

Comprehensive Annual Financial Report
FOR THE YEAR ENDED JUNE 30, 2019



INSPIRE AND EMPOWER

◊ EACH STUDENT ◊

Gresham-Barlow School District 10JT • GRESHAM, OREGON

Serving the Communities of Boring, Damascus, Gresham and Orient in Multnomah and Clackamas Counties

GRESHAM-BARLOW SCHOOL DISTRICT 10JT
Gresham, Oregon

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Prepared by:
Business Office:

Michael D. Schofield, Chief Financial Officer

Elaine Fagan, Director of Accounting

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INTRODUCTORY SECTION

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Dr. A. Katrise Perera, Superintendent

Gresham-Barlow School District No. 10Jt

1331 NW Eastman Parkway, Gresham, OR 97030-3825
#TeamGBSD #BuildGBSD

Phone 503.261.4567
Fax 503.261.4552

September 15, 2019

Board of Education and Citizens
Gresham-Barlow School District 10JT
1331 NW Eastman Parkway
Gresham, OR 97030

In accordance with the provisions of Oregon Revised Statutes Sections 297.405 through 297.555, known as Municipal Audit Law, submitted herewith is the Comprehensive Annual Financial Report (CAFR) of Gresham-Barlow School District 10JT, Multnomah and Clackamas counties, Oregon for the year ended June 30, 2019.

This report was prepared by the Business Office of Gresham-Barlow School District 10JT. The responsibility for the completeness, fairness, and accuracy of the data presented and all accompanying disclosures rests with the District. To provide a reasonable basis for making these representations, the District's management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

INDEPENDENT AUDIT

The District's financial statements have been audited by Pauly, Rogers and Co., 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, 2019, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall basic financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's basic financial statements for the fiscal year ended June 30, 2019, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the Financial Section of this report, beginning on page 1.

The independent audit of the District's basic financial statements was part of a broader, federally mandated "Single Audit" designed to meet the special requirements of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the basic financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Single Audit Section of this report, beginning on page 101.

Management's Discussion and Analysis

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors, beginning on page 3.

THE DISTRICT

Gresham-Barlow School District 10JT is a unified District, established June 1, 1994, which includes the former Gresham Grade (established in 1884), Orient (established in 1853), Damascus Union (established in 1876), Barlow-Gresham Union High (established in 1902) School Districts, and that portion of Boring School District which was served by the Union High School District prior to unification. The Barlow-Gresham Union High School District Board of Directors remained the governing Board and the policies of the high school district remained intact. The District was given a new name and the Board of Directors was increased from a five-member Board to a seven-member Board.

The District is one of the ten largest districts in the State of Oregon. The District covers approximately 54 square miles serving the communities of Boring, Damascus, Gresham and Orient located in Multnomah and Clackamas Counties. The District area population is approximately 80,000. The District enrollment boundaries include part of the City of Gresham, located in east Multnomah County approximately 12 miles east of Portland; it is the second largest city within the Portland metropolitan area and the fourth largest city in Oregon.

The District serves over 11,000 students in kindergarten through grade twelve, and presently operates ten elementary schools, four middle schools, one K-8 and three high schools.

Seven Board members are elected, four to zoned positions and three at large from within the District, to four-year terms. The Board of Directors is the governing body and is exclusively responsible for its public decisions. The Board of Directors establishes the policies of the District, appoints the management of the District and is accountable for all fiscal matters, which significantly influence operations. The Board of Directors, together with seven appointed citizens, comprises the fourteen member Budget Committee. In addition, citizens take an active role in the District's schools through volunteer programs, advisory boards, site committees and parent groups.

The District is a fiscally independent taxing entity and is not a component of Multnomah or Clackamas Counties or any other government. 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.

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 granted charters to three schools in operation during the 2018-19 fiscal year; Gresham Arthur Academy, Lewis and Clark Montessori and Metro East Web Academy. The Center for Advanced Learning (CAL), a charter school, is reported by the District as a joint venture as described in notes to the financial statements (Note 13).

APPROPRIATIONS AND BUDGETARY CONTROLS

The Board 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, by no later than the close of the fiscal year. The District's budget is governed by the Oregon Department of Revenue to ensure that the District remains in compliance with Oregon Budget Law. The annual budget serves as a management tool to enhance performance efficiency and effectiveness, a financial system to account for revenues and expenditures, and a control mechanism to ensure public money is spent as it is authorized. The budget also provides the authority to levy property taxes.

Consistent with Oregon law, expenditures are appropriated for each legally adopted annual operating budget at the following levels of control: Instruction, Support Services, Community Services, Facilities acquisition and construction, Debt Service, Operating Contingencies/Fund Transfers.

Budgetary appropriations may not be legally over-expended except in the case of reimbursable grant expenditures and trust monies which could not be reasonably estimated at the time the budget was adopted. After the original budget is adopted, the Board may approve appropriation transfers between levels of control. The Board may approve supplemental appropriations if any occurrence, condition or need exists which had not been anticipated at the time the budget was adopted through procedures specified in State statute and Board policy.

ECONOMIC CONDITION AND LONG-TERM FINANCIAL PLANNING

The Office of Economic Analysis (OEA) reported in September 2019 that Oregon continues to see healthy rates of growth when it comes to employment, income and GDP. Personal income growth remains stronger, meaning Oregon income per capita, per worker, and per household is rising faster than nationwide. This is a continuation of the so-called sweet spot where economic growth is strong enough to keep up with the growing population but also deliver ongoing gains to Oregonians. Personal income is forecasted to grow to 5.4 percent in

2019, picking up to 5.5 percent in 2020 and then tapering thereafter to 5.2 percent in 2021, 5.0 percent in 2022 and 4.7 percent in 2023. Oregon HB 3427 (2019) creates a historic new state revenue source for education by implementing a corporate activity tax (CAT). These revenues are dedicated to spending on education. The legislation also included personal income tax rate reductions, reducing General Fund revenues. The net impact of HB 3427 was designed to generate approximately \$1 billion per year in new state resources.

The State of Oregon currently administers two general reserve accounts, the Oregon Rainy Day Fund (ORDF) and the Education Stability Fund 14 (ESF). As of this forecast the two reserve funds currently total a combined \$1.29 billion and are projecting to end the 2019-21 biennium with \$1.76 billion.

Like the nation overall, the Oregon economic outlook calls for ongoing but slower growth from today's relatively strong vantage point.

District enrollment has seen a slight decline over the last 10 years, enrollment has decreased from 12,850 in 2009/10 to 11,507 in 2018/19. In August of 2019, the District completed a demographic and geographic analysis to assist the district in understanding enrollment trends and forecast future enrollment. As a result of this analysis, the District expects enrollment to be relatively flat in the coming years. The average population growth of Gresham (all ages) is expected to be between 1.0% and 1.2%. A significant share of this growth is for new multi-family developments in Historic Downtown Gresham with a large percent of studio and 1-bedroom units. The student generation from these developments will likely be low compared to more family-oriented multi-family developments.

Over the past five years, due to budget constraints, the District has engaged the community in prioritizing the areas where reductions were made. Difficult reductions were made in some years with the basic premise in mind; preserve the core. With an increase in available revenue for the 2017-2019 biennium, we were able to maintain staffing and provide a full school year. The 2019-2020 budget anticipates modest improvement in staffing ratios, supplies and material allocations.

In November 2016, the voters of Gresham-Barlow School District approved a capital construction bond in the amount of \$291.17 million. Additionally, the state of Oregon awarded the school district a capital construction grant of \$8 million. This grant was only available upon successful passage of the bond measure. School bond projects will increase student and staff safety, improve access to modern technology, and address overcrowding through upgrades and updates made to schools and classrooms throughout the district. As the average age of the District's buildings is in excess of 50 years, funds will also be used to rebuild and make extensive renovations to facilities throughout the District. As of September 2019, the District has renovated 7 schools (280 classrooms), upgraded playgrounds at the elementary schools and has increased security and technology district wide. Renovations will continue on the two high schools, middle schools and the remaining elementary schools over the next 18 months.

MAJOR INITIATIVES AND RELEVANT FINANCIAL POLICIES

Gresham-Barlow is one of the largest school districts in the state, with a student population of more than 11,000, and speaking more than 50 languages. At the beginning of the 2018-19 school year, the school board in participation with the District's Leadership Team, developed a new mission and vision statement.

New District mission: "Inspire and empower each student"

New District vision: "Culturally responsive graduates who will thrive in an ever-changing global community"

As part of the District's strategic planning, District goals were established:

Be the District of choice by:

- Providing effective, high quality instruction to each student in our district.
- Providing a physically and emotionally safe and culturally responsive learning environment that gives students and families voice.
- Prudent use of resources that uses an equity lens in decision making

As we look forward and discuss financial and economic difficulties and uncertainties, it is important to recognize our pride in recent accomplishments and our commitment to students, staff and patrons. Listed below are just a few of the recent accomplishments in our District:

- In 2016 the Gresham-Barlow School District successfully passed a \$291 million bond measure for capital projects, safety and technology. During the 2017-18 school year construction work on various bond projects began. The school bond is positively impacting every school in the district. The Bond's four large projects include substantial renovation of Gresham High School and Sam Barlow High School, and replacement schools for East Gresham and North Gresham Elementary.
- Gresham High School students participated in the Oregon State Thespian Festival in Salem and onve 1st place with the dup musical "Tear Jerk" from "I Love You, You're Perfect, Now Change."
- In 2019 Gresham-Barlow students and staff received the following awards:
 - Hogan Cedars Elementary received Recycle of the Year Award from the Association of Oregon Recyclers, the school has established a model program where students lead recycling and compost collection.
 - Individual state championships or equivalent in track and field, equestrian, music, dance, cheer, tennis, football, soccer and racquetball.
 - Gresham-Barlow staff received the following awards: Concordia University Honor Roll Outstanding Teacher Award, National Board for Professional Teaching Standards Certification and Nation wide Cintas Custodian of the Year Top 10 Semi-Finalist.
 - The Gresham-Barlow School District received four communications awards from the National School Public Relations Association (NSPRA). The District has received 13 communications awards from NSPRA since 2013.
 - The Gresham-Barlow School District has received the U.S. Environmental Protection Agency (EPA) Energy Star Partner of the Year – Sustained Excellence Award for its continued leadership in protecting our environment through energy efficiency. The District has received this award 11 times since 2005 and is recognized for winning this award more times than any other district in the country. In 2019 the District did not receive the award due to the number of active construction projects but will continue to pursue in future years.
- The District was awarded the following grants:
 - The Oregon Department of Education (ODE) first awarded a three-year, \$1.8 million School Improvement Grant for East Gresham Elementary School in 2014-15. Since then, the Grant has been extended. The District was awarded a grant of \$165,000 in 2017-18 to be spent over two years. For the 2018-19 school year, the school was awarded an additional \$101,000.
 - The ODE has awarded the District a Collaboration Design Grant of \$1.5 million for the 2018-19 school year to improve student achievement through the collaboration of teachers and administrators and through building opportunities for teacher leadership.
 - The District was awarded a McKinney-Vento homeless education federal subgrant in the amount of \$60,000 annually in 2017-18 and increased the grant by \$62,000 inn 2018-19.
 - The District received an ODE English Language Learners HB 3499 Grant for \$180,000 for the 2017-18 and 18/19 school years to prepare English Language Learner students to be ready with language and academic skills. The grant funds will focus on Math.
 - The Gresham-Barlow Education Foundation awarded the District \$35,000 for Library Management software.

Awards

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Gresham-Barlow School District 10JT for its Comprehensive Annual Financial Report for a number of years. In order to be awarded a Certificate of Achievement, the District published an easily readable and efficiently organized Comprehensive Annual Financial Report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

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

In addition, the Association of School Business Officials International (ASBO) awarded its Certificate of Excellence in Financial Reporting to Gresham-Barlow School District 10JT for its Comprehensive Annual Financial Report for the year ended June 30, 2017. This was the 25th consecutive year that the District has received this prestigious award.

Receiving this Award is recognition that the District has met the highest standards of excellence in school financial reporting as adopted by ASBO. The District believes that the current Comprehensive Annual Financial Report, which will be submitted to ASBO for review, will also conform to these standards.

ACKNOWLEDGMENTS

We wish to express our appreciation to the entire Business Office staff and members of other District departments who assisted in the preparation of this Comprehensive Annual Financial Report. We also wish to extend our appreciation to the members of the Board of Directors, the administrators, managers and employees of the District and citizens for their continued support and dedication to the financial operations of the District.



