$ 782,432	\$ 759,225	\$ 836,651	\$ 493,950
Restricted, reported in:					
Debt Service Fund	4,022,499	3,849,042	2,711,616	2,276,890	3,363,872
Capital Projects Fund	354,853,965	55,276,427	79,487,229	132,786,906	205,728,055
Student Body Fund	5,602,145	5,052,084	4,480,627	3,622,843	3,628,068
Scholarship Fund	448,000	453,416	433,033	377,129	-
Committed, reported in:					
Debt Service Fund	5,775,427	3,198,029	1,172,355	44,730	73,778
Capital Projects Fund	12,992,696	12,522,993	11,409,466	8,783,219	6,771,418
Special Purpose Fund	-	-	-	926,859	1,754,025
Categorical Fund	3,324,312	4,564,663	1,333,208	1,566,476	2,726,046
Nutrition Services Fund	5,326,346	4,696,887	706,459	463,041	2,758,146
Total Other Governmental Funds	\$ 392,949,524	\$ 90,395,973	\$ 102,493,218	\$ 151,684,744	\$ 227,297,358
Total Governmental Funds	\$ 548,764,311	\$ 210,169,418	\$ 194,764,106	\$ 214,258,636	\$ 268,581,981

	2018	2017	2016	2015	2014
General Fund					
Committed	\$ 22,852,024	\$ 21,717,173	\$ 20,852,418	\$ 1,599,028	\$ 789,822
Unassigned	29,660,002	38,054,174	42,979,287	55,398,731	31,344,339
Total General Fund	\$ 52,512,026	\$ 59,771,347	\$ 63,831,705	\$ 56,997,759	\$ 32,134,161
All Other Governmental Funds					
Non-spendable, reported in:					
Nutrition Services Fund	\$ 515,050	\$ 287,514	\$ 287,230	\$ 290,613	\$ 391,594
Restricted, reported in:					
Debt Service Fund	561,085	3,380	764,450	1,245,261	180,468
Capital Projects Fund	288,305,160	382,060,011	261,642,449	407,078,800	1,555,310
Student Body Fund	3,532,119	3,178,608	3,379,994	2,866,864	2,943,385
Scholarship Fund	-	-	-	-	-
Committed, reported in:					
Debt Service Fund	1,638,504	2,153,717	2,766,289	2,160,737	1,259,156
Capital Projects Fund	8,258,658	4,854,576	3,218,712	3,110,890	3,965,378
Special Purpose Fund	1,110,005	1,247,371	838,734	670,848	588,877
Categorical Fund	2,705,099	2,534,954	688,591	631,280	707,232
Nutrition Services Fund	3,247,047	3,381,526	2,961,635	2,816,392	2,986,839
Total Other Governmental Funds	\$ 309,872,727	\$ 399,701,657	\$ 276,548,084	\$ 420,871,685	\$ 14,578,239
Total Governmental Funds	\$ 362,384,753	\$ 459,473,004	\$ 340,379,789	\$ 477,869,444	\$ 46,712,400

Note:

^a Fiscal year 2021 was restated due to GASB 87. Fiscal year 2020 was restated due to GASB 84.

BEAVERTON SCHOOL DISTRICT
CHANGES IN FUND BALANCE AND DEBT SERVICE RATIO
 LAST TEN FISCAL YEARS ENDED JUNE 30
(modified accrual basis of accounting)

	2023	2022	2021	2020	2019
Revenues					
Local sources:					
Property taxes	\$ 240,617,353	\$ 226,320,171	\$ 218,119,523	\$ 204,311,973	\$ 202,636,212
Local option levy	39,826,733	37,407,459	35,807,436	34,194,060	33,330,338
Construction excise tax	2,653,813	2,110,725	2,780,732	2,465,595	3,391,946
Investment earnings	15,440,468	692,551	1,010,187	6,691,430	12,046,450
Charges for services	10,188,363	5,381,268	2,246,850	8,790,501	11,767,575
Services to other funds	32,868,534	31,520,626	23,677,219	21,762,753	19,535,532
Contributions and donations	3,233,951	2,202,549	2,292,311	3,535,013	5,355,478
Other local revenues	6,762,011	13,137,710	6,469,648	8,227,334	11,113,001
Intermediate sources	14,914,019	14,449,154	12,620,904	12,372,470	12,491,150
State sources	376,492,112	348,415,517	319,547,604	300,638,138	273,870,719
Federal sources	44,579,891	62,302,556	35,643,161	22,747,867	25,888,701
Total Revenues	787,577,248	743,940,286	660,215,575	625,737,134	611,427,102
Expenditures					
Current:					
Instruction	381,198,473	374,168,649	328,538,575	314,700,334	322,031,311
Support services	232,713,531	212,531,656	181,404,463	179,375,571	180,658,052
Enterprise and community services	15,699,894	15,273,022	14,403,671	13,557,428	14,886,084
Debt service					
Principal	75,025,852	68,538,565	62,646,686	44,306,137	39,783,743
Interest	33,270,695	27,211,564	28,953,628	42,405,921	44,274,820
Other debt service	-	-	-	2,156,275	-
Capital outlay					
Facilities acquisition and construction	42,787,492	50,236,212	59,552,327	83,951,295	103,489,877
Total Expenditures	780,695,937	747,959,668	675,499,350	680,452,961	705,123,887
Excess (deficiency) of Revenues over (under) Expenditures	6,881,311	(4,019,382)	(15,283,775)	(54,715,827)	(93,696,785)
Other Financing Sources (Uses)					
Sale of or compensation for loss of capital assets	(141,436)	79,088	487,858	380,835	272,873
Transfers in	2,127,133	4,529,334	2,308,355	19,760,266	4,375,321
Transfers out	(6,521,932)	(7,556,546)	(7,085,567)	(22,644,914)	(5,285,321)
Issuance of equipment financing	-	4,697,408	-	-	-
Issuance of leases payables	199,989	253,309	78,599	358,390	531,140
Issuance of long-term debt	319,412,153	16,200,000	-	432,745,000	-
Premium on long-term debt issued	16,637,675	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	(430,584,224)	-
PERS UAL lump sum payment	-	-	-	-	-
Total Other Financing Sources (Uses)	331,713,582	18,202,593	(4,210,755)	15,353	(105,987)
Net Change in Fund Balances	\$ 338,594,893	\$ 14,183,211	\$ (19,494,530)	\$ (54,700,474)	\$ (93,802,772)
Expenditures for capital assets	\$ 54,441,865	\$ 48,768,475	\$ 55,715,500	\$ 82,221,446	\$ 98,911,794
Debt service as a percentage of noncapital expenditures	14.91%	13.69%	14.78%	14.49%	13.87%

Continued on the next page.

BEAVERTON SCHOOL DISTRICT
CHANGES IN FUND BALANCE AND DEBT SERVICE RATIO (Continued)
 LAST TEN FISCAL YEARS ENDED JUNE 30
(modified accrual basis of accounting)

	2018	2017	2016	2015	2014
Revenues					
Local sources:					
Property taxes	\$ 189,669,800	\$ 177,968,233	\$ 171,027,470	\$ 166,521,730	\$ 159,534,598
Local option levy	31,005,163	28,882,071	26,192,500	24,213,931	19,060,210
Construction excise tax	3,217,459	3,829,430	3,069,069	2,997,116	2,407,510
Investment earnings	4,843,830	2,279,583	3,153,780	2,512,389	493,400
Charges for services	11,407,264	7,467,920	6,261,873	8,208,884	14,459,273
Services to other funds	20,374,626	19,795,795	20,272,819	15,993,367	12,594,515
Contributions and donations	5,212,260	3,243,358	2,954,499	2,437,253	6,713,267
Other local revenues	8,933,422	7,814,013	9,097,126	11,377,538	2,107,157
Intermediate sources	12,114,483	10,102,679	10,454,984	14,746,576	10,387,971
State sources	273,744,443	243,417,143	237,573,946	222,399,682	204,829,139
Federal sources	24,170,167	24,406,856	23,887,298	24,331,919	22,879,196
Total Revenues	584,692,917	529,207,081	513,945,364	495,740,385	455,466,236
Expenditures					
Current:					
Instruction	310,493,539	287,283,072	272,408,774	252,459,576	227,532,904
Support services	170,779,264	155,791,952	142,452,087	131,991,858	118,182,184
Enterprise and community services	14,045,480	13,160,253	13,664,440	13,341,410	12,714,904
Debt service					
Principal	44,497,060	41,157,802	36,742,349	33,850,765	45,375,306
Interest	37,526,453	35,381,003	36,726,785	33,567,947	19,620,481
Other debt service	-	-	158,054	544,615	-
Capital outlay					
Facilities acquisition and construction	105,693,226	208,045,840	147,718,421	42,591,476	16,608,797
Total Expenditures	683,035,022	740,819,922	649,870,910	508,347,647	440,034,576
Excess (deficiency) of Revenues over (under) Expenditures	(98,342,105)	(211,612,841)	(135,925,546)	(12,607,262)	15,431,660
Other Financing Sources (Uses)					
Sale of or compensation for loss of capital assets	277,750	138,684	8,325	200	767,803
Transfers in	3,228,905	3,427,609	22,002,909	3,121,052	3,581,820
Transfers out	(3,228,905)	(4,427,609)	(23,737,909)	(5,351,052)	(5,668,055)
Issuance of equipment financing	-	-	-	-	-
Issuance of leases payables	976,104	3,447,000	-	-	-
Issuance of long-term debt	-	297,850,265	16,260,000	461,368,784	-
Premium on long-term debt issued	-	30,270,107	1,766,329	63,295,961	-
Payment to refunded bond escrow agent	-	-	(17,863,763)	-	-
PERS UAL lump sum payment	-	-	-	(78,670,639)	-
Total Other Financing Sources (Uses)	1,253,854	330,706,056	(1,564,109)	443,764,306	(1,318,432)
Net Change in Fund Balances	\$ (97,088,251)	\$ 119,093,215	\$ (137,489,655)	\$ 431,157,044	\$ 14,113,228
 Expenditures for capital assets	 \$ 107,103,467	 \$ 203,724,073	 \$ 131,532,269	 \$ 35,461,753	 \$ 20,107,951
 Debt service as a percentage of noncapital expenditures	 14.24%	 14.25%	 14.17%	 14.26%	 15.48%

BEAVERTON SCHOOL DISTRICT
ASSESSED VALUE AND REAL MARKET VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year	Assessed Value - Residential Property	Assessed Value - Personal Property	Total Taxable Value	Total Direct Rate^a
2023	\$ 33,968,012,020	\$ 1,029,707,284	\$ 34,997,719,304	\$ 8.191
2022	32,541,176,670	1,060,372,187	33,601,548,857	8.030
2021	31,401,604,280	1,020,110,727	32,421,715,007	8.026
2020	29,995,416,298	1,024,494,382	31,019,910,680	7.908
2019	28,627,341,458	917,599,262	29,544,940,720	8.021
2018	27,980,980,946	892,997,589	28,873,978,535	8.053
2017	26,724,297,636	852,885,982	27,577,183,618	7.921
2016	25,474,574,888	827,083,328	26,301,658,216	7.957
2015	24,377,039,678	766,409,601	25,143,449,279	8.037
2014	23,358,556,710	756,361,921	24,114,918,631	8.054

Fiscal Year	Real Market Value^b - Residential Property	Real Market Value^b - Personal Property	Total Real Market Value	Assessed Value as a Percentage of RMV
2023	\$ 72,083,520,102	\$ 1,060,016,786	\$ 73,143,536,888	47.85%
2022	61,241,234,050	1,091,118,801	62,332,352,851	53.91
2021	57,414,555,588	1,086,109,144	58,500,664,732	55.42
2020	50,975,076,237	1,024,494,382	51,999,570,619	59.65
2019	49,251,421,850	917,814,310	50,169,236,160	58.89
2018	45,500,522,954	892,997,589	46,393,520,543	62.24
2017	40,875,891,989	852,885,982	41,728,777,971	66.09
2016	36,434,229,379	827,083,328	37,261,312,707	70.59
2015	33,933,616,189	766,409,601	34,700,025,790	72.46
2014	30,645,539,168	756,361,921	31,401,901,089	76.79

^a Per \$1,000 of assessed value.

^b Real Market Value is the actual value, based on what a property would sell for in a competitive market if the property were used in its highest and best use.

Source: Washington County Dept. of Assessment & Taxation

BEAVERTON SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
 LAST TEN FISCAL YEARS
(rate per \$1,000 of assessed value)

District Direct Rates:

Fiscal Year	General Purpose	Local Option	Bonds	Total
2023	\$ 4.693	\$ 1.250	\$ 2.248	\$ 8.191
2022	4.693	1.250	2.087	8.030
2021	4.693	1.250	2.083	8.026
2020	4.693	1.250	1.965	7.908
2019	4.693	1.250	2.078	8.021
2018	4.693	1.250	2.110	8.053
2017	4.693	1.250	1.978	7.921
2016	4.693	1.250	2.014	7.957
2015	4.693	1.250	2.094	8.037
2014	4.693	1.250	2.111	8.054

Overlapping Rates:

Fiscal Year	Portland Community College	Tualatin Hills				Tualatin Valley
	City of Hillsboro	City of Portland	City of Tigard	Park & Recreation	Fire & Rescue	
2023	\$ 0.670	\$ 5.387	\$ 8.878	\$ 3.141	\$ 1.585	\$ 2.113
2022	0.663	5.387	9.171	3.146	1.598	2.116
2021	0.680	5.387	8.165	3.134	1.594	2.117
2020	0.685	5.387	7.883	2.852	1.614	2.073
2019	0.687	5.387	7.980	2.863	1.624	2.084
2018	0.605	5.387	7.884	2.871	1.611	2.078
2017	0.679	5.387	7.971	4.967	1.619	2.098
2016	0.586	5.387	7.763	6.283	1.625	2.108
2015	0.722	5.387	7.892	4.178	1.717	1.891
2014	0.734	5.387	7.980	3.376	1.728	1.906