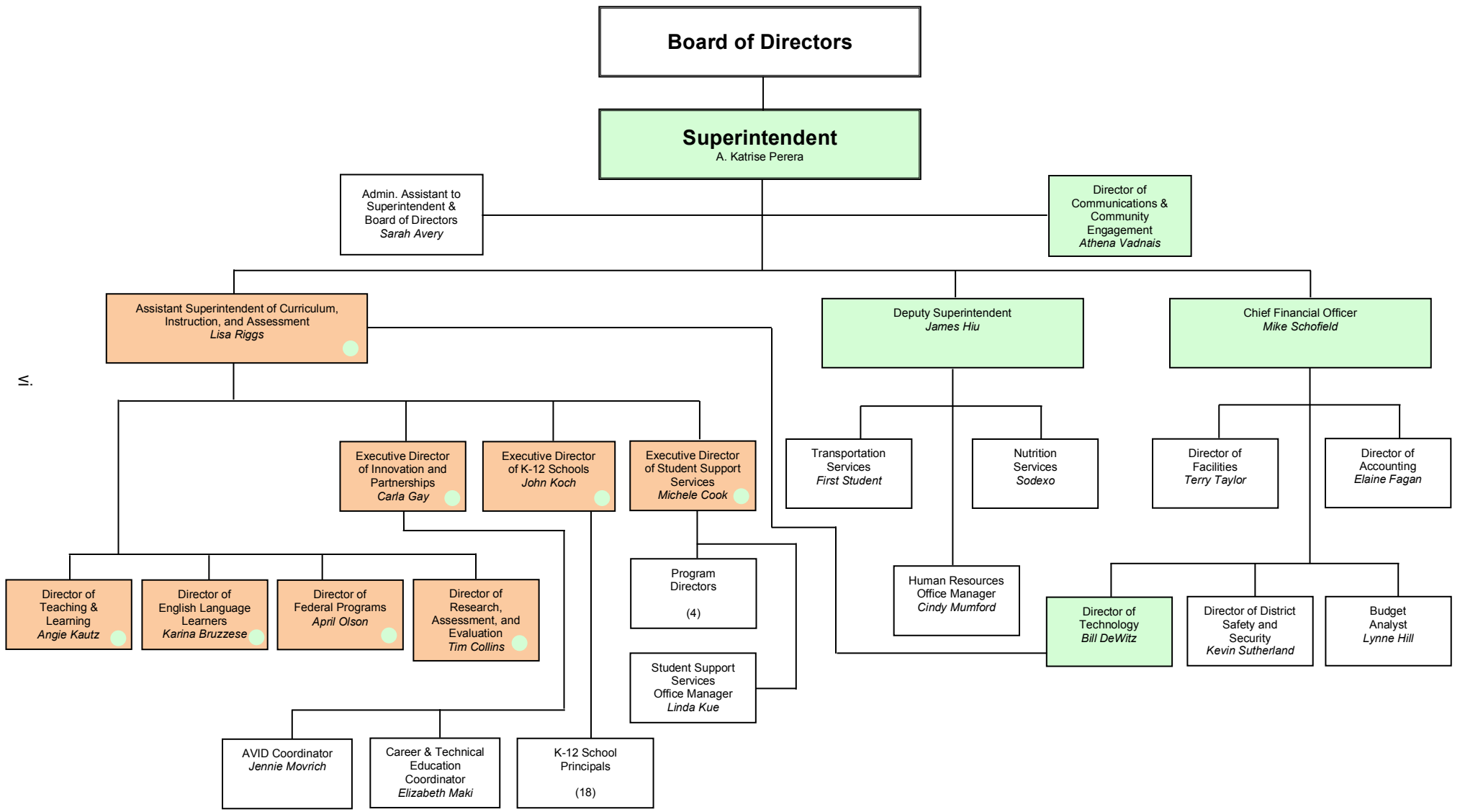
Dr. A. Katrise Perera
Superintendent



Michael D. Schofield
Chief Finance Officer



Elaine Fagan
Director of Accounting



VI



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Gresham-Barlow School District No. 10JT
Oregon

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morrill

Executive Director/CEO



**ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**

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

Gresham-Barlow School District 10JT

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2018.**

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



A handwritten signature in black ink, appearing to read 'Tom Wohlleber'.

Tom Wohlleber, CSRM
President

A handwritten signature in black ink, appearing to read 'Siobhán McMahon'.

Siobhán McMahon, CAE
Chief Operating Officer

**Elected and Appointed Officials
Gresham-Barlow School District 10JT
Gresham, Oregon**

School Board as of June 30, 2019

Name	Zone	Term Expires
Kris Howatt, Chair howatt3@gresham.k12.or.us	Zone 3	June 30, 2019
Blake Petersen, Vice Chair petersen21@gresham.k12.or.us	Zone 4	June 30, 2021
Carla Piluso piluso2@gresham.k12.or.us	At-Large	June 30, 2021
John Hartsock hartsock7@gresham.k12.or.us	At-Large	June 30, 2019
Mayra Gómez gomez87@gresham.k12.or.us	At-Large	June 30, 2021
Jeff Gibbs gibbs11@gresham.k12.or.us	Zone 1	June 30, 2019
Matt O'Connell oconnell5@gresham.k12.or.us	Zone 2	June 30, 2021

Dr. A. Katrise Perera
Michael D. Schofield

Superintendent and District Clerk
Chief Financial Officer and Deputy Clerk
Accounting Director

Administrative Office:

1331 NW Eastman Parkway
Gresham, OR 97030-3825

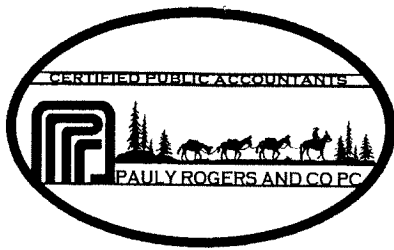
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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

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INDEPENDENT AUDITORS' REPORT

December 2, 2019

To the Board of Directors
Gresham-Barlow School District
Gresham, Oregon

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, fiduciary funds, and the aggregate remaining fund information of Gresham-Barlow School District (the District), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, fiduciary funds, and the aggregate remaining fund information of Gresham-Barlow School District as of June 30, 2019, and the respective changes in financial position and budgetary comparisons for the general fund and federal grant fund, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic

financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the management's discussion and analysis or the Schedules of Net Pension Liability or Contributions for PERS or the Schedules of Change in the District's Net OPEB Liabilities and related ratios or contributions for OPEBs, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance on them.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplementary information, as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CRF) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is not a required part of the basic financial statements. The supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as listed in the table of contents, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

Report on Other Legal and Regulatory Requirements

In accordance with Government Auditing Standards, we have also issued our reports dated December 2, 2019 on our consideration of the internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of the reports are to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. The reports are an integral part of an audit performed in accordance with Government Auditing Standards in considering internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 2, 2019, on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



Roy R. Rogers, CPA
PAULY, ROGERS AND CO., P.C.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2019**

As management of Gresham-Barlow School District 10JT (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, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our Transmittal Letter, which can be found on pages i – vi of this report.

FINANCIAL HIGHLIGHTS

- In the government-wide statements, the liabilities and deferred inflows of resources of the District exceed its assets and deferred outflows of resources at June 30, 2019 by \$17.07 million.
- The District's total net position increased by \$6.68 million for the year, a 28% increase in the District's financial position as compared to the prior year.
- The District's governmental funds report combined ending fund balance of approximately \$158.1 million, a decrease of \$99.4 million in comparison with the prior year. Of this amount, approximately \$17.76 million (11%) is unassigned and available for appropriation at the District's discretion. The remaining fund balances are either non-spendable, restricted or committed: \$133.8 million for capital projects, \$2.2 million for future PERS rate increases, \$1.65 million for student activity groups and the balance of \$2.69 million to other purposes.
- At the end of the current fiscal year, the unrestricted fund balance (the total of the committed, assigned and unassigned components of the fund balance) for the General Fund was \$18.17 million, or about 14% of total General Fund revenue.
- Total cost of all the District's programs was 160.9 million for the fiscal year, an increase of \$10.7 million (7 percent) from the prior year.
- The District's total outstanding long-term debt increased \$42.9 million (9 percent) during the 2018-19 fiscal year due to issuing \$53.8 million in general obligation bonds including premiums, debt service payments and amortization of premiums and discounts of \$10.7 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management's Discussion and Analysis 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 in addition to the basic financial statements themselves.

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

The *Statement of Net Position* - The *statement of net position* presents information on all of the assets and liabilities of the District at year-end. Net position is what remains after the liabilities have been paid or otherwise satisfied. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

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

The government-wide financial statements can be found on pages 11 and 12 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 Gresham-Barlow 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 fiduciary funds.

Governmental funds - The *governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The District maintains seven individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General, Federal Grant Fund and Capital Projects Fund, which are considered to be major funds. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided as Supplemental Information.

The basic governmental fund financial statements can be found on pages 13 and 15 of this report.

Fiduciary funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is the same as the government-wide financial statements, only in more detail.

The basic fiduciary fund financial statements can be found on pages 19-20 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 21-47 of this report.

Other information - In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the District's progress in funding its obligation to provide pension and other post employment benefits to its employees. Required Supplementary Information can be found on pages 48-52 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented as Supplementary Information on pages 54-55 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by approximately \$17.07 million at June 30, 2019.

Capital assets, which consist of the District's land, buildings, building improvements, construction in progress, vehicles, and equipment, represent about 53 percent of total assets. The remaining assets consist mainly of cash, investments, grant and property taxes receivable, equity in CAL and a deferred outflow of resources.

The District's largest liability (73 percent) is for the repayment of long term debt and obligations including post-employment benefit obligations, including repayment of general obligation bonds, PERS and full faith and credit obligation bonds. Current liabilities, representing about 9 percent of the District's total liabilities, consist of debt obligations due within one year, payables on accounts and payroll liabilities.

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

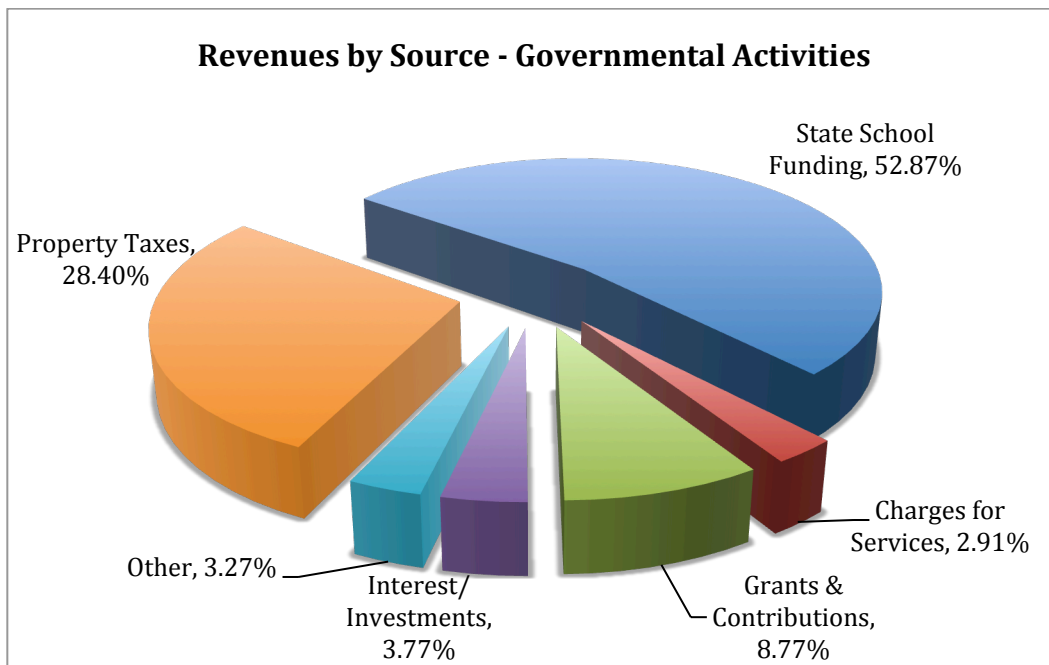
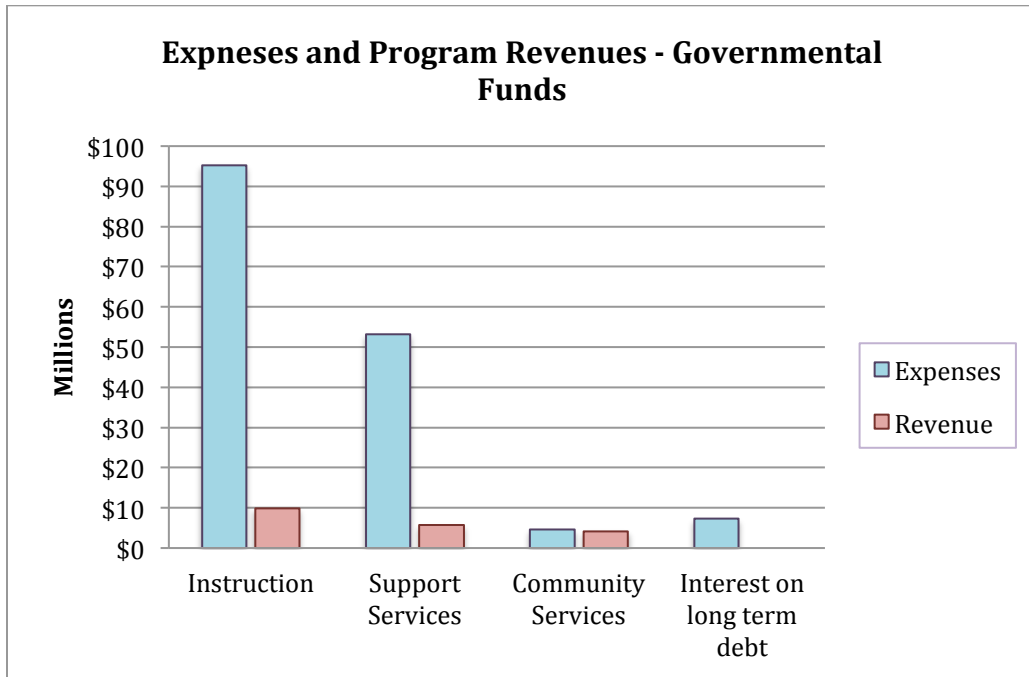
Net Position at June 30, 2019 and 2018			
(in thousands)			
	Governmental Activities		Increase (Decrease)
	2019	2018	
Current and other assets	\$ 197,414	\$ 284,231	\$ (86,817)
Capital assets	264,151	104,062	160,089
Total assets	<u>461,565</u>	<u>388,293</u>	<u>73,272</u>
Deferred Outflow of Resources	<u>34,730</u>	<u>25,502</u>	<u>9,228</u>
Current liabilities	35,721	21,866	13,855
Non-Current liabilities	373,749	330,869	42,880
Pension and OPEB Obligations	95,859	81,192	14,667
Total liabilities	<u>505,329</u>	<u>433,927</u>	<u>71,402</u>
Deferred Inflow of Resources			
Pension related deferred inflows	<u>8,034</u>	<u>3,619</u>	<u>4,415</u>
Net position:			
Net investment in capital assets	65,058	55,267	9,791
Restricted	136,093	239,632	(103,539)
Unrestricted	(218,219)	(318,650)	100,431
Total net position	<u>\$ (17,068)</u>	<u>\$ (23,751)</u>	<u>\$ 6,683</u>

During the current fiscal year, the District's overall financial position changed as indicated by an increase of \$6.68 million in net position. The District's investment in capital assets net of related debt increased by \$9.79 million primarily due to payment of related debt during the year. Restricted net position decreased by \$100 million due to a decrease in ending fund balance for Capital Projects.