Fiscal Year	City of Beaverton	Washington County	Metro Service District	Port of Portland	Multnomah County	NW Regional ESD
2023	\$ 4.415	\$ 3.005	\$ 0.566	\$ 0.070	\$ 4.985	\$ 0.154
2022	4.417	3.006	0.570	0.701	4.989	0.154
2021	4.408	2.956	0.590	0.070	4.393	0.154
2020	4.419	2.958	0.663	0.070	4.393	0.154
2019	4.426	2.958	0.473	0.070	4.393	0.154
2018	4.345	2.958	0.409	0.070	4.393	0.154
2017	4.375	2.959	0.397	0.070	4.393	0.154
2016	4.377	2.838	0.388	0.070	4.487	0.154
2015	4.377	2.838	0.459	0.070	4.491	0.154
2014	4.376	2.968	0.467	0.070	4.511	0.154

The permanent and local option tax rates are determined by the State of Oregon Constitution and State Statutes. Existing districts cannot increase their permanent rate authority. Local option levies are limited to five years for operations and ten years for capital projects. Elections for local option levies must meet the double majority election test, except in the November general election in even numbered years. Rates for debt service are set based on each year's requirements.

Source: Washington Co. and Multnomah Co. Departments of Assessment and Taxation.

BEAVERTON SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT AND NINE YEARS PRIOR

Principal Property Taxpayers - Beaverton School District

Taxpayer	June 2023		% of Total Taxable	June 2014		% of Total Taxable
	Taxable Assessed Value	Rank		Taxable Assessed Value	Rank	
Nike, Inc.	\$ 1,426,218,008	1	4.2%	\$ 403,515,910	1	1.7%
Maxim Intergrated Products Inc.	163,182,940	4	0.5	110,266,160	8	0.5
PPR Washington Square LLC	131,317,081	6	0.4	115,806,850	7	0.5
Beaverton LLC	124,021,660	7	0.4	99,800,090	9	0.4
Providence Health & Services-Oregon	88,805,200	9	0.3			
Portland 2 LLC	74,492,400	10	0.2			
PS Business Parks LP				103,984,552	6	0.4
Bernard Properties Partnership				60,089,000	10	0.3
<u>Public Utilities</u>						
Portland General Electric Co.	253,889,510	2	0.8	155,284,620	2	0.7
Northwest Natural Gas	196,832,000	3	0.6	128,722,000	5	0.6
Comcast Corporation	145,312,000	5	0.4	143,952,400	3	0.6
Northwest Fiber LLC	106,403,300	8	0.3			
Frontier Communications				117,749,000	4	0.5
Subtotal of Ten Largest Taxpayers	2,710,474,099		8.1	1,439,170,582		6.2
All Other Taxpayers	30,891,074,758		91.9	21,881,992,198		93.8
Total Assessed Value of Tax District	\$ 33,601,548,857		100.0%	\$ 23,321,162,780		100.0%

Principal Property Taxpayers - Washington County

Taxpayer	June 2023		% of Total Taxable	June 2014		% of Total Taxable
	Taxable Assessed Value	Rank		Taxable Assessed Value	Rank	
Intel	\$ 1,895,002,799	1	2.4%	\$ 1,269,464,924	1	2.5%
Nike, Inc.	1,464,501,430	2	1.9	566,111,038	2	1.1
Pacific Realty Associates	440,231,557	4	0.6	308,313,428	4	0.6
Genentech Inc.	328,238,530	7	0.4			
Lam Research Corporation	230,442,558	10	0.3			
Fred Meyer Stores, Inc				149,478,380	8	0.3
Maxim Intergrated Products Inc.				142,394,136	9	0.3
PPR Washington Square LLC				134,845,690	10	0.3
<u>Public Utilities</u>						
Portland General Electric Co.	1,124,597,930	3	1.4	412,348,330	3	0.8
Northwest Natural Gas	468,313,450	5	0.6	299,588,240	6	0.6
Verizon Communications	360,262,000	6	0.5			
Comcast Corporation	274,530,000	8	0.4	267,863,300	5	0.5
Northwest Fiber LLC	223,356,900	9	0.3			
Frontier Communications				249,585,000	7	0.5
Subtotal of Ten Largest Taxpayers	6,809,477,154		8.7	3,799,992,466		7.4
All Other Taxpayers	71,509,388,692		91.3	47,381,923,624		92.6
Total Assessed Value of Tax District	\$ 78,318,865,846		100.0%	\$ 51,181,916,090		100.0%

Note: Ranked based on taxes levied.

Source: Washington County Department of Assessment & Taxation

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

Fiscal Year	Taxes Levied for the Fiscal Year¹	Collected within the Fiscal Year of the Levy	Percentage of Levy	Collections in Subsequent Years²	Total Collections to Date	Percentage of Levy
2023	\$ 288,608,667	\$ 276,652,985	95.86%	\$ -	\$ 276,652,985	95.86%
2022	269,943,032	259,650,108	96.19	1,693,900	261,344,008	96.81
2021	260,249,429	250,062,137	96.09	2,478,531	252,540,668	97.04
2020	245,096,035	235,142,094	95.94	2,810,305	237,952,399	97.09
2019	237,745,442	228,218,302	95.99	2,822,430	231,040,732	97.18
2018	227,729,017	217,437,442	95.48	3,034,807	220,472,249	96.81
2017	213,119,699	203,451,291	95.46	2,641,478	206,092,769	96.70
2016	202,813,119	193,825,317	95.57	2,724,289	196,549,606	96.91
2015	195,294,087	186,692,754	95.60	3,268,064	189,960,818	97.27
2014	183,560,233	174,630,884	95.14	3,353,653	177,984,537	96.96

¹ Amounts are based upon the tax collection year July 1 to June 30, without adjustments for uncollectable or settlements that occur subsequently.

² Collections in subsequent years includes current year revenue received for taxes levied in prior years.

Source: Washington County Department of Assessment and Taxation and Beaverton School District financial records.