Governmental activities. The key elements of the change in the District's net position for the year ended June 30, 2019 are as follows:

- General revenues increased by approximately \$10 million, mainly due to an increase in the State School Fund general support of approximately \$1.4 million, an increase in property taxes of approximately \$3.6 million, an increase in earnings on investments of approximately \$3 million and an increase in grants and contributions of approximately \$2 million.
- Governmental program expenses increased by about \$10 million. This was primarily due to the change in net pension and OPEB liability from 6/30/18 to 6/30/19 as well as an increase in payroll and associated cost increase of \$2 million, an increase in the cost of student transportation of \$.5 million and alternative education costs of \$.5 million.

Changes in Net Position			
For the year ended June 30, 2019 and 2018			
(in thousands)			
	2019	2018	Increase (Decrease)
Revenues:			
Program revenues:			
Charges for service	\$ 4,882	\$ 4,893	\$ (11)
Operating grants and contributions	14,695	12,579	2,116
Capital grants and contributions	81	98	(17)
General revenues:			
Property taxes	47,601	43,971	3,630
State school fund – general support	88,606	87,163	1,443
Other federal, state and local sources	5,559	4,713	846
Earnings on investments	5,737	2,761	2,976
Other	420	632	(212)
Total revenues	<u>167,581</u>	<u>156,810</u>	<u>10,771</u>
Expenses:			
Instruction	95,186	88,405	6,781
Support services	53,210	48,064	5,146
Enterprise and community services	4,693	4,675	18
Facilities acquisition and construction	0	0	0
Interest on long-term debt	7,809	9,016	(1,207)
Total expenses	<u>160,898</u>	<u>150,160</u>	<u>10,738</u>
Increase (decrease) in net position	6,683	6,650	33
Net position – July 1	<u>(23,751)</u>	<u>(30,401)</u>	6,650
Net position – June 30	<u>\$ (17,068)</u>	<u>\$ (23,751)</u>	<u>\$ 6,683</u>



FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

Governmental funds. The focus of the District's governmental funds is to provide information on 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, 2019, the District's governmental funds reported combined ending fund balances of \$158 million, a decrease of approximately \$99 million in comparison with the prior year primarily due to a reduction in the capital projects fund (103 million) related to construction projects occurring within the district offset with bond proceeds of 53 million. Approximately \$136.5 million (86 percent) of the ending fund balance constitutes nonspendable, restricted or committed balances. Restricted or committed ending fund balances are constrained to specific purposes by bondholders or governing body. Another 17.76 million (11 percent) of the ending fund balances are unassigned and available for spending at the District's discretion. Of the fund balance, \$132.3 million or 84 percent is designated for capital projects, as authorized by voters and the Board and an additional \$.94 million (0.6 percent) is dedicated for debt service obligations.

General Fund. The General Fund is the chief operating fund of the District. As of June 30, 2019, unassigned fund balance was about \$17.75 million. As a measure of the fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. Fund balance represents 14.9 percent of total General Fund expenditures. The fund balance increased by approximately \$2.79 million during the current fiscal year compared to an increase of approximately \$3.5 million during the 2017/18 fiscal year.

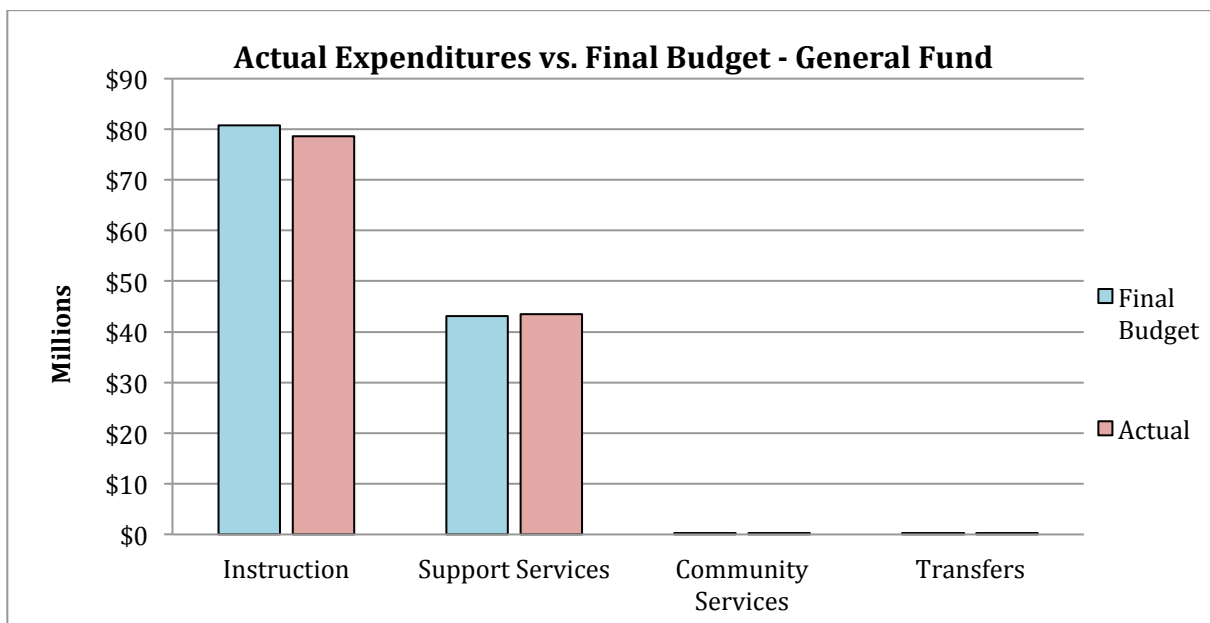
Federal Grant Fund. Revenues and expenditures in the Federal Grant Fund increased from approximately \$6 million in fiscal year 2018/19 to approximately \$6.2 million in 2018/19. This increase was primarily due to an increase in spending for Title I grants.

Capital Projects Fund. The Capital Projects Fund has a total fund balance of approximately \$133.8 million. The fund balance decreased by \$104 million during the fiscal year primarily due to capital construction projects in progress.

Other Governmental Funds. Changes to fund balances in the other governmental funds can be attributed to the addition of the PERS liability account that was established in 2017/18.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the year, as shown in the chart, below, in the General Fund expenditures for Instruction and Community Services were within budget. Expenditures for Support Services exceeded budget as a result of increased transportation and maintenance costs. Variances noted between the budget and actual totals were not inconsistent with prior year experience and reflect the District's conservative budget and spending practices. In 2018-19 there were no budget revisions.



CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets - The District's investment in capital assets includes land, buildings and improvements, vehicles and equipment and construction in progress. As of June 30, 2019, the District had invested approximately \$264 million in capital assets, net of depreciation, as shown in the following table:

Capital Assets (Net of Depreciation) For the year ended June 30, 2019 and 2018 (in thousands)			
	2019	2018	Increase (Decrease)
Land	\$ 6,326	\$ 6,326	\$ -
Buildings and improvements	58,995	60,167	(1,172)
Vehicles and equipment	15,812	5,597	10,215
Construction in Progress	183,018	31,972	151,046
Total Capital Assets	\$ 264,151	\$ 104,062	\$ 160,089

During the year, the District's investment in capital assets increased by approximately \$160 million. The major capital asset events for the year include the following:

- Gresham-Barlow bond projects \$163 million

Approximately \$3.1 million in depreciation expense offset the capital asset additions identified above.

Additional information of the District's capital assets can be found in Note 5 on page 30 of this report.

Long-term debt - At the end of the current fiscal year, the District had total debt outstanding of approximately \$373 million, consisting of general obligation debt, full faith and credit obligations and capital leases, net of unamortized premium/discount and other postemployment benefits obligation (OPEB).

The District's debt is currently all issued with the Oregon School Bond Guaranty. Standard & Poors has rated the bonds AA+ and Moody's under their Global Scale Rating has rated the bonds Aa1.

State statutes limit the amount of general obligation debt a governmental entity may issue to 7.95 percent of its total real market valuation. The current debt limitation for the District is approximately \$842.6 million, which is in excess of the District's outstanding general obligation debt. The current legal debt margin is approximately \$471 million.

Additional information on the District's long-term debt can be found in Note 6 on pages 31-32 of this report

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The most significant economic factor for the District is the State of Oregon's State School Fund. For the year ended June 30, 2019, the State School Fund – General Support provided 53 percent of the District's total resources and 72 percent of District's general fund resources. This is consistent with the previous year. There were significant reductions in the State School Fund from 2009-2013 caused by the economic downturn where Gresham-Barlow School District was required to make significant reductions in staffing and school days. While we now have a full school year, funding for schools has not fully recovered.

In May of 2019 the Student Success Act (SSA, Oregon 2019 HB 3427) was signed into law to invest \$2 billion into early education and K-12 education, this is a historic opportunity for Oregon and will have a significant positive impact on the Gresham-Barlow School District's 2020-2021 budget.

The 2019-20 budget relies on K-12 funding level of \$8.97 billion for the 2019-2021 biennium. This funding level allows the District to make some budget enhancements while also maintaining an estimated 79.7 percent ending fund balance. A minimum of 5 percent ending fund balance is required by board policy DBDB.

To comply with state law and sound business principles, the District must maintain a balanced budget with adequate reserves for economic and operational uncertainties. The commonly cited standard, and the amount the district is committed to setting aside

GRESHAM-BARLOW SCHOOL DISTRICT 10JT
MANAGEMENT'S DISCUSSION AND ANALYSIS

is 5 percent of annual operating expenditures. The District's anticipated expenditures will use a portion of the increased reserves in 2018-19 to support expenditures in 2019-20.

In November 2016, the voters of Gresham-Barlow School District approved a capital construction bond in the amount of \$291.17 million. Additionally, the state of Oregon awarded the school district a capital construction grant of \$8 million. This grant was only available upon successful passage of the bond measure. School bond projects will increase student and staff safety, improve access to modern technology, and address chronic overcrowding through upgrades and updates made to schools and classrooms throughout the district.

The education of students is labor intensive, as reflected in the allocation of the financial resources of the district. For the 2019-20 budget, salaries and fringe benefits represent approximately 69.8% of the General Fund operating budget. The expenditures for salaries and fringe benefits are determined by contractual agreements and staffing policies and guidelines of the board, on the basis of projected enrollment, special student needs, and the conditions of employment established by collective bargaining agreements. In 2018 to 2019 ending fund balance increased from \$15.38 million to \$18.17 million. The 2019-2020 budget anticipates an ending fund balance of approximately \$12.7 million.

REQUESTS FOR INFORMATION

This financial report is designed to present the user (citizens, taxpayers, investors, and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the District's Chief Finance Officer at 1331 NW Eastman Parkway, Gresham, Oregon 97030.

BASIC FINANCIAL STATEMENTS

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GRESHAM-BARLOW SCHOOL DISTRICT 10JT
STATEMENT OF NET POSITION
JUNE 30, 2019

	Governmental Activities
ASSETS:	
Cash and investments	\$ 186,753,560
Receivables	7,164,755
Prepays	414,395
Equity interest in CAL	3,081,197
Capital assets, net	
Construction in Progress	183,017,851
Land	6,326,123
Buildings and improvements	58,994,608
Vehicles and equipment	15,812,249
TOTAL ASSETS	<u>461,564,738</u>
DEFERRED OUTFLOWS OF RESOURCES	
PERS Pension related deferred outflows	32,221,400
Stipend Plan related deferred outflows	539,042
OPEB related deferred outflows	1,970,204
TOTAL DEFERRED OUTFLOW OF RESOURCES	<u>34,730,646</u>
LIABILITIES:	
Accounts payable and other current payables	34,765,661
Accrued interest payable	559,932
Unearned revenue	172,595
Noncurrent liabilities:	
Compensated absences	
due within one year	222,374
due in more than one year	352,791
Bonds payable, net of unamortized premium/discount,	
due within one year	11,938,338
due in more than one year	361,458,117
Proportionate share of net PERS liability - due in more than one year	84,719,683
Net Pension Liability - Stipend Plan - due in more than one year	1,490,270
Net OPEB Liability - Insurance and Implicit Subsidy - due in more than one year	9,649,262
TOTAL LIABILITIES	<u>505,329,023</u>
DEFERRED INFLOW OF RESOURCES:	
PERS Pension related deferred inflows	7,427,525
Stipend Plan related deferred inflows	81,138
OPEB related deferred inflows	525,464
TOTAL DEFERRED INFLOW OF RESOURCES	<u>8,034,127</u>
NET POSITION:	
Net investment in capital assets	65,058,057
Restricted for:	
Capital Projects	132,318,960
Student and other activities	1,858,287
Nutrition services	972,687
Debt Service	943,099
Unrestricted	(218,218,856)
TOTAL NET POSITION	<u>\$ (17,067,766)</u>

See notes to basic financial statements.

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019**

Functions/Programs	Expenses	Program Revenues			Net (Expense), Revenue and Change in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction:					
Regular programs	\$ 62,553,018	\$ 2,604,268	\$ 2,368,374	\$ 81,127	\$ (57,499,249)
Special programs	32,623,091	378,983	4,365,706	-	(27,878,402)
Summer school programs	10,018	96	-	-	(9,922)
Total instruction	<u>95,186,127</u>	<u>2,983,347</u>	<u>6,734,080</u>	<u>81,127</u>	<u>(85,387,573)</u>
Support Services:					
Student support services	8,822,858	89,642	1,539,428	-	(7,193,788)
Instructional staff support	7,542,690	74,762	2,808,858	-	(4,659,070)
General administration	676,361	5,685	-	-	(670,676)
School administration	9,308,359	100,206	40,192	-	(9,167,961)
Business support services	23,001,808	711,969	70,727	-	(22,219,112)
Central activities	3,857,789	57,752	190,282	-	(3,609,755)
Total support services	<u>53,209,865</u>	<u>1,040,016</u>	<u>4,649,487</u>	<u>-</u>	<u>(47,520,362)</u>
Enterprise and Community Services:	4,692,501	858,666	3,311,534	-	(522,301)
Interest on long-term debt	<u>7,809,148</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,809,148)</u>
 Total governmental activities	 <u>\$ 160,897,641</u>	 <u>\$ 4,882,029</u>	 <u>\$ 14,695,101</u>	 <u>\$ 81,127</u>	 <u>(141,239,384)</u>

General revenues:

Property taxes levied for general purposes	29,791,694
Property taxes levied for debt service	17,809,170
State school fund - general support	88,605,894
Other unrestricted state sources	3,613,258
Common school fund	1,351,843
County school fund	9,113
Other unrestricted federal sources	4,372
Earnings on investments	5,736,803
Unrealized Gain/Loss on investments	580,597
Miscellaneous	<u>420,172</u>
 Total general revenues	 <u>147,922,916</u>

CHANGE IN NET POSITION

	6,683,532
Net position - July 1, 2018	<u>(23,751,298)</u>
Net position - June 30, 2019	<u>\$ (17,067,766)</u>

See notes to basic financial statements.

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2019**

	General Fund	Federal Grant Fund	Capital Projects Fund	Other Governmental Funds	Total
ASSETS					
Equity in pooled cash and investments	\$ 20,952,070	\$ -	\$ 160,028,477	\$ 5,773,013	\$ 186,753,560
Receivables	1,934,278	2,046,438	580,210	2,603,829	7,164,755
Prepaid Items	414,395				414,395
Due from other funds	3,216,576	-	-	-	3,216,576
TOTAL ASSETS	<u>\$ 26,517,319</u>	<u>\$ 2,046,438</u>	<u>\$ 160,608,687</u>	<u>\$ 8,376,842</u>	<u>\$ 197,549,286</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Accounts, retainage, payroll and payroll withholding payables	\$ 7,469,160	\$ 892	\$ 26,779,649	\$ 515,960	\$ 34,765,661
Due to other funds	-	2,043,368	-	1,173,208	3,216,576
Unearned revenue	-	2,178	-	170,417	172,595
Total Liabilities	<u>7,469,160</u>	<u>2,046,438</u>	<u>26,779,649</u>	<u>1,859,585</u>	<u>38,154,832</u>
Deferred Inflows of Resources:					
Unavailable revenue-property taxes	<u>875,482</u>	<u>-</u>	<u>-</u>	<u>452,280</u>	<u>1,327,762</u>
Fund Balances:					
Nonspendable	414,395	-	-	-	414,395
Restricted	-	-	132,318,960	3,774,073	136,093,033
Assigned	-	-	1,510,078	2,290,904	3,800,982
Unassigned	17,758,282	-	-	-	17,758,282
Total fund balances	<u>18,172,677</u>	<u>-</u>	<u>133,829,038</u>	<u>6,064,977</u>	<u>158,066,692</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 26,517,319</u>	<u>\$ 2,046,438</u>	<u>\$ 160,608,687</u>	<u>\$ 8,376,842</u>	<u>\$ 197,549,286</u>

See notes to basic financial statements.

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO STATEMENT OF NET POSITION
JUNE 30, 2019**

TOTAL FUND BALANCES		\$ 158,066,692
Capital assets are not financial resources and therefore are not reported in the governmental funds:		
Cost	\$ 335,695,591	
Accumulated depreciation	<u>(71,544,760)</u>	264,150,831
A portion of the District's property taxes are collected after year-end but are not available soon enough to pay for the current years' operations, and therefore are not reported as revenue in the governmental funds.		
		1,327,762
The proportionate share of the net pension liability is not reported as an liability in the governmental funds - PERS		
		(84,719,683)
Pension liability for the stipend plan is not reported as a liability in the governmental funds.		
		(1,490,270)
OPEB liability for insurance is not reported as a liability in the governmental funds.		
		(9,649,262)
Deferred inflow/outflow of resources are not reported as deferred in the governmental funds		
Pension related deferred outflow/inflow (Net)		24,793,875
Stipend plan related deferred outflow (Net)		457,904
OPEB related deferred outflow (Net)		1,444,740
Equity interest in the Center for Advanced Learning (CAL) is not reported in the governmental funds.		
		3,081,197
Long-term liabilities not payable in the current year are not reported as governmental fund liabilities. Interest in long-term obligations is not accrued in the governmental funds, but rather is recognized as an expenditure when due. These liabilities consist of:		
Accrued interest payable	(559,932)	
Capital leases	-	
Bonds and financing payables	(373,396,455)	
Compensated absences payable	<u>(575,165)</u>	<u>(374,531,552)</u>
TOTAL NET POSITION		\$ <u><u>(17,067,766)</u></u>

See notes to basic financial statements.

GRESHAM-BARLOW SCHOOL DISTRICT 10JT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019

	General Fund	Federal Grant Fund	Capital Projects Fund	Other Governmental Funds	Total
REVENUES:					
Property taxes	\$ 29,791,694	\$ -	\$ -	\$ 17,809,170	\$ 47,600,864
Other taxes	-	-	633,962	-	633,962
Federal sources	99,432	6,223,547	-	3,206,511	9,529,490
State, local and intermediate sources	92,803,835	-	295,024	5,087,658	98,186,517
Charges for services	1,721,208	-	7,232	3,584,500	5,312,940
Investment earnings	934,523	-	5,120,264	262,613	6,317,400
TOTAL REVENUES	125,350,692	6,223,547	6,056,482	29,950,452	167,581,173
EXPENDITURES:					
Current:					
Instruction	78,541,082	4,299,601	-	3,735,227	86,575,910
Support services	43,318,150	1,883,741	92,667	3,092,824	48,387,382
Community services	255,926	40,205	-	4,311,586	4,607,717
Facilities acquisition and construction	-	-	13,845,591	-	13,845,591
Debt service:					
Principal	-	-	135,000	8,200,850	8,335,850
Interest	-	-	48,650	9,316,306	9,364,956
Capital outlay	187,737	-	149,512,742	-	149,700,479
TOTAL EXPENDITURES	122,302,895	6,223,547	163,634,650	28,656,793	320,817,885
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,047,797	-	(157,578,168)	1,293,659	(153,236,712)
OTHER FINANCING SOURCES (USES):					
Transfers to other funds	(260,000)	-	-	-	(260,000)
Transfer from other funds	-	-	-	260,000	260,000
Proceeds from financing agreement	-	-	53,865,357	-	53,865,357
TOTAL OTHER FINANCING SOURCES (USES)	(260,000)	-	53,865,357	260,000	53,865,357
NET CHANGE IN FUND BALANCE	2,787,797	-	(103,712,811)	1,553,659	(99,371,355)
FUND BALANCE, July 1, 2018	15,384,880	-	237,541,849	4,511,318	257,438,047
FUND BALANCE, June 30, 2019	\$ 18,172,677	\$ -	\$ 133,829,038	\$ 6,064,977	\$ 158,066,692

See notes to basic financial statements.

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019**

NET CHANGE IN FUND BALANCE \$ (99,371,355)

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

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

Expenditures for capital assets	\$ 163,269,982	
Less current year depreciation (Net)	<u>(3,180,959)</u>	160,089,023

In the Statement of Activities, the contributions to the Pension Trust Fund were more than the actuarially determined contribution amount increasing the net pension asset. In the governmental funds the entire contribution is recognized as an expenditure. This is the amount by which the NPL is increased: 138,678

In the Statement of Activities, the contributions to the Post Retirement Health Benefits Program were less than the actuarially determined contribution amount increasing the net OPEB liability. In the governmental funds the entire contribution is recognized as an expenditure. This is the amount by which the net OPEB is recognized as an expenditure. This is the amount by which the net OPEB liability is increased: (87,741)

The PERS pension expense represents the changes in net pension asset (liability) from year to year due to changes in total pension liability and the fair value of pension plan net position available to pay pension benefits.

Change in Proportionate Share of Net Pension Liability - PERS	(13,843,949)	
Change in deferred inflows/outflows of resources from net pension liability - PERS	<u>3,939,411</u>	(9,904,538)

Long-term obligation proceeds are reported as other financing sources in the governmental funds. In the Statement of Net Position, however, issuing long-term obligations increases liabilities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the Statement of Net Position:

Debt principal repaid (GO \$8,200,850 PERS \$1,431,415, FFCO \$135,000)		9,767,265
Debt issued (GO \$50,000,227)		(50,000,227)

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

Amortization of premium/(discount)		968,394
Premium from new debt (GO \$3,865,130)		(3,865,130)

Change in Equity Interest in Center for Advanced Learning (CAL) (87,677)

In the Statement of Activities interest is accrued on long-term debt, whereas in the governmental funds it is recorded as an interest expense when due. (178,747)

Property taxes that do not meet the measurable and available criteria are not recognized as revenue in the current year in the governmental funds. In the Statement of Activities property taxes are recognized as revenue when levied. (811,590)

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 expenditures when earned. 27,177

CHANGE IN NET POSITION \$ 6,683,532

See notes to basic financial statements.

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE- BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2019**

	Budget		Actual	Variance with Final Budget Over (Under)
	Adopted	Final		
REVENUES:				
Property taxes	\$ 28,510,000	\$ 28,510,000	\$ 29,791,694	\$ 1,281,694
State and local sources	90,963,555	90,963,555	94,525,043	3,561,488
Investment earnings	450,000	450,000	934,523	484,523
Federal sources	56,000	56,000	99,432	43,432
Total revenues	119,979,555	119,979,555	125,350,692	5,371,137
EXPENDITURES:				
Instruction	80,789,458	80,789,458	78,541,082	(2,248,376)
Support services	43,156,528	43,156,528	43,505,887	349,359
Community services	271,375	271,375	255,926	(15,449)
Operating contingency	9,509,635	9,509,635	-	(9,509,635)
Total expenditures	133,726,996	133,726,996	122,302,895	(11,424,101)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(13,747,441)	(13,747,441)	3,047,797	16,795,238
OTHER FINANCING SOURCES (USES):				
Transfers to other funds	(260,000)	(260,000)	(260,000)	-
Proceeds from sale or loss of capital assets	5,000	5,000	-	(5,000)
	(255,000)	(255,000)	(260,000)	(5,000)
NET CHANGE IN FUND BALANCE	(14,002,441)	(14,002,441)	2,787,797	16,790,238
FUND BALANCE, July 1, 2018	14,002,441	14,002,441	15,384,880	1,382,439
FUND BALANCE, June 30, 2019	\$ -	\$ -	\$ 18,172,677	\$ 18,172,677

See notes to basic financial statements.

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FEDERAL GRANT FUND (SPECIAL REVENUE FUND)
YEAR ENDED JUNE 30, 2019**

	Budget		Actual	Variance with Final Budget Over (Under)
	Adopted	Final		
REVENUES:				
Federal sources	\$ 8,196,431	\$ 8,196,431	\$ 6,223,547	\$ (1,972,884)
Total revenues	8,196,431	8,196,431	6,223,547	(1,972,884)
EXPENDITURES:				
Instruction	5,189,847	5,189,847	4,299,601	(890,246)
Support services	2,914,779	2,914,779	1,883,741	(1,031,038)
Community services	91,805	91,805	40,205	(51,600)
Total expenditures	8,196,431	8,196,431	6,223,547	(1,972,884)
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE, July 1, 2018	-	-	-	-
FUND BALANCE, June 30, 2019	\$ -	\$ -	\$ -	\$ -

See notes to basic financial statements.

FUDICIARY FUNDS

These funds account for the District's early retirement and post-employment health care benefits, and scholarship programs provided by bequests and donations. Included are:

Pension Trust Fund – The Early Retirement Fund accounts for the accumulation of resources to be used for payments to employees who receive supplemental early retirement stipends. The Post Retirement Fund accounts for the accumulation of resources to be used to pay post-employment medical care benefits (OPEB). Resources for the early retirement fund are charged to other funds as a percent of payroll based on actuarial valuations. Resources are contributed to the Post Retirement Fund through a transfer from the general fund. Both funds are budgeted together as the Pension Trust Fund.

Agency Fund – accounts for the receipts and disbursements associated with the processing of payroll for the Center for Advanced Learning and to account for “pass-through” grants where the District acts as the fiscal agent or cash conduit.

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**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2019**

	Pension Trust Funds	Agency Fund
	<u> </u>	<u> </u>
ASSETS		
Cash and cash equivalents	\$ 1,855,782	\$ 8,299
Receivables	-	74,557
	<u> </u>	<u> </u>
TOTAL ASSETS	<u>1,855,782</u>	<u>82,856</u>
LIABILITIES		
Book overdraft	-	74,557
Due to other agencies	-	8,299
	<u> </u>	<u> </u>
TOTAL LIABILITIES	<u>-</u>	<u>82,856</u>
NET POSITION RESTRICTED FOR PENSIONS	<u><u>\$ 1,855,782</u></u>	<u><u>\$ -</u></u>

See notes to basic financial statements.

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2019**

	Pension Trust Funds
ADDITIONS:	
Contributions:	
Employer	\$ 566,606
Investment earnings	48,394
	<hr/>
Total additions	615,000
	<hr/>
DEDUCTIONS:	
Early retirement benefits	322,377
Health and welfare benefits	130,675
	<hr/>
Total deductions	453,052
	<hr/>
CHANGE IN NET POSITION	161,948
NET POSITION, July 1, 2018	1,693,834
	<hr/>
NET POSITION, June 30, 2019	<u>\$ 1,855,782</u>

See notes to basic financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Gresham-Barlow School District 10JT (the District), was established on July 1, 1994 as the result of the unification of the former Gresham Grade, Orient, Damascus Union and Barlow-Gresham Union High School Districts. The elementary districts merged into Barlow-Gresham Union High School District. The Barlow-Gresham Union High School District Board of Directors remained the governing Board and the policies of the high school remained intact.