BEAVERTON SCHOOL DISTRICT
OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

(dollars in thousands, except per capita)

Fiscal Year	General Obligation Bonds	Un-amortized Premium	Less Amount Available for Repayment	Net General Bonded Debt		
				General Bonded Debt	As Percentage of Actual Value of Property	Per Capita ^a
2023	\$ 978,947	\$ 40,362	\$ -	\$ 1,019,309	1.635%	\$ 3,443
2022	713,350	29,576	-	742,926	1.270	2,496
2021	763,195	36,426	-	799,621	1.367	2,687
2020	809,975	43,276	-	853,251	1.641	2,898
2019	775,436	87,985	(1,193)	862,228	1.719	2,963
2018	800,970	94,836	-	895,806	1.931	3,132
2017	832,135	101,044	(570)	932,609	2.235	3,329
2016	563,109	78,037	(1,881)	639,265	1.716	2,334
2015	589,344	82,057	(2,064)	669,337	1.929	2,488
2014	233,560	24,782	(2,323)	256,019	0.815	971

Fiscal Year	Pension Obligation Bonds ^b	FFC Obligation Bonds	Other Debt	Total Debt			
				Primary Government	As Percentage of Taxable Value	As Percentage of Personal Income ^a	Per Capita ^a
2023	\$ 129,235	\$ 29,078	\$ 4,978	\$ 1,182,600	3.648%	n/a	\$ 3,995
2022	146,725	30,448	5,257	925,356	2.983	n/a	3,109
2021	162,825	15,305	1,054	978,805	3.155	2.277%	3,289
2020	177,630	16,050	1,292	1,048,223	3.379	2.599	3,560
2019	191,240	16,765	2,079	1,073,505	3.633	2.786	3,689
2018	203,740	17,455	2,607	1,119,608	3.878	3.072	3,915
2017	215,470	18,115	2,574	1,169,338	4.240	3.463	4,174
2016	226,295	18,750	-	886,191	3.369	2.805	3,236
2015	236,040	18,935	197	926,573	3.685	3.108	3,444
2014	163,375	19,480	583	441,780	1.832	1.680	1,675

n/a - Information not available as of printing.

^a See Demographic and Economic Statistics for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

^b Pension Obligation Bonds are not included in the Net General Bonded Debt since they are not repaid directly with property tax dollars.

BEAVERTON SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2023

Governmental Unit	Net Property-Tax Backed Debt Outstanding ^a	Percent Within School District	Estimated Share of Direct and Overlapping Debt ^b
Metro	\$ 822,713,920	16.37%	\$ 134,676,623
Portland Community College	699,475,000	20.54	137,504,809
Washington County	164,628,578	47.63	78,406,751
Tualatin Hills Park and Recreation District	47,825,680	97.03	46,406,692
City of Beaverton	30,045,000	98.30	29,534,325
Tualatin Valley Fire and Rescue	55,780,000	48.82	27,231,406
City of Hillsboro	74,915,000	11.14	8,346,130
City of Tigard	17,159,468	17.45	2,994,344
Multnomah County	583,000,736	0.11	643,050
City of Portland	392,915,000	0.11	448,316
Hillsboro School District-Washington Cty SD 1J	497,841,362	0.11	561,565
Subtotal, overlapping debt			<u>466,754,011</u>
Beaverton School District, direct debt ^c			<u>1,182,599,564</u>
Total direct and overlapping debt			<u>\$ 1,649,353,575</u>

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

^a Net Property-tax Backed Debt is Gross Property-tax Backed Debt less Self-supporting Unlimited-tax GO debt and less Self-supporting Full Faith & Credit debt.

^b Overlapping Debt is calculated by using Net Property-tax Backed Debt times Percent Overlapping that are provided by Oregon State Treasury, Debt Management Division.

^c Direct Debt includes all outstanding long-term debt instruments including bonds, notes, loans, and capital leases.

Source: State of Oregon - Office of the Treasurer

BEAVERTON SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
2023	\$ 5,814,911,183	\$ 978,947,000	\$ 4,835,964,183	16.84%
2022	4,955,422,052	713,350,000	4,242,072,052	14.40
2021	4,650,802,846	763,195,000	3,887,607,846	16.41
2020	4,133,965,864	809,975,000	3,323,990,864	19.59
2019	3,988,454,275	775,436,000	3,213,018,275	19.44
2018	3,688,284,883	800,970,000	2,887,314,883	21.72
2017	3,317,437,849	832,135,000	2,485,302,849	25.08
2016	2,962,274,360	563,109,000	2,399,165,360	19.01
2015	2,758,652,050	589,344,000	2,169,308,050	21.36
2014	2,496,451,137	233,560,000	2,262,891,137	9.36

Legal Debt Margin Calculation for Fiscal Year 2023

Real Market Value	\$ 73,143,536,888	
Debt Limit (7.95% of Real Market Value ¹)		\$ 5,814,911,183
Debt Applicable to Limit		978,947,000
Legal Debt Margin		<u><u>\$ 4,835,964,183</u></u>

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

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

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

Allowable Percentage of Real Market Value:

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

BEAVERTON SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN CALENDAR YEARS

Calendar Year	Population ^a <i>Estimated</i>	Personal Income ^b <i>(in thousands)</i>	Per Capita	Unemployment Rate ^c <i>(Washington County)</i>
			Personal Income	
2023	296,038	n/a	n/a	n/a
2022	284,669	n/a	n/a	3.5%
2021	297,638	\$ 42,980,422	\$ 71,537	4.4
2020	294,437	40,333,177	66,831	6.5
2019	291,014	38,527,576	64,043	3.0
2018	286,013	36,442,209	60,971	3.5
2017	280,126	33,765,596	57,331	3.5
2016	273,845	31,588,397	54,203	4.2
2015	269,023	29,812,561	51,909	4.8
2014	263,778	26,299,466	46,713	5.7

n/a - Information not available as of printing.

^a Bureau of Economic and Business Research and BSD estimates based on PSU Population Research Center data.

^b U.S. Department of Commerce, Bureau of Economic Analysis.

^c Oregon Labor Market, Labor Force Data for Washington County. Not seasonally adjusted.

BEAVERTON SCHOOL DISTRICT
PRINCIPAL EMPLOYERS FOR THE PORTLAND METRO AREA
CURRENT AND NINE YEARS PRIOR

<u>Employer</u>	Employees as of December 31,			Employees as of December 31,		
	2022	Rank	% of Total Employment	2013	Rank	% of Total Employment
Ten Largest Employers						
Intel Corp.	22,328	1	1.70%	16,700	1	1.51%
Providence Health Services	19,687	2	1.50	14,132	2	1.28
Oregon Health & Science University	18,497	3	1.41	14,106	3	1.28
Nike Inc.	15,125	4	1.15	7,000	10	0.63
Legacy Health	13,087	5	1.00	9,835	7	0.89
Kaiser Permanente	12,262	6	0.93	9,896	6	0.90
Fred Meyer Stores	9,374	7	0.71	10,176	5	0.92
Portland Public Schools	6,814	8	0.52			
City of Portland	6,483	9	0.49	9,318	8	0.84
Multnomah County	5,307	10	0.40			
US Federal Government				13,900	4	1.26
State of Oregon				7,559	9	0.68
Subtotal of Ten Largest Employers	128,964		9.82	112,622		10.20
All Other Employers	1,184,765		90.18	991,885		89.80
Total Portland PMSA¹ Employment	1,313,729		100.00%	1,104,507		100.00%

¹ Portland PMSA is the Portland-Vancouver-Hillsboro Metropolitan Statistical Area which includes Multnomah, Washington, Clackamas, Columbia and Yamhill counties in Oregon, as well as Clark and Skamania counties in Washington.