The District is governed by an elected seven-member board. The District is a special-purpose primary government exercising financial accountability for all public education within its boundaries. As required by generally accepted accounting principles, these financial statements present all significant activities and organizations of the District. The District reports no component units, nor is the District a component unit of any other entity. There are various governmental agencies and special service districts, which provide service within the District's boundaries, however, the District is not financially accountable for any of these entities, and therefore, none of them are considered component units or included in these basic financial statements.

The District has granted charter to three public charter schools, Gresham-Barlow Web Academy Charter School, Gresham Arthur Academy Charter School and Lewis and Clark Montessori Charter School. These public charter schools are legally separate, tax-exempt organizations governed by their own boards of directors and their financial statements may be obtained by their administrative offices.

Gresham-Barlow Web Academy
1331 NW Eastman Parkway
Gresham, OR 97030

Lewis and Clark Montessori Charter School
PO Box 365
Gresham, OR 97030

Arthur Academy Gresham, Mastery Learning Institute
13717 SE Division
Portland, OR 97236

Basis of Presentation

Government-wide Financial Statements

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements

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

The District reports the following major governmental funds:

General Fund - This is the District's primary operating fund and accounts for all revenues and expenditures except those required to be accounted for in another fund.

Federal Grant Fund – This fund accounts for revenues and expenditures of grants restricted for specific educational projects. Principal revenue sources are federal grants.

Capital Project Fund – This fund accounts for financial resources that are used for the acquisition of land, construction of buildings, remodel, rehabilitation and/or major renovation of capital facilities, fixtures, new equipment and textbooks for program improvement and educational technology. Principal revenue sources are construction excise taxes, SB 1149 revenues, rental fees on surplus land and surplus land sales, MESD resolution, and transfers from the General Fund.

Additionally, the District reports the following fund types:

The pension trust fund accounts for the accumulation of resources to be used for payments to employees who receive supplemental early retirement stipends and post-employment health care benefits.

The agency fund accounts for pass-through grants where the District acts as fiscal agent or cash conduit and handles the payroll function for the Center for Advanced Learning and Gresham-Barlow Education Foundation.

Measurement Focus and Basis of Accounting

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

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

Agency fund financial statements report only assets and liabilities and therefore, have no measurement focus. However the accrual basis of accounting is used to recognize receivables and payables.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash, Cash Equivalents and Investments

The cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less. Short-term investments are stated at cost, which approximates fair value. Investments in the State of Oregon Treasurer's Local Government Investment Pool (LGIP) are stated at cost which approximates fair value. Fair value of the LGIP is the same as the value in pool shares.

Fair Value Inputs and Methodologies and Hierarchy

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

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

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

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

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

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 assets. Uncollected taxes are deemed to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established. All property taxes receivable are due from property owners within the District.

Accounts and Other Receivables

Accounts and other receivables are comprised primarily of State school support and claims for reimbursement of costs under various federal and state grants. All accounts receivable are current and no allowance for uncollectible accounts is made.

Interfund Receivables and Payables, and Transfers

The receipt and payment of monies through one central checking account, as well as transfers between funds, result in interfund payables and receivables until cash is transferred from one fund to the other. These amounts represent current assets and liabilities and are reported as due to or due from other funds.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Supply Inventories and Prepaid

Inventories are charged as expenditures when purchased and are stated at cost using first-in, first-out (FIFO) method. Any donated inventories are stated at their estimated fair market value. Inventories at year-end were considered immaterial. A portion of the inventory consists of donated United States Department of Agriculture (USDA) commodities. Commodities are recorded when processing and handling fees are paid and are stated at their fair market value based on guidelines provided by the USDA. Commodities on hand at year-end were considered immaterial.

Prepaid items are recorded in both government-wide and fund financial statements using the consumption method where items are charged to expenditure as the service is provided. Prepaid items include funds held at the City of Gresham for permits, first month's rent on a building lease and worker's compensation premiums paid for the next fiscal year.

Intangible Assets

Intangible assets are recorded in accordance with GASB Statement No. 51. The capitalization threshold for intangible assets is \$50,000. There were no intangible assets as of June 30, 2019.

Capital Assets

Capital assets are recorded at original or estimated original cost. Donated capital assets are recorded at 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 three years. Interest incurred during construction is not capitalized. Maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Capital assets are depreciated using the straight-line method over the following useful lives:

Buildings and improvements	10 to 50 years
Equipment and vehicles	5 to 20 years
Land and construction in progress are not depreciated	

Retirement Plans

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

In addition, licensed, classified employees (hired prior to July 1, 1999), administrative supervisors, (hired prior to July 1, 2005) and confidential employees (hired prior to July 1, 2009) with 15 years of service with the District and reaching age 55 (10 years for administrative) or age 55 with 30 years of service with PERS, generally, are eligible for early retirement benefits. Payment of benefits is made from a fiduciary fund, which accumulates contributions made from the General Fund. These contributions are charged to expenditures based on actuarially determined amounts. Employer contributions to the Pension Trust Fund are recorded when due and the Board has made a formal commitment to provide contributions.

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

Post Employment Health Care Benefits

Eligible administrative and confidential employees who elect early retirement are entitled to payment of group medical and dental insurance premiums up to specified maximum limits. Such costs are recorded as expenses in the Pension Trust Fund and funded as premiums become due.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the District does not have a policy to pay any amounts when employees separate from service with the District. All unused vacation pay is accrued when earned in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignation and retirements.

Long-term Obligations

In the government-wide financial statements long-term obligations are reported as liabilities 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.

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

Budget

A budget is prepared and legally adopted for each governmental fund type and pension trust funds on the modified accrual basis of accounting. The agency fund is not required to be budgeted. A budget is prepared for multiple areas of the District's Capital Project Fund and Special Revenue Funds because the individual funds are associated with specific bond proceeds, grants or other revenue sources, however, the legal level of budgetary control is at the combined level as adopted by the Board of Education by resolution. The budgetary basis of accounting is substantially the same as accounting principles generally accepted in the United States of America basis, except capital outlay expenditures, including items below the District's capitalization level, are budgeted by major function in governmental fund types, inventories are budgeted as expenditures when purchased and contributions to the Post Retirement Fund are budgeted as transfers. 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, 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% of a fund's original budget may be adopted by the Board at a regular meeting. A supplemental budget greater than 10% of a fund's original budget requires hearings before the public, publication in newspapers and approval by the Board. During the 2018/19 fiscal year no budget amendments were proposed. 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, no appropriation transfers were made. Appropriations lapse at the end of each fiscal year. Expenditures of the various funds were within authorized appropriations, except as noted on the budgetary comparisons for the General Fund.

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 effect 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 expenditures during the reporting period. Actual results could differ from those estimates.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred outflows/inflows of resources

In addition to assets, the basic financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense / expenditure) until then. At June 30, 2019, there were deferred outflows of \$34,730,646 representing PERS pension, stipend, and OPEB related deferrals reported in the statement of net position.

In addition to liabilities, the basic financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. At June 30, 2019, there were deferred inflows of \$8,034,127 representing PERS pension, stipend, and OPEB related deferrals reported in the statement of net position. In addition, the governmental funds balance sheet has deferred inflows of \$1,327,762 which represent unavailable property taxes.

NET POSITION

Net position comprises the various net earnings from operations, non-operating 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 reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

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 is net position restricted for special projects.

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

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitation requiring the use of resources for specific purposes. These categories are described as follows:

Nonspendable Fund Balance – represents amounts that are not in a spendable form (inventories and prepaid items). The District currently has no nonspendable fund balance.

Restricted Fund Balance – represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements or other governments) or are restricted by law (constitutionally or by enabling legislation).

Committed Fund Balance – represents funds formally set aside by the Board of Directors for a particular purpose. The Board of Directors must take formal action by resolution to establish, modify or resend the commitment. The District currently has no committed fund balance.

Assigned Fund Balance – represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. The Board has given authority by motion to the District's Superintendent and/or the District's Chief Finance Officer to assign fund balance.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unassigned Fund Balance – is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. In other governmental it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

The Board of Directors has approved the following order of spending regarding fund balance categories:

1. Restricted Fund Balance
2. Committed Fund Balance
3. Assigned Fund Balance
4. Unassigned Fund Balance

2. CASH, DEPOSITS AND INVESTMENTS

Deposits with financial institutions include bank demand deposits, deposits in the local government investment pool, time certificates of deposit, and savings accounts deposits as authorized by Oregon statutes. The cash and investments are comprised of the following:

Cash on hand	\$ 4,504
Deposits banks	2,159,235
Time certificates of deposit	110,700
State of Oregon treasurer's investment pool	39,037,415
US Treasuries	87,791,995
US Agencies	59,439,235
	<u>\$ 188,543,084</u>

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

Statement of Net Position	
Equity in Cash and Investments	\$ 186,753,560
Statement of Fiduciary Funds Net Assets	
Equity in Cash and Investments	1,864,081
Book Overdraft	(74,557)
	<u>\$ 188,543,084</u>

Deposits with Financial Institutions

Deposits with financial institutions include bank demand deposits and certificates of deposit. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury.

Custodial Credit Risk - Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the deposits may not be returned. At year-end, the District's net carrying amount of deposits was \$2,269,935 and the bank balance was \$4,935,822. Of these deposits, \$790,096 was covered by federal depository insurance, and the remainder was collateralized by the Oregon Public Funds Collateralization Program (PFCP). Oregon Revised Statutes and District policy require depository institutions to maintain on deposit, with the collateral pool manager, securities having a value not less than 10% of their quarter-end public fund deposits if they are well capitalized, 25% of their quarter-end public fund deposits if they are adequately capitalized, or 110% of their quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110% by the Office of the State Treasurer.

2. CASH, DEPOSITS AND INVESTMENTS (CONTINUED)

Investments

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

Investment Type	Fair Value	Less than 3 months	More than 3 months
State Treasurer's Investment Pool	\$ 39,037,415	\$ 39,037,415	\$ -
U.S. Agencies	59,439,235	36,460,995	22,978,240
U.S. Treasuries	87,791,995	46,940,000	40,851,995
	<u>\$ 186,268,645</u>	<u>\$ 122,438,410</u>	<u>\$ 63,830,235</u>

Generally accepted accounting principles require investments with a remaining maturity of more than one year at the time of purchase to be stated at fair value. Fair value is determined at the quoted market price, if available; otherwise, the fair value is estimated based on the amount at which the investment could be exchanged in a current transaction between willing parties, other than in a forced liquidation sale.

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

[http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-\(OSTF\).aspx](http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-(OSTF).aspx)
 If the link has expired please contact the Oregon Short Term Fund directly.

Interest Rate Risk

Oregon Revised Statutes require investments not to exceed a maturity of 18 months, except when the local government has adopted a written investment policy that was submitted to and reviewed by the OSTFB. In accordance with its investment policy, the District manages its exposure to declines in fair values by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing operating funds primarily in shorter-term securities or short-term investment pools. The maximum maturity shall be the anticipated use of the cash or 18 months, whichever is shorter, unless the funds are being accumulated for a specific purpose, including future construction projects, and upon approval of the District, the maximum maturity date matches anticipated use of the funds. The District uses the specific identification method to determine interest rate risk in fixed rate debt securities.

Credit Risk

Oregon Statutes authorize investing in obligations of the U.S. Treasury and U.S. agencies, bankers' acceptances, repurchase agreements, commercial paper rated A-1 by Standard & Poor's Corporation of P-1 by Moody's Commercial Paper Record, and the state treasurer's investment pool.

2. CASH, DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk - Investments

For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The District minimizes custodial credit risk by limiting investments to the types of securities allowed by law.

The District's investment policy requires that all of the District's investments, except for the investment in the Local Government Investment Pool which is not evidenced by securities and the overnight sweep repurchase agreements, to be delivered to and held in third party safekeeping. The overnight sweep repurchase agreements are held in safekeeping by the financial institution counterparty in the financial institution's general customer account name. There was no overnight sweep balance at June 30, 2019.

Concentration of Credit Risk

Oregon Revised Statutes do not limit investments as to credit rating for securities purchased from U.S. Government Agencies. At June 30, 2019, 21% of total investments were in the State Treasurer's Investment Pool.

The District's investment policy places no limit on the amount the District may invest in U.S. government agency securities and instrumentalities of government-sponsored corporations or the state treasurer's investment pool, however the policy limits investment to a single U. S government agency to 50% of surplus funds. The District's investment policy limits commercial paper to 35% of total investments with no more than 5% in a single corporate entity or it affiliates or subsidiaries. The District's investment policy also limits banker's acceptances to 50% of the total investment portfolio with no more than 25% of the total portfolio of investments in a single issuer. State and Local Government securities are limited to 25% of the total portfolio and to lawfully issued debt obligation or the agencies and instrumentalities of the States of Oregon, Washington, Idaho and California. The District policy, which adheres to State of Oregon law, is to limit its investment to issuers within Oregon with a rating of at least "A" (bond) or A-2/P-2 (commercial paper) or better by Standard and Poor's, Moody's Investor 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.

3. RECEIVABLES

Receivables are comprised of the following as of June 30, 2019:

Property taxes	\$	1,327,762
Grants		3,904,859
Common school fund		675,921
July turnover with county treasurer		219,073
Nutrition Services Negative Balances		87,758
Investment Interest		517,377
Other		432,005
Total	\$	<u>7,164,755</u>

4. PREPAID ITEMS

Prepaid items are comprised of the following as of June 30, 2019:

SAIF Corp	\$	404,978
Rent		5,402
City of Gresham Escrow – Permits		3,515
Other		500
Total	\$	<u>414,395</u>

GRESHAM-BARLOW SCHOOL DISTRICT 10JT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

5. CAPITAL ASSETS

Capital assets activity for the year was as follows:

	July 1, 2018	Increases	Decreases	June 30, 2019
Capital assets not being depreciated:				
Land	\$ 6,326,123	\$ -	\$ -	\$ 6,326,123
Construction in progress	31,972,167	153,447,137	(2,401,453)	183,017,851
Total capital assets not being depreciated	<u>38,298,290</u>	<u>153,447,137</u>	<u>(2,401,453)</u>	<u>189,343,974</u>
Capital assets being depreciated				
Buildings and improvements	122,186,736	1,273,958	-	123,460,694
Vehicles and equipment	11,940,583	8,548,887	2,401,453	22,890,923
Total capital assets being depreciated	<u>134,127,319</u>	<u>9,822,845</u>	<u>2,401,453</u>	<u>146,351,617</u>
Less accumulated depreciation for:				
Buildings and improvements	(62,019,947)	(2,446,139)	-	(64,466,086)
Vehicles and equipment	(6,343,854)	(734,913)	93	(7,078,674)
Total accumulated depreciation	<u>(68,363,801)</u>	<u>(3,181,052)</u>	<u>-</u>	<u>(71,544,760)</u>
Total capital assets being depreciated, net	<u>65,763,518</u>	<u>6,641,793</u>	<u>-</u>	<u>74,806,857</u>
Total capital assets, net	<u>\$ 104,061,808</u>	<u>\$ 160,088,930</u>	<u>\$ 93</u>	<u>\$ 264,150,831</u>

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

<u>Program</u>	
Regular programs	\$ 2,605,622
Special programs	32,503
Student support services	971
Instructional programs	661
School administration	3,925
Business support services	468,129
Central activities	7,699
Enterprise and community services	61,542
Total	<u>\$ 3,181,052</u>

6. LONG-TERM OBLIGATIONS

Bonds Payable

General Obligation Bonds

General obligation bonds are direct obligations and pledge the full faith and credit of the District. The District issues general obligation bonds to provide funds for the acquisition and construction of District school facilities. The 2005 and 2012 outstanding issues as of June 30, 2018 are refunding issues, which refunded the 1996 and 2000 construction bonds. The district refunding series 2005 matures in June of 2021 and refunding series 2012 matured in June 2017.

On February 28, 2017 the District issued \$241.166 million in general obligation bonds for capital construction and improvements. Interest rates on the bonds range from 1.39-5%, payable semi-annual in June and December. Principal is paid annually in June with a final maturity in June 2037.

On April 9, 2019 the District issued \$50 million in general obligation bonds for capital construction and improvements. Interest rates on the bonds range from 1.85-3.65%, payable semi-annual in June and December. Principal is paid annually in June with a final maturity in June 2039.

GRESHAM-BARLOW SCHOOL DISTRICT 10JT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

6. LONG-TERM OBLIGATIONS (CONTINUED)

Changes in general obligation bonds outstanding are as follows:

ISSUE DATE:	Original Issue	Outstanding July 1, 2018	Issued	Matured and Redeemed	Outstanding June 30, 2019	Due Within One Year	Interest Rates
April 18, 2005	\$ 32,405,000	\$ 15,790,000	\$ -	\$ 4,825,000	\$ 10,965,000	\$ 5,250,000	5.50%
February 28, 2017	241,165,714	241,165,714	-	3,375,850	237,789,864	3,765,545	1.39-5%
April 9, 2019	50,000,227	-	50,000,227	-	50,000,227	-	1.85-3.65%
		256,955,714	50,000,227	8,200,850	298,755,091	9,015,545	
Unamortized premium		29,013,711	3,865,130	1,721,810	31,157,031	1,915,067	
Total		\$ 285,969,425	\$53,865,357	\$9,922,660	\$329,912,122	\$10,930,612	

Defaults and Remedies:

2017 and 2019 General Obligation Bonds

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

2005 General Obligation Refunding Bonds

If sufficient moneys to pay the scheduled debt service payment have not been transferred to the paying agent, the State Treasurer shall, on or before the scheduled payment date, transfer sufficient monies to the paying agent to make the scheduled debt service payment. If sufficient moneys of the state are not on hand and available at the time the State is required to make a debt service payment under its guaranty on behalf of the school district, the State Treasurer may singly or in combination: Obtain from the Common School Fund or from any other State funds that qualify to make a loan under ORS 293.205 to 293.225; a loan sufficient to make the required payment. Borrow Money, if economical and convenient, as authorized by ORS 288.165; Issue State general obligation bonds as provided for in Article XI-K of the Constitution and the process for which is defined in the act; and, With the approval of the Legislative Assembly, or the Emergency Board if emergency funds are lawfully available for making the required payment in the interim between sessions of the Legislative Assembly, pay monies from the General Fund or any other funds lawfully available for the purpose or from emergency funds amounts sufficient amount to make the required payment.

Pension Obligation Bonds

On October 31, 2002 and April 21, 2003, limited tax pension obligation bonds totaling \$35,758,403 and \$25,307,539, respectively, were issued to finance the District's unfunded actuarially accrued liability (UAL) with the State of Oregon Public Employees Retirement System (PERS). The issuance of the bonds was considered an advance refunding of the District's UAL and resulted in an estimated present value savings of approximately \$16 million over the life of the bonds. The actual savings realized by the District over the life of the bonds is uncertain because of the various legislative changes and legal issues pending with the PERS system which could impact the District's future required contribution rate.

On January 31, 2012, limited tax pension refunding obligation bonds totaling \$2,485 million were issued to refund \$2,380 million of the October 31, 2002 limited tax pension obligation bonds. The remaining pension obligation bonds are not callable. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the government activities column of the statement of net assets. At June 30, 2019, \$2,380,000 of pension obligation bonds are considered defeased.

Changes in pension obligation bonds outstanding are as follows:

GRESHAM-BARLOW SCHOOL DISTRICT 10JT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

6. LONG-TERM OBLIGATIONS (CONTINUED)

ISSUE DATE:	<u>Original Issue</u>	<u>Outstanding July 1, 2018</u>	<u>Issued</u>	<u>Matured and Redeemed</u>	<u>Outstanding June 30, 2019</u>	<u>Due Within One Year</u>	<u>Interest Rates</u>
October 31, 2002	\$ 35,758,403	\$ 25,759,545	\$ -	\$ 753,543	\$ 25,006,002	\$ 761,002	5.48-6.1%
April 21, 2003	25,307,539	16,699,757	-	677,875	16,021,885	674,172	5.66-6.34%
January 31, 2012	2,485,000	2,485,000	-	-	2,485,000	-	2.75%
		<u>44,944,302</u>	<u>-</u>	<u>1,431,415</u>	<u>43,512,887</u>	<u>1,435,174</u>	
Unamortized Discount		<u>(2,186,675)</u>	<u>-</u>	<u>(766,161)</u>	<u>(1,420,514)</u>	<u>(580,193)</u>	
Total		<u>\$ 42,757,627</u>	<u>\$ -</u>	<u>\$ 665,254</u>	<u>\$ 42,092,373</u>	<u>\$ 854,981</u>	

Defaults and Remedies:

Upon the occurrence and continuance of any event of default, under the Trust Agreement, the Series Trustee may, and if the owners of not less than fifty-one percent (51%) in aggregate principal amount of series obligations then outstanding so request, is required to take whatever action at law or in equity may appear necessary or desirable to enforce or to protect any of the rights vested in the series trustee or the owners of series obligations by the trust agreement, the intercept agreement or the series pension bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in the trust agreement or the intercept agreement or in aid of the exercise of any power granted in the trust agreement or the intercept agreement or for the enforcement of any other legal or equitable right vested in the series trustee by the trust agreement or by law; provided that in no event will the series Trustee have the right to accelerate the pension bond payments or the series obligations. The series Trustee is not permitted to exercise remedies against a series issuer that has not caused a Pension Bond Default. Per the Official Statements - Defaults and Remedies.

Full Faith and Credit Obligations

On August 22, 2012 the District issued \$2.185 million in full faith and credit obligations in order to finance energy efficiency and related capital projects. Repayment will be made from the District's general non-restricted revenues and other funds that may be available for that purpose but primarily SB 1149 revenues which are designated for energy projects. The obligations are not general obligation bonds and are not subject to the District's debt limitation.

Changes in full faith and credit obligation bonds outstanding are as follows:

ISSUE DATE:	<u>Original Issue</u>	<u>Outstanding July 1, 2018</u>	<u>Issued</u>	<u>Matured and Redeemed</u>	<u>Outstanding June 30, 2016</u>	<u>Due Within One Year</u>	<u>Interest Rates</u>
August 12, 2012	2,185,000	1,425,000	-	135,000	1,290,000	140,000	3-4%
Unamortized premium		<u>114,705</u>	<u>-</u>	<u>12,745</u>	<u>101,960</u>	<u>12,745</u>	
Total		<u>\$ 1,539,705</u>	<u>\$ -</u>	<u>\$ 147,745</u>	<u>\$ 1,391,960</u>	<u>\$ 152,745</u>	

Defaults and Remedies:

Upon the occurrence and continuance or any Event of Default, the Escrow Agent may proceed, and upon written request of the Owners of not less than majority in aggregate principal amount of Obligations then Outstanding, shall proceed to take whatever action at law or in equity may appear necessary or desirable to enforce the Financing Agreement or to protect any of the rights vested in the Escrow Agent or the Owners of Obligations by the Escrow Agreement or by the obligations, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in the Escrow Agreement or in aid of the exercise of any power granted in the Escrow Agreement or for the enforcement of any other legal or equitable right vested in the Escrow Agent by the Escrow Agreement or by law; provided however, that upon an event of default the escrow agent shall not have the right to declare the unpaid principal components of the financing payments immediately due and payable. Per the Escrow Agreement dated August 28, 2012. Article 9 – Remedies on Default, section 9.2, page 20.

GRESHAM-BARLOW SCHOOL DISTRICT 10JT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

6. LONG-TERM OBLIGATIONS (CONTINUED)

Future long-term debt maturities are as follows and does not include amortization of premium and discounts:

Fiscal Year Ending June 30,	Principal	Interest
2020	10,590,720	15,059,953
2021	13,197,131	13,445,199
2022	14,117,903	13,490,964
2023	15,956,954	12,620,730
2024	19,315,000	10,206,839
2025-2029	112,840,000	34,670,168
2030-2034	86,707,566	47,956,184
2035-2039	70,832,704	54,251,296
Total	\$343,557,978	\$201,701,333

In prior years, the District defeased general obligation bonds by placing the proceeds of new bonds in irrevocable trusts to provide for all future debt service payments on the old obligations. As a result, the early refunding bonds are considered to be defeased. Accordingly, the trust account assets and the liabilities for the defeased obligations are not included in the District's basic financial statements. At June 30, 2019, \$16,150,000 of general obligation bonds are considered defeased.

Compensated Absences

<u>Outstanding 7/1/18</u>	<u>Additions</u>	<u>Reductions</u>	<u>Outstanding 6/30/19</u>	<u>Due with one year</u>
\$602,342	\$575,165	\$602,642	\$575,165	\$222,374

Compensated absences are assumed to be used on a first in first out basis and are generally liquidated by the general fund. An estimate has been made to determine balances which are considered due within one year.

The general obligation bonds will be paid from general property tax revenues from the Debt Service Fund. The pension bonds will be paid from the general fund with reimbursements from charges to fringe benefits for all employees who qualify for the State of Oregon Public Employees Retirement System. The full faith and credit obligation and the financing agreement will be paid from the capital projects fund. Compensated absences will be paid from the general fund.

7. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Due to/from other funds at June 30, 2019 are as follows:

	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 3,216,576	\$ -
Federal Grant Fund	-	2,043,368
Non-major governmental funds	-	1,173,208
Total interfund receivables and payables	<u>\$ 3,216,576</u>	<u>\$ 3,216,576</u>

The outstanding balances between funds results from grant awards which require the expenditure of funds prior to reimbursement, causing negative cash balances until grant reimbursement is received. This transaction properly records negative cash balances.

Transfers are used to move unrestricted revenues to finance various programs that the District must account for in other funds in accordance with budgetary authorization.

7. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

In the year ended June 30, 2019, the District made the following transfers:

- 1) A transfer of \$300,000 from the General Fund to the Post Retirement Fund in support of other post employment health care benefits. This transfer is included as support services expenditures for GAAP reporting purposes.
- 2) A transfer of \$260,000 from the General Fund to the Other Special Revenue Fund in support of print shop operations.

8. OPERATING LEASES

The District leases equipment, primarily copiers, under non-cancelable lease agreements. Operating lease expenses/expenditures totaled approximately \$342,000 for the year ended June 30, 2019. Future payments associated with operating leases are due as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2020	\$ 337,702
2021	134,442
2022	126,523
2023	20,277
2024	5,338
2025	407
	<u>\$ 624,689</u>

9. OTHER POST EMPLOYMENT BENEFITS

Post Employment Health Care Benefits

Plan Description - The District, as a result of collective bargaining agreements, offers post-employment medical benefits under a single-employer, defined benefit plan, to administrators and confidential employees upon retiring under the provisions of PERS and to instructors who retired prior to July 1, 1992. In addition to qualifying for PERS, retirees must elect early retirement under the District's early retirement program as described in the previous Note. For these retirees, the District provides payments for medical premiums and provides dental coverage to administrators until the earlier of 120 months or until age 65.

Prior to July 1, 1992, the program was also available to instructors. As a result of collective bargaining, increased benefits in the District's early retirement program, as described in the previous note, have replaced the post-employment health care benefits for instructors retiring on or after July 1, 1992. Benefits will continue for those instructors already receiving benefits, who retired prior to July 1, 1992. The District does not issue a stand-alone report for this plan.

Summary of significant accounting policies - The plan is accounted for in the Post Retirement Fund, which is reported on the accrual basis of accounting. The District's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Plan investments are a part of the District's investment pool, reported at fair value. Because the District has not transferred the assets to an insurance trust, the actuarial value of assets is zero.

Funding Policy - The benefits from this program are fully paid by the District and, consequently, no contributions by employees are required. Although there is no obligation on the part of the District to fund these benefits in advance, the District has established a Post Retirement Fund to accumulate assets to pay these benefits in the future; however the District does not contribute to the fund on an actuarially determined basis.