Source: Portland Business Journal Book of Lists and Oregon Employment Department QualityInfo.org

BEAVERTON SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
 LAST TEN FISCAL YEARS
 AS OF JUNE 30

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<u>Instruction</u>										
Certified	1,702.8	1,690.9	1,712.4	1,717.9	1,728.7	1,767.5	1,763.5	1,730.9	1,569.6	1,446.0
Support	121.5	121.1	113.4	118.0	125.0	136.1	131.7	127.3	103.0	109.3
<u>Special Programs</u>										
Certified	482.5	478.8	403.9	394.3	448.7	456.2	442.9	420.9	413.0	383.9
Support	220.3	206.1	190.0	216.0	249.2	258.9	260.8	236.1	228.2	213.8
Administration	0.1	0.1	-	-	-	-	-	-	-	-
<u>Student Support Services</u>										
Certified	326.6	324.3	245.2	237.3	235.3	222.7	219.9	213.8	192.6	176.6
Support	131.4	129.0	120.8	115.1	120.7	112.6	98.2	85.9	73.6	66.6
Administration	7.7	8.8	6.9	6.9	7.0	7.0	6.0	5.0	4.0	4.0
<u>Instructional Staff Support</u>										
Certified	69.7	53.3	45.6	47.7	68.3	62.3	67.8	52.1	32.0	20.3
Support	50.2	44.3	43.4	45.8	48.1	45.9	47.0	47.8	45.5	43.6
Administration	3.8	3.0	3.0	3.0	3.0	4.0	3.8	2.9	3.0	3.0
<u>General Administration Support</u>										
Support	5.6	4.6	5.2	5.4	5.0	5.3	5.7	5.3	5.3	5.0
Administration	3.7	3.8	3.8	3.8	3.8	3.5	3.6	3.7	2.8	2.8
<u>School Administration</u>										
Certified	10.3	10.3	10.7	8.7	9.7	11.7	11.3	9.4	9.2	12.4
Support	120.9	120.4	119.5	119.4	121.1	122.4	120.3	110.2	103.8	103.8
Administration	112.4	112.5	109.8	108.3	113.2	112.4	109.5	103.7	97.3	88.6
<u>Business Support Services</u>										
Support										
General Business	22.2	21.0	20.5	19.2	20.3	17.7	16.8	16.9	16.4	15.0
Facilities	260.1	258.1	254.3	262.8	265.5	257.3	228.8	214.5	208.9	201.6
Transportation	168.8	160.1	164.4	174.6	187.7	185.1	173.1	165.6	167.6	170.1
Other Support	11.3	9.7	10.3	10.3	9.9	10.6	9.8	8.4	7.7	8.8
Administration	4.0	4.0	4.3	4.0	4.7	5.2	5.2	5.3	5.3	4.3
<u>Central Activities Support</u>										
Certified	6.3	6.1	5.1	5.1	5.2	4.8	4.6	5.0	4.5	4.2
Support	106.5	102.5	99.9	99.2	100.2	101.7	99.1	87.7	69.5	67.1
Administration	10.9	10.3	10.6	10.0	9.7	9.9	9.0	8.1	7.8	7.0
<u>Food Services</u>										
Support	94.6	97.3	95.7	103.6	109.4	107.9	101.5	101.2	100.5	102.1
Administration	1.0	1.0	1.0	0.9	1.0	1.0	1.0	1.0	1.0	1.0
<u>Community Services & Custody and Care of Children Services</u>										
Certified		-	-	-	-	-	-	-	0.4	0.4
Support		-	-	-	-	-	-	-	-	1.3
<u>Facilities Acquisition and Construction</u>										
Certified	-	4.7	4.8	4.8	5.0	5.0	5.0	4.2	1.0	-
Support	28.6	26.0	31.6	27.9	31.0	29.4	33.6	29.5	17.1	4.5
Administration	1.5	1.0	1.0	1.0	1.1	1.0	1.0	1.0	1.0	1.9
Total	4,085.3	4,013.1	3,837.1	3,871.0	4,037.5	4,064.9	3,980.5	3,803.2	3,491.4	3,268.8

	Low	High	Number of Teachers
Bachelor's Range	\$ 50,616	\$ 93,435	246
Master's Range	54,938	101,414	2,333
Average Teacher Salary	\$ 85,942		

Full-time certified employees of the district are employed for 194 days, at 8 hours per day or 1,552 hours per year. Total work hours by certified employees are divided by 1,552 to obtain full-time-equivalent employment. Full-time-equivalent employment for all other positions is determined based on 2,080 hours

Source: Beaverton School District records.

BEAVERTON SCHOOL DISTRICT
OPERATING STATISTICS
 LAST TEN FISCAL YEARS

Fiscal Year	Enrollment	ADMw	Operating Expenditures ^a (in thousands)	Cost per Student	% Change	Expenses ^b (in thousands)	Cost per Student	% Change	Cert. Staff ^c	Student-Certified Staff Teacher Ratio	% of Students Receiving Free or Reduced-Price Meals ^d
2023	38,081	46,463	\$ 629,611	\$ 16,533	8.15%	\$ 780,696	\$ 20,501	7.93%	2,709	14.06	30.76%
2022	39,376	47,987	601,973	15,288	15.78	747,960	18,995	11.67	2,709	14.54	26.03
2021	39,711	49,141	524,347	13,204	6.86	675,499	17,010	3.43	2,539	15.64	25.77
2020	41,374	48,843	511,254	12,357	-1.87	680,453	16,446	-4.14	2,523	16.40	33.14
2019	41,101	48,350	519,863	12,593	4.28	705,124	17,156	3.02	2,501	16.43	31.89
2018	41,016	48,493	495,318	12,076	8.29	683,035	16,653	-8.03	2,530	16.21	35.70
2017	40,912	48,743	456,235	11,152	5.98	740,820	18,108	13.47	2,515	16.27	34.50
2016	40,725	48,669	428,525	10,522	5.57	649,871	15,958	25.28	2,436	16.72	37.30
2015	39,910	45,797	397,793	9,967	9.87	508,348	12,737	14.36	2,222	17.96	39.25
2014	39,509	45,088	358,430	9,072	7.92	440,035	11,138	8.93	2,044	19.33	38.70

^a Operating expenditures are all governmental fund expenditures less debt service and capital outlays.

^b Expenses include capital projects and debt service activity.

^c Includes classroom, music, physical education, special education teachers, and counselors.

^d In 2021, as a part of COVID-19 response, all students received free lunches. Percentage is based on student eligible to receive free or reduced priced meals based on normal guidelines.

Source: Beaverton School District records.

BEAVERTON SCHOOL DISTRICT
CAPITAL ASSET INFORMATION
 LAST TEN FISCAL YEARS

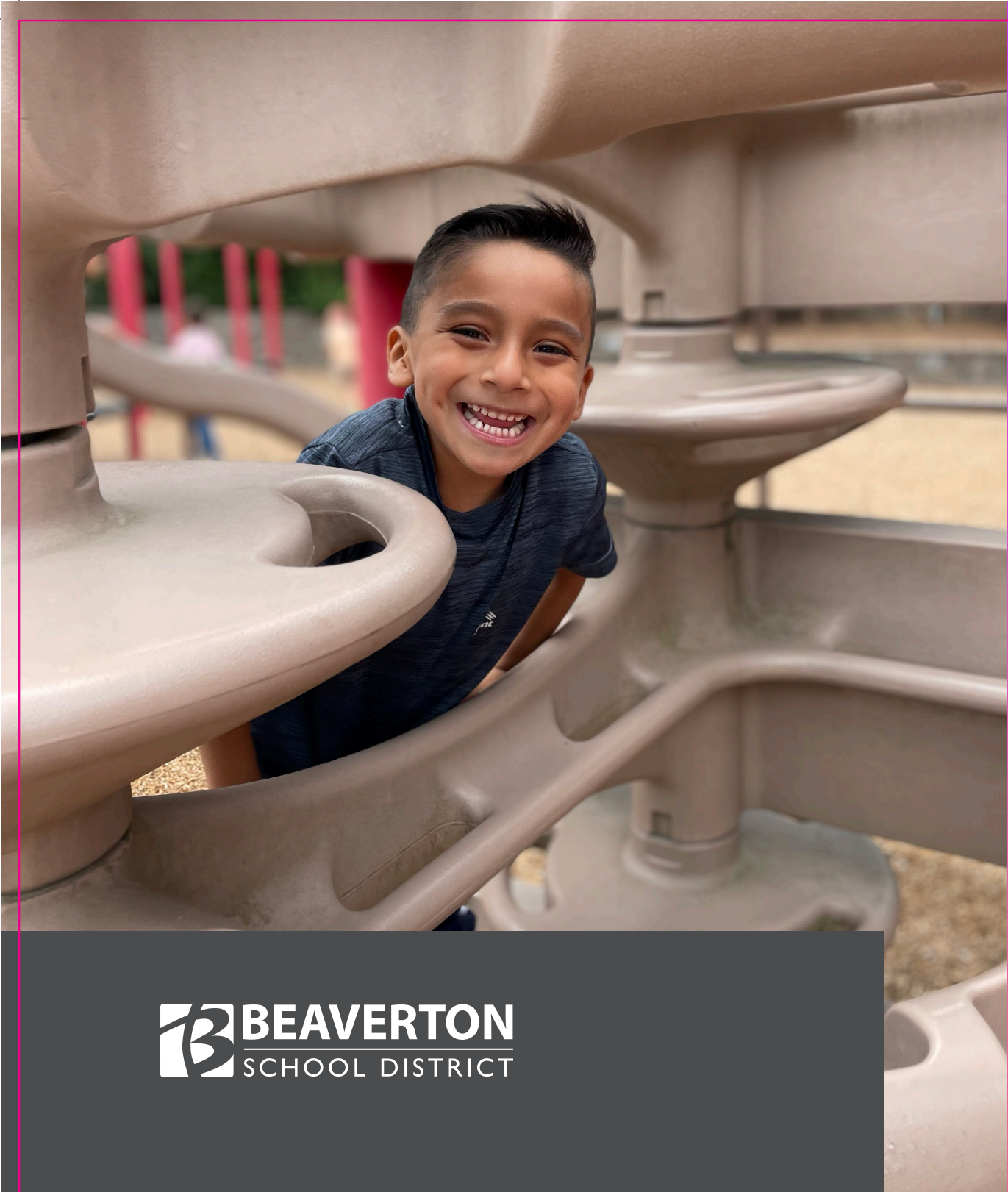
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	Average Age of Buildings (in years)
<u>SCHOOLS</u>											
Elementary											
Buildings	34	34	34	34	34	34	33	33	33	33	46
Square feet ^a	2,225	2,214	2,214	2,214	2,214	2,173	2,040	2,012	2,012	2,012	
Capacity	22,532	21,438	21,438	22,757	22,795	22,609	21,417	21,377	21,312	21,189	
Enrollment ^b	16,113	15,611	16,147	18,129	18,193	18,326	18,604	18,345	18,017	17,919	
Percent used	72%	73%	75%	80%	80%	81%	87%	86%	85%	85%	
Middle											
Buildings	10	9	9	9	9	9	8	8	8	8	44
Square feet ^a	1,194	1,192	1,192	1,192	1,192	1,183	1,017	1,017	1,017	1,017	
Capacity	9,494	8,258	8,258	8,373	8,373	8,366	8,394	8,520	8,394	8,254	
Enrollment	7,004	7,060	7,015	7,656	7,663	7,623	7,660	8,043	9,067	8,870	
Percent used	74%	85%	85%	91%	92%	91%	91%	94%	108%	107%	
High											
Buildings	10	10	10	10	10	10	9	9	9	9	41
Square feet ^a	2,094	2,025	2,025	1,929	1,929	1,999	1,669	1,653	1,653	1,653	
Capacity	15,630	15,110	15,110	14,994	14,994	15,508	12,428	12,322	12,306	12,302	
Enrollment ^c	13,003	13,011	13,126	13,302	13,035	12,904	12,694	12,416	11,405	11,262	
Percent used	83%	86%	87%	89%	87%	83%	102%	101%	93%	92%	
Other											
Buildings	2	2	2	2	2	2	2	2	2	2	38
Square feet ^a	127	41	41	41	41	41	41	41	41	41	
<u>ADMINISTRATIVE</u>											
Buildings	2	1	1	1	1	1	1	1	1	1	40
Square feet ^a	111	36	36	36	36	36	36	36	36	36	
<u>TRANSPORTATION</u>											
Garages/Buildings	4	4	4	4	4	4	4	4	4	4	46
Buses	305	284	291	284	291	299	310	311	357	318	

^a Square feet in thousands.

^b Elementary enrollment included all K-8.

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

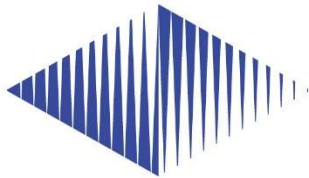
Source: Adopted Budget 2023-24 and District Facilities



SINGLE AUDIT SECTION

Single Audit Section





GROVE, MUELLER & SWANK, P.C.