Post Employment Health Insurance Subsidy

Plan Description - The District operates a single-employer retiree benefit plan that provides postemployment health, dental vision and life insurance benefits to eligible employees and their spouses. There are active and retired members in the plan. Benefits and eligibility for members are established through the collective bargaining agreements. The District's post-retirement plan was established in accordance with Oregon Revised Statutes (ORS) 243.303 which states, in part, that for the purposes of

9. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

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

The District did not establish an irrevocable trust (or equivalent arrangement) to account for the plan. Instead, the activities of the plan are reported in the General Fund. The District does not issue a stand-alone report for this plan.

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

Total Other Post Employment Benefit Liability

For presentation purposes the actuary combined both OPEB Plans (Implicit Subsidy and Post employment Health Care) into one liability and the following disclosures include both plans. The District's total pension liability and total other post employment benefits were measured as of June 30, 2018 and determined by an actuarial valuation as of June 30, 2019.

Actuarial Methods and Assumptions - The District engaged an actuary to perform a valuation as of June 30, 2019 using the Entry age normal, level percent of Pay Cost Actuarial Method. The asset valuation method used was market value and the amortization method used was 30 year, open level %.

The total other post employment benefit liability in the June 30, 2019 actuarial valuation was calculated based on the discount rate and actuarial assumptions below, and was then projected forward/backward to the measurement date.

Discount Rate	3.87%	3.50%
Valuation Date	January 1, 2019	January 1, 2019
Measurement Date	June 30, 2018	June 30, 2019
Reporting Date	June 30, 2019	June 30, 2020
Inflation	2.50%	2.50%
Salary Increases	3.25%	3.25%
Healthy Mortality	Based on Oregon PERS valuation assumptions as of December 31, 2017	Based on Oregon PERS valuation assumptions as of December 31, 2017
Actuarial Cost Method	Entry Age Normal Level Percent of Pay	Entry Age Normal Level Percent of Pay

Mortality rates were based on the RP=2014 Annuitant, Sex Distinct, Generational projection with unisex Social Security Data Scale and set back 12 months.

Disability rates were not used in the June 30, 2019 valuation.

Retirement rates were calculated based on age, Tier/OPSRP and duration of service. 100% of future retirees eligible for District-paid health care are assumed to elect medical coverage and 80% of those retirees are assumed to cover a spouse, as well.

GRESHAM-BARLOW SCHOOL DISTRICT 10JT
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JUNE 30, 2019

9. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

60% of all other active members were assumed to elect medical coverage and 70% of male/30% of female retirees are assumed to cover a spouse, as well. There was an assumption of no impact of dependent children on the implicit subsidy.

100% of eligible retirees are assumed to continue life insurance coverage until the maximum allowable age.

The discount rate used to measure the total other post-employment benefit liabilities were 3.87%, based on the Bond Buyer Index: 20-Bond Government Obligations at the measurement date.

Changes in the Net Other Post-Employment Benefit Liability

	Increase (Decrease)		
	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a)-(b)
Balance at June 30, 2018	\$ 10,206,199	\$ 1,345,915	\$ 8,860,284
Service Cost	562,072	-	562,072
Interest on Total Pension Liability	373,190	-	373,190
Effect of changes to benefit terms	15,722	-	15,722
Effect of economic /demographic gains or losses	(104,329)	-	(104,329)
Effect of assumptions changes or inputs	846,814	-	846,814
Contributions - Employer	-	340,975	(340,975)
Contributions - Employee	-	-	-
Benefit Payments	(694,191)	(130,675)	(563,516)
Administrative Expenses	-	-	-
Balance at June 30, 2019	\$ 11,205,477	\$ 1,556,215	\$ 9,649,262

Sensitivity of the Total Post-Employment Benefit Liability to changes in the discount and trend rates

The following presents the Total OPEB Liability of the plan, calculated using the discount rate as of the measurement date, as well as what the Plan's 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 rate. A similar sensitivity analysis is then presented for changes in the healthcare cost trend assumption:

	Current		
	1% Decrease (2.87%)	Discount Rate (3.87%)	1% Increase (4.87%)
Net OPEB Liability	\$ 12,073,574	\$ 11,205,477	\$ 10,395,915

	Current Trend		
	1% Decrease (3.75%)	Rate (4.75%)	1% Increase (5.75%)
Net OPEB Liability	\$ 10,202,379	\$ 11,205,477	\$ 12,360,117

For the year ended June 30, 2019, the District recognized OPEB expenses for Health Insurance of \$87,741. At June 30, 2019, the District reported deferred outflow and deferred inflows of resources related to OPEB for Health Insurance from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ -	\$ (83,463)
Changes in assumptions	1,276,004	(442,001)
Contributions made subsequent to measurement date	694,200	-
Total at June 30, 2019	\$ 1,970,204	\$ (525,464)

9. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Tax Sheltered Annuity

The District offers its employees a tax deferred annuity program established pursuant to Section 403(b) and 457(b) of the Internal Revenue Code (the Code). Contributions are made through salary reductions from participating employees up to the amounts specified in the Code. No contributions are required from the District. As of June 30, 2019, approximately 313 employees were participating in the plan.

Other Post-Employment Benefit Plan (RHIA)

Plan Description - As a member of Oregon Public Employees Retirement System (OPERS) the District contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other post-employment benefit plan administered by OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute (ORS) 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants after January 1, 2004. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700.

Funding Policy - Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to \$60 dollars or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the Retirement Health Insurance Account established by the employer, and any monthly cost in excess of \$60 dollars shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in OPERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in OPERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in an OPERS-sponsored health plan. A surviving spouse or dependent of a deceased OPERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the District currently contributes 0.06% of annual covered OPERF payroll and 0.00% of OPSRP payroll under a contractual requirement in effect until June 30, 2019. The OPERS Board of Trustees sets the employer contribution rates based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The District's contributions to RHIA for the year ended June 30, 2019 were considered by management to be immaterial to the basic financial statements.

At June 30, 2019, the District's net OPEB liability/(asset) and deferred inflows and outflows for RHIA were not considered material to the basic financial statements by management and were not accrued in the government wide statements.

10. PENSION PLANS

Early Retirement

Plan Description - The District maintains a single employer early retirement supplement program for its employees. This program covers all full-time certificated and classified employees (hired prior to July 1, 1999) and administrative employees (hired prior to July 1, 2005) and confidential (hired prior to July 1, 2009) personnel of the District. The District does not issue a stand alone report for this plan.

These programs have been established under separate collective bargaining agreements and provide provisions for early retirement after 30 years of service or age 55 with at least 15 years of continuous District service (ten years for administrative) immediately preceding retirement. This optional early retirement program provides the employee with the following:

10. PENSION PLANS (CONTINUED)

- For certificated employees, \$780 per month for the earlier of forty-eight months or until age 62.
- For classified or confidential employees, \$200 per month for the earlier of forty-eight months or until age 62.
- For administrators with between 10 and 15 years of service, \$350 per month for the earlier of forty-eight months or until age 62.
- For administrators with 15 or more years of service, \$400 per month for the earlier of forty-eight months or until age 62

Summary of significant accounting policies –The plan is accounted for in the Early Retirement Fund, which is reported on the accrual basis of accounting. The District’s contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Plan investments are a part of the District’s investment pool, reported at fair value.

Funding Policy - The benefits from this program are fully paid by the District and, consequently, no contributions by employees are required. Although there is no obligation on the part of the District to fund these benefits in advance, the District has established an Early Retirement Fund to accumulate assets to pay these benefits in the future based on an actuarially determined rate.

Total Pension Liability (Stipend) - The District’s total pension liability and total other post employment benefits were measured as of June 30, 2018 and determined by an actuarial valuation as of June 30, 2019.

Actuarial Methods and Assumptions - The District engaged an actuary to perform a valuation as of June 30, 2019 using the Entry age normal, level percent of salary Actuarial Cost Method. The asset valuation method used was market value and the amortization method used was 30 year, open level %.

The total pension liability in the June 30, 2019 actuarial valuation was calculated based on the discount rate and actuarial assumptions below, and was then projected forward/backward to the measurement date. There are no assets accumulated in a trust that meets the criteria in GASB 73 paragraph 4.

Discount Rate	3.87%	3.50%
Valuation Date	January 1, 2019	January 1, 2019
Measurement Date	June 30, 2018	June 30, 2019
Reporting Date	June 30, 2019	June 30, 2020
Inflation	2.50%	2.50%
Salary Increases	3.25%	3.25%
Healthy Mortality	Based on Oregon PERS valuation assumptions as of December 31, 2017	Based on Oregon PERS valuation assumptions as of December 31, 2017
Actuarial Cost Method	Entry Age Normal Level Percent of Pay	Entry Age Normal Level Percent of Pay

Mortality rates were based on the RP=2014 Annuitant, Sex Distinct, Generational projection with unisex Social Security Data Scale and set back 12 months.

Disability rates were not used in the June 30, 2019 valuation.

Retirement rates were calculated based on age, tier/OPSRP and years of service. Members who can become eligible for District-paid stipend were assumed not to terminate employment prior to retirement.

100% of active members eligible for stipend benefits were assumed to elect coverage upon retirement.

The discount rate used to measure the total stipend benefit liabilities was 2.75%, based on the current interest rate paid by the Oregon Short Term Fund.

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10. PENSION PLANS (CONTINUED)

Program membership consisted of the following at January 1, 2019:

Retirees currently receiving benefits	43
Active program members	134
Total	<u>177</u>

Changes in the Total Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance at June 30, 2018	\$ 1,803,584	\$ 347,919	\$ 1,455,665
Service Cost	52,365	-	52,365
Interest on Total Pension Liability	61,288	-	61,288
Effect of changes to benefit terms	-	-	-
Effect of economic /demographic gains or losses	235,872	-	235,872
Effect of assumptions changes or inputs	(72,671)	-	(72,671)
Contributions - Employer	-	274,025	(274,025)
Contributions - Employee	-	-	-
Benefit Payments	(290,601)	(322,377)	31,776
Administrative Expenses	-	-	-
Balance at June 30, 2019	<u>\$ 1,789,837</u>	<u>\$ 299,567</u>	<u>\$ 1,490,270</u>

Sensitivity of the Total Pension Liability to changes in the discount and trend rates - The following presents the Total Pension Liability of the plan, calculated using the discount rate as of the measurement date, as well as what the Plan's Total 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. A similar sensitivity analysis is then presented for changes in the health care cost trend assumption:

	Current		
	1% Decrease (2.87%)	Discount Rate (3.87%)	1% Increase (4.87%)
Net Pension Liability	<u>\$ 1,850,892</u>	<u>\$ 1,789,837</u>	<u>\$ 1,728,299</u>

For the year ended June 30, 2019, the District recognized OPEB income for Stipends of \$138,678. At June 30, 2019, the District reported deferred outflow and deferred inflows of resources related to OPEB for Stipends from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 188,698	\$ -
Changes in assumptions	27,967	(81,138)
Contributions made subsequent to measurement date	322,377	-
Total at June 30, 2019	<u>\$ 539,042</u>	<u>\$ (81,138)</u>

Oregon Public Employees Retirement System (PERS)

Plan Description – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employer defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Comprehensive Annual Financial Report which can be found at: <https://www.oregon.gov/pers/Documents/Financials/CAFR/2018-CAFR.pdf>

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

- a. PERS PENSION (CHAPTER 238). The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.

10. PENSION PLANS (CONTINUED)

- i. PENSION BENEFITS. The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results.
A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.
 - ii. DEATH BENEFITS. Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided on or more of the following contributions are met:
 - member was employed by PERS employer at the time of death,
 - member died within 120 days after termination of PERS covered employment,
 - member died as a result of injury sustained while employed in a PERS-covered job,or
 - member was on an official leave of absence from a PERS-covered job at the time of death.
 - iii. DISABILITY BENEFITS. A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
 - iv. BENEFIT CHANGES AFTER RETIREMENT. Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.
- b. OPSRP PENSION PROGRAM (OPSRP DB) - The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.
- i. PENSION BENEFITS. This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:
Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.
General service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit. A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.
 - ii. DEATH BENEFITS. Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.
 - iii. DISABILITY BENEFITS. A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.
 - iv. BENEFIT CHANGES AFTER RETIREMENT. Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.

10. PENSION PLANS (CONTINUED)

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 Post-Employment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2015 actuarial valuation, which became effective July 1, 2017. The State of Oregon and certain schools, community colleges, and political subdivisions have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2019 were \$6,769,716, excluding amounts to fund employer specific liabilities. In addition approximately \$2,497,547 in employee contributions were paid or picked up by the District in 2018-2019.

PENSION ASSET OR LIABILITY – At June 30, 2019, the District reported a net pension liability of \$84,719,683 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement dates of June 30, 2018 and 2017, the District's proportion was .559 and .526 percent, respectively. Pension expense for the year ended June 30, 2019 was \$9,904,538.

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

- (1) Tier 1/Tier 2 – 13.89%
- (2) OPSRP general services – 8.56%

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ 2,881,910	\$ -
Changes in assumptions	19,697,165	-
Net difference between projected and actual earnings on pension plan investments	-	3,762,033
Net changes in proportionate share	2,872,609	610,623
Differences between District contributions and proportionate share of contributions	-	<u>3,054,869</u>
Subtotal - Amortized Deferrals (below)	25,451,684	7,427,525
District contributions subsequent to Measurement date	<u>6,769,716</u>	-
Net deferred outflow (inflow) of resources	<u>\$ 32,221,400</u>	<u>\$ 7,427,525</u>

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

Subtotal amounts related to pension as deferred outflows of resources, \$25,451,684, and deferred inflows of resources, (\$7,427,525), net to \$18,024,159 and will be recognized in pension expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2020	10,111,629
2021	7,158,441
2022	(1,016,273)
2023	1,213,350
2024	557,012
Thereafter	-
Total	<u>\$ 18,024,159</u>

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

10. PENSION PLANS (CONTINUED)

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

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

ACTUARIAL METHODS AND ASSUMPTIONS

Valuation Date	December 31, 2016 rolled forward to June 30, 2018
Experience Study Report	2016, Published July 26, 2017
Actuarial cost method	Entry Age Normal
Amortization method	Amortized as a level percentage of payroll as layered amortization bases over a closed period; Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years
Asset valuation method	Market value of assets
Inflation rate	2.50 percent
Investment rate of return	7.20 percent (changed from 7.50 percent)
Projected salary increase	3.50 percent overall payroll growth
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/.15%) in accordance with Moro decision, blend based on service.
Mortality	Healthy retirees and beneficiaries: RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Active members: RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Disabled retirees: RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.