Certified Public Accountants and Consultants

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

School Board
Beaverton School District
Beaverton, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Beaverton School District, Washington County, Oregon (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 27, 2023.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

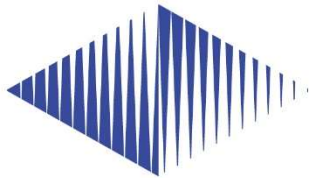
Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Grove, Mueller & Swank, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

November 27, 2023



GROVE, MUELLER & SWANK, P.C.

Certified Public Accountants and Consultants

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

School Board
Beaverton School District
Beaverton, Oregon

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Beaverton School District (the District)'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2023. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Beaverton School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

Grove, Mueller & Swank, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

November 27, 2023

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Program Title	Federal Assistance Listing Number	Pass Through Entity Number	Period Covered	Grant Amount	2022-23 Revenue and Expenditures
U.S. Department of Education					
Direct:					
Indian Education Grants to Local Education Agencies	84.060A	S060A222500	07/01/22 - 06/30/23	\$ 38,616	\$ 33,680
Total Indian Education Grants to Local Education Agencies					<u>33,680</u>
Total Direct					<u><u>33,680</u></u>
Passed through Oregon Department of Education:					
Title I					
Title I Grants to Local Educational Agencies	84.010	72464	07/01/22 - 09/30/23	5,865,148	4,546,524
Title I Grants to Local Educational Agencies	84.010	66924	07/01/21 - 09/30/23	6,267,968	1,851,725
Title I Grants to Local Educational Agencies	84.010	67938	07/01/21 - 09/30/23	40,946	28,630
Title I Grants to Local Educational Agencies	84.010	58214	07/01/20 - 09/30/22	6,324,406	2,964
Total Title I					<u>6,429,843</u>
Migrant Education					
Migrant Education State Grant Program	84.011	68112	07/01/21 - 09/30/24	705,504	152,235
Migrant Education State Grant Program	84.011	57308	03/14/20 - 09/30/22	112,621	23,961
Migrant Education State Grant Program	84.011	58929	07/01/20 - 09/30/23	660,669	61,487
Migrant Education State Grant Program	84.011	68141	07/01/21 - 09/30/23	33,833	9,378
Migrant Education State Grant Program	84.011	58911	07/01/20 - 09/30/23	31,822	1,694
Migrant Education State Grant Program	84.011	66103	07/01/20 - 09/30/23	160,538	65,840
Migrant Education State Grant Program	84.011	52835	07/01/19 - 09/30/22	575,553	14,212
Migrant Education State Grant Program	84.011	73252	07/01/22 - 09/30/23	34,631	5,007
Migrant Education State Grant Program	84.011	73270	07/01/22 - 09/30/23	657,579	572,411
Migrant Education State Grant Program	84.011	70933	07/01/21 - 06/30/23	197,811	174,497
Total Migrant Education Program					<u>1,080,722</u>
Supporting Effective Instruction					
Supporting Effective Instruction State Grants	84.367	58712	07/01/20 - 09/30/23	1,013,500	40,036
Supporting Effective Instruction State Grants	84.367	72661	07/01/22 - 09/30/23	949,133	603,027
Supporting Effective Instruction State Grants	84.367	67357	07/01/21 - 09/30/23	997,704	407,209
Total Supporting Effective Instruction					<u>1,050,272</u>
English Language Acquisition					
English Language Acquisition State Grants	84.365	53402	07/01/19 - 09/30/22	626,773	7,650
English Language Acquisition State Grants	84.365	73077	07/01/22 - 09/30/23	704,493	82,864
English Language Acquisition State Grants	84.365	58454	07/01/20 - 09/30/23	695,939	353,446
English Language Acquisition State Grants	84.365	67119	07/01/21 - 09/30/24	655,223	243,393
Total English Language Acquisition					<u>687,353</u>
Career and Technical Education					
Career and Technical Education - Basic Grants to States	84.048	72321	07/01/22 - 09/30/23	366,366	353,479
Total Career and Technical Education					<u>353,479</u>
COVID 19 - Education Stabilization Fund					
COVID 19 - Education Stabilization Fund (ESSER)	84.425D	64531	03/13/20 - 09/30/23	20,656,919	3,976,270
COVID 19 - Education Stabilization Fund (ESSER)	84.425D	64836	03/13/20 - 09/30/24	46,425,044	12,164,195
COVID 19 - Education Stabilization Fund (ESSER)	84.425	69279	04/23/21 - 09/30/24	100,453	51,299
COVID 19 - Education Stabilization Fund (ESSER)	84.425	75936	03/01/23 - 09/30/24	250,000	1,502
COVID 19 - Education Stabilization Fund (ESSER)	84.425	69319	04/23/21 - 09/30/24	365,730	45,910
Total COVID 19 - Education Stabilization Fund					<u>16,239,176</u>
Special Education Cluster (IDEA)					
Special Education Grants to States	84.027	73969	07/01/22 - 09/30/24	6,488,949	3,406,017
Special Education Grants to States	84.027	68573	07/01/21 - 09/30/23	6,364,341	2,636,496
Special Education Grants to States	84.027	75280	07/01/22 - 06/30/23	473,202	231,784
Special Education Grants to States	84.027	68324	07/01/21 - 09/30/23	1,686,186	1,130,559
Total Special Education					<u>7,404,856</u>
Special Education Preschool Grants	84.173	74165	07/01/22 - 09/30/24	27,822	27,822
Special Education Preschool Grants	84.173	69107	07/01/21 - 09/30/23	33,518	33,518
Total Special Education Preschool					<u>61,340</u>
Total Special Education Cluster (IDEA)					<u><u>7,466,196</u></u>

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

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2023

	Federal Assistance				2022-23
Program Title	Listing Number	Pass Through Entity Number	Period Covered	Grant Amount	Revenue and Expenditures
U.S. Department of Education (continued)					
Passed through Oregon Department of Education (continued)					
Student Support and Academic Enrichment Program					
Student Support and Academic Enrichment Program	84.424	58531	07/01/20 - 09/30/23	\$ 418,797	\$ 101,684
Student Support and Academic Enrichment Program	84.424	54471	07/01/19 - 09/30/22	468,596	3,329
Student Support and Academic Enrichment Program	84.424	72858	07/01/22 - 09/30/23	487,587	216,291
Student Support and Academic Enrichment Program	84.424	66713	07/01/21 - 09/30/23	453,489	115,817
Total Student Support and Academic Enrichment Program					437,121
Twenty-First Century Community Learning Centers					
Twenty-First Century Community Learning Centers	84.287	75186	07/01/22 - 09/30/23	374,952	224,048
Twenty-First Century Community Learning Centers	84.287	68776	07/01/21 - 09/30/23	374,952	257,157
Total Twenty-First Century Community Learning Centers					481,205
Education for Homeless Children and Youths					
McKinney-Vento Homeless Education	84.196	74838	07/01/22 - 09/30/23	41,000	41,000
Total Education for Homeless Children and Youths					41,000
Total Passed through Oregon Department of Education:					34,266,367
Total U.S. Department of Education					34,300,047
U.S. Department of Health & Human Services					
Passed through Administration for Children and Families					
CCDF Cluster					
Child Care and Development Block Grant	93.575	175232	07/01/22 - 06/30/23	184,176	39,953
Total CCDF Cluster					39,953
Passed through Oregon Department of Education					
Foster Care Transportation Reimbursement	93.658	71597	07/01/21 - 06/30/23	13,789	13,789
Total Foster Care Transportation Reimbursement					13,789
Total U.S. Department of Health & Human Services					53,742
U.S. Department of Agriculture					
Passed through Oregon Department of Education:					
Child Nutrition Cluster					
School Breakfast Program	10.553	N/A	07/01/22 - 06/30/23	1,356,275	1,356,275
National School Lunch Program	10.555	N/A	07/01/22 - 06/30/23	6,922,020	6,922,020
National School Lunch Program Commodities	10.555	N/A	07/01/22 - 06/30/23	1,278,128	1,278,128
Summer Food Service Program for Children	10.559	N/A	07/01/22 - 06/30/23	156,332	156,332
Fresh Fruits and Vegetable Program	10.582	74944	10/01/22 - 09/30/23	30,850	8,194
Fresh Fruits and Vegetable Program	10.582	74945	10/01/22 - 09/30/23	37,000	33,559
Fresh Fruits and Vegetable Program	10.582	74946	10/01/22 - 09/30/23	27,300	18,682
Total Child Nutrition Cluster					9,773,190
Child and Adult Care Food Program					
Child and Adult Care Food Program	10.558	3402006	10/01/22 - 09/30/23	3,144	2,449
Child and Adult Care Food Program	10.558	N/A	07/01/22 - 06/30/23	105,951	105,951
Total Child and Adult Food Care Program					108,400
Total U.S. Department of Agriculture					9,881,590
U.S. Department of Transportation					
Passed through Metro					
Federal Transit Cluster					
Federal Transit - Formula Grants (Urbanized Area)	20.507	936204	07/01/19 - 06/30/23	226,418	96,492
Federal Transit - Formula Grants (Urbanized Area)	20.507	N/A	01/18/23 - 01/17/24	5,000	4,947
Federal Transit - Formula Grants (Urbanized Area)	20.507	367327	07/01/21 - 06/30/23	5,000	1,518
Total Federal Transit Cluster					102,957

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

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2023

Program Title	Federal Assistance Listing Number	Pass Through Entity Number	Period Covered	Grant Amount	2022-23 Revenue and Expenditures
U.S. Department of Transportation (continued)					
Passed through Oregon Department of Transportation					
Highway Planning and Construction Cluster					
Highway Planning and Construction	20.205	21HU1025	10/01/20 - 09/30/22	\$ 243,719	\$ 10,245
Highway Planning and Construction	20.205	HU-23-10-25	10/01/22 - 09/30/24	87,718	29,627
Total Highway Planning and Construction Cluster					<u>39,872</u>
Total U.S. Department of Transportation					<u><u>142,829</u></u>
U.S. Department of Treasury					
Passed through Washington County					
COVID 19 - Coronavirus Relief Fund	21.027	22-0157 / 23-0667	02/01/22 - 06/30/23	65,838	56,696
COVID 19 - Coronavirus Relief Fund	21.027	22-1196	07/01/22 - 06/30/23	190,377	144,987
Total U.S. Department of Treasury					<u><u>201,683</u></u>
Total Federal Awards					<u><u>\$ 44,579,891</u></u>

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

BEAVERTON SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

PURPOSE OF THE SCHEDULE

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of the District under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Indirect Cost Rate

Beaverton School District has a negotiated indirect cost rate with Oregon Department of Education. The District is thus not allowed to use the ten percent de minimus indirect rate as otherwise allowed under the Uniform Guidance.

Federal Financial Assistance

Pursuant to Uniform Guidance, federal financial assistance is defined as assistance provided by a federal agency, either directly or indirectly, in the form of grants, contracts, cooperative agreements, loans, loan guarantees, property, interest subsidies, insurance or direct appropriations. Accordingly, non-monetary federal assistance, including federal surplus property, is included in federal financial assistance and, therefore, is reported on the Schedule, if applicable. Federal financial assistance does not include direct federal cash assistance to individuals. Solicited contracts between the state and federal government for which the federal government procures tangible goods or services are not considered to be federal financial assistance.

Major Programs

Uniform Guidance establishes criteria to be used in defining major federal financial assistance programs. Major programs for the District are those programs selected for testing by the auditor using a risk-assessment model, as well as certain minimum expenditure requirements, as outlined in Uniform Guidance. Programs with similar requirements may be grouped into a cluster for testing purposes.

Reporting Entity

The reporting entity is fully described in notes to the financial statements. The Schedule includes all federal programs administered by the District for the year ended June 30, 2023.

BEAVERTON SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2023

Revenue and Expenditure Recognition

The receipt and expenditure of federal awards are accounted for under the modified accrual basis of accounting. Revenues are recorded when measurable and available, which is at the time eligible expenditures are incurred. Unreimbursed expenditures due from grantors agencies are reflected in the basic financial statements as receivables, while grant monies received prior to the occurrence of qualifying expenditures are recorded as unearned revenue. Donated commodities are valued at their estimated fair value.

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major federal programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None reported
Type of auditor's report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?	No

Identification of major federal programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027 & 84.173	Special Education Cluster (IDEA)
84.425	Education Stabilization Fund

Dollar threshold used to distinguish between type A and type B programs:	\$1,337,397
Auditee qualified as low-risk auditee?	Yes

FINANCIAL STATEMENT FINDINGS

None.

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

PRIOR YEAR FINANCIAL STATEMENT FINDINGS

None.

PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.



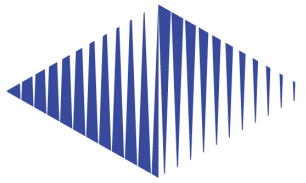
COMPLIANCE SECTION



INDEPENDENT AUDITOR'S REPORT
REQUIRED BY OREGON STATE REGULATIONS

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





GROVE, MUELLER & SWANK, P.C.

Certified Public Accountants and Consultants

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INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

School Board
Beaverton School District
Beaverton, Oregon

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the basic financial statements of Beaverton School District, Washington County, Oregon (the District) as of and for the year ended June 30, 2023, and have issued our report thereon dated November 27, 2023.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

- **Deposit of public funds with financial institutions (ORS Chapter 295).**
- **Indebtedness limitations, restrictions and repayment.**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **Programs funded from outside sources.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**
- **State school fund factors and calculation.**

In connection with our testing nothing came to our attention that caused us to believe the District was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

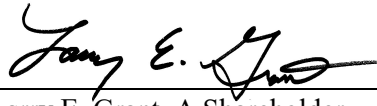
Internal Control

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Restriction on Use

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

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

By: 
Larry E. Grant, A Shareholder
November 27, 2023