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

ASSUMED ASSET ALLOCATION

Asset Class/Strategy	Low Range	High Range	OIC Target
Cash	0.0%	3.0%	0.0%
Debt Securities	15.0%	25.0%	20.0%
Public Equity	32.5%	42.5%	37.5%
Real Estate	9.5%	15.5%	12.5%
Private Equity	13.5%	21.5%	17.5%
Alternative Equity	0.0%	12.5%	12.5%
Opportunity Portfolio	0.0%	3.0%	0.0%
Total			100%

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

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10. PENSION PLANS (CONTINUED)

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

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

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

DISCOUNT RATE – The discount rate used to measure the total pension liability, as of the measurement dates June 30, 2018 and 2017 was 7.20 and 7.50, respectively, for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
District’s proportionate share of the net pension liability	\$ 141,582,596	\$ 84,719,683	\$ 37,784,002

10. PENSION PLANS (CONTINUED)

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

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

OPSRP INDIVIDUAL ACCOUNT PROGRAM (OPSRP IAP)

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

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

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

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

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

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

11. RISK MANAGEMENT

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. The District purchases commercial insurance for all claims other than that represented by minimal deductible amounts per loss. Workers’ compensation insurance is purchase on a retrospectively rated basis so that total insurance cost is ultimately in direct proportion to losses. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years and there have been no reductions in insurance coverage from the prior year. The District does not engage in risk financing activities where the risk is retained (self-insurance).

12. COMMITMENTS AND CONTINGENCIES

On July 1, 2004, the District entered into a contract for pupil transportation to extend through the 2013-2014 school year. The District may extend the contract for up to an additional four years in two year increments. The contract was extended on April 5, 2018 for an additional two years to through the 2019-20 school year. The total cost to the District under this contract will vary depending upon the number of buses utilized each day. Expenditures under the contract for pupil transportation during fiscal year 2019 were approximately \$6,720,000, including expenditures for gasoline and additional bus services not included in the computation of minimum annual costs.

On June 9, 2016, the District entered into a one-year contract for food service management to extend through the 2016-17 school year. The contract may be renewed yearly upon mutual written agreement for up to four additional years. The contract was renewed on May 23, 2019 for the 2019-20 fiscal year. The total cost to the District under the contract will vary depending upon the number of meals served. Expenditures under the contact for fiscal year 2019 were approximately \$3,450,000

In 2017-19 the District entered into contracts for the design, build and renovation of buildings through out the district. As of June 30, 2019 the district has approximately \$98,046,000 in contracts outstanding.

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.

13. JOINT VENTURE

The District has entered into an intergovernmental property agreement to build and operate a Center for Advanced Learning (CAL), a charter school. However, payment and ownership will be shared with the following Districts along with their share of ownership: Reynolds School District No. 7, 19.305%; Centennial School District no. 28Jt, 16.369%; Mt. Hood Community College, 15.058%; and Gresham-Barlow School District No. 10Jt, 49.268%. The District's investment in CAL at June 30, 2018 and 2019 was \$3,168,874 and \$3,081,197, respectively. The Center for Advanced Learning issues a publicly available financial report which may be obtained by writing: Administrator, The Center for Advanced Learning, 1484 NW Civic Drive, Gresham, OR 97030.

14. SCHOOL FUNDING

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

The District participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The federal audits for these programs for the year ended June 30, 2019 have not been conducted. Accordingly, compliance with grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although such amounts are expected to be immaterial.

GRESHAM-BARLOW SCHOOL DISTRICT 10JT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

15. FUND BALANCES

Below is a schedule of ending fund balance, based on GASB Statement No 54 implementation.

Fund Balances	General Fund	Major Capital Projects Fund	Non Major Funds	Total
Nonspendable	\$ 414,395	\$ -	\$ -	\$ 414,395
Restricted:				
Student and other activities	\$ -	\$ -	\$ 1,858,287	\$ 1,858,287
Food Services	-	-	972,687	972,687
Debt Service	-	-	943,099	943,099
School Construction	-	132,318,960	-	132,318,960
Committed to:				
PERS Rate Increase	\$ -	\$ -	\$ 2,208,131	\$ 2,208,131
Assigned to:				
Other Capital Projects	\$ -	\$ 1,510,078	\$ -	\$ 1,510,078
Other Special Revenue	-	-	82,773	82,773
Unassigned	\$ 17,758,282	\$ -	\$ -	\$ 17,758,282
Total Fund Balances	\$ 18,172,677	\$ 133,829,038	\$ 6,064,977	\$ 158,066,692

16. TAX ABATEMENTS

As of June 30, 2019, Gresham-Barlow School District has state provided tax abatements through four major programs:

Vertical Housing (ORS 307.864) - The partial property tax exemption for vertical housing development projects exempts the property from a portion of ad valorem property taxes imposed by local districts, other than districts electing not to participate in the vertical housing development zone.

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

Enterprise Zone (ORS 285C.175) - The Oregon Enterprise Zone program is a State of Oregon economic development program established, that allows for property tax exemptions for up to five years. In exchange for receiving property tax exemption, participating firms are required to meet the program requirements set by state statute and the local sponsor.

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

Construction in Process in Enterprise Zone (ORS 285C.170) - The Oregon Enterprise Zone program is a State of Oregon economic development program established, that allows for property tax exemptions. A Construction-in-Process exemption is available for qualifying properties currently under construction in an Enterprise Zone.

To qualify, the property must be owned or leased by an authorized business that is contractually obligated to own or lease the property until placed in service, it may not be previously subject to exemption as a commercial facility (ORS 307.330), and may not be operated, in all or part, as a hotel, motel, or destination resort.

Property may be exempt for no more than two tax years, which must be consecutive, and is not dependent on the property already receiving or being qualified to receive the Enterprise Zone exemption.

16. TAX ABATEMENTS (CONTINUED)

Alternative Energy (ORS 307.175) - Authorizes counties to enter into agreement, for period not to exceed 20 years, with owner or person in possession or control of solar project pursuant to which property constituting solar project is exempt from property taxation and owner pays fee in lieu of taxes. Requires the county to consult with the city if solar project is located within boundaries of city and provides agreement is not effective unless governing body of city is party to agreement. Provides that fee shall equal \$7,000 per megawatt of nameplate capacity of solar project. If solar project is located within incorporated city, requires city to enter into agreement.] Provides that fee shall be distributed to each taxing district in proportion to taxing district's total rate of ad valorem property taxes, excluding taxes imposed to repay bonded indebtedness. Requires disqualification from exemption and payment of penalty equal to one year of fee in lieu of property taxes if fee is delinquent for more than one year. Provides that property that has received exemption under certain economic development programs is not eligible to pay fee in lieu of property taxes. Sunsets on January 2, 2022.

Food Processor (ORS 307.455) - Allows a property tax exemption for food processors' qualified real and personal property machinery and equipment (M&E) that is certified by the Oregon Department of Agriculture (ODA). The exemption begins the first tax year following certification and filing of the claim for exemption and continues for the next four succeeding tax years if, as of January 1 of each year, the certified M&E remains qualified.

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

Tax Abatement Program	Amount of Taxes Abated during the Fiscal Year
Vertical Housing Zones	\$ 11,466
Enterprise Zones	319,886
Construction in Process Enterprise Zones	109,487
Alternative Energy	1,535
Food Processor	1,776
	<u>\$ 444,150</u>

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REQUIRED SUPPLEMENTAL INFORMATION

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**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
 REQUIRED SUPPLEMENTARY INFORMATION
 OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM**

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

*Year Ended June 30,	(a) District's proportion of the net pension liability (NPL)	(b) District's proportionate share of the net pension liability (NPL)	(c) District's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2019	.56 %	\$ 84,719,683	\$ 59,042,248	1.43 %	82.1 %
2018	.53	70,875,734	57,672,826	1.23	83.1
2017	.54	80,413,921	58,294,529	1.38	80.5
2016	.53	30,542,161	54,461,564	0.56	91.9
2015	.55	(12,462,938)	47,561,896	(0.26)	103.6
2014	.55	28,058,317	51,573,224	0.54	92.0

The amounts presented for each fiscal year were actuarial determined at 12/31/14 and rolled forward to the measurement date.

SCHEDULE OF DISTRICT CONTRIBUTIONS

*Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	District's covered payroll	Contributions as a percent of covered payroll
2019	\$ 6,769,716	\$ 6,769,716	\$ -	\$ 60,941,549	11.1 %
2018	6,691,710	6,691,710	-	59,042,248	11.3
2017	4,127,058	4,127,058	-	57,672,826	7.2
2016	2,931,512	2,931,512	-	58,294,529	5.0
2015	4,088,013	4,088,013	-	54,461,564	7.5
2014	3,906,814	3,906,814	-	47,561,896	8.2

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

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

The above schedules have been restated for all years.

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
 REQUIRED SUPPLEMENTARY INFORMATION
 EARLY RETIREMENT PROGRAM**

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

	2019	2018	2017
Total Pension Liability - beginning	\$ 1,803,584	\$ 2,055,856	\$ 2,211,684
Service cost	52,365	57,372	46,428
Interest	61,288	55,725	80,177
Changes of benefit terms			
Changes in economic/demographic gains or losses	235,872		
Changes in assumptions or other input	(72,671)	(47,213)	72,124
Benefit payments	(290,601)	(318,156)	(354,557)
Net change in total pension liability	(13,747)	(252,272)	(155,828)
Total Pension Liability - end of year	\$ 1,789,837	\$ 1,803,584	\$ 2,055,856
Fiduciary Net Position - beginning	\$ 347,919	\$ 337,420	\$ 313,534
Contributions - Employer	266,606	295,748	338,928
Contributions - Employee		-	-
Net investment income	7,419	5,352	3,115
Benefit payments	(322,377)	(290,601)	(318,157)
Administrative expense	-	-	-
Net change in fiduciary net position	(48,352)	10,499	23,886
Fiduciary Net Position - end of year	\$ 299,567	\$ 347,919	\$ 337,420
Net Pension Liability - end of year	\$ 1,490,270	\$ 1,455,665	\$ 1,718,436
Fiduciary net position as a percentage of the total pension liability	17%	19%	16%
Covered payroll	11,367,545	12,010,255	12,456,637
Net pension liability as a percentage of covered payroll	13%	12%	14%

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

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
 REQUIRED SUPPLEMENTARY INFORMATION
 EARLY RETIREMENT PROGRAM**

SCHEDULE OF EMPLOYER CONTRIBUTIONS - STIPEND BENEFIT

Fiscal Year Ending June 30,	Actuarilly Determined Contribution (ADC)	Contributions in relation to the ADC	Contribution Deficiency (excess)	Employers Covered Payroll	Contributions as a percent of Covered Payroll
2019	\$ 361,600	\$ 266,606	\$ 94,994	\$ 11,367,545	2.3%
2018	333,600	295,748	37,852	12,010,255	2.5%
2017	333,600	338,928	(5,328)	12,456,637	2.7%

NOTES TO SCHEDULE

The above data is based on actuarial valuation performed as of July 1, 2019

KEY METHOD AND ASSUMPTIONS USED TO CALCULATE ADC

The actuarial cost method used is the Individual Entry Age Normal Level Percent of Pay cost method.

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

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST EMPLOYMENT BENEFIT PROGRAMS (IMPLICIT SUBSIDY AND HEALTH CARE BENEFITS)**

**SCHEDULE OF CHANGE IN THE DISTRICT'S NET OPEB LIABILITY AND RELATED RATIOS
Implicit Subsidy and Health Care Benefits**

	2019	2018	2017
Total OPEB Liability - beginning	\$ 10,206,199	\$ 10,572,896	\$ 9,618,834
Service cost	562,072	615,960	498,577
Interest	373,190	308,980	376,179
Changes of benefit terms	15,722		
Changes in economic/demographic gains or losses	(104,329)		
Changes in assumptions or other input	846,814	(591,833)	779,110
Benefit payments	(694,191)	(699,804)	(699,804)
Net change in total OPEB liability	999,278	(366,697)	954,062
Total OPEB Liability - end of year	\$ 11,205,477	\$ 10,206,199	\$ 10,572,896
Fiduciary Net Position - beginning	\$ 1,345,915	\$ 1,163,383	\$ 965,144
Contributions - Employer	300,000	300,000	300,000
Contributions - Employee	-	-	-
Net investment income	40,975	24,352	13,288
Benefit payments	(130,675)	(141,820)	(115,049)
Administrative expense	-	-	-
Net change in fiduciary net position	210,300	182,532	198,239
Fiduciary Net Position - end of year	\$ 1,556,215	\$ 1,345,915	\$ 1,163,383
Net OPEB Liability - end of year	\$ 9,649,262	\$ 8,860,284	\$ 9,409,513
Fiduciary net position as a percentage of the total OPEB liability	14%	13%	11%
Covered payroll	60,841,475	58,554,649	59,036,086
Net OPEB liability as a percentage of covered payroll	16%	15%	16%

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

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
 REQUIRED SUPPLEMENTARY INFORMATION
 OTHER POST EMPLOYMENT BENEFIT PROGRAMS (IMPLICIT SUBSIDY AND HEALTH CARE BENEFITS)**

SCHEDULE OF EMPLOYER CONTRIBUTIONS - OPEB

Fiscal Year Ending June 30,	Actuarilly Determined Contribution (ADC)	Contributions in relation to the ADC	Contribution Deficiency (excess)	Employers Covered Payroll	Contributions as a percent of Covered Payroll
2019	\$ -	\$ 300,000	\$ (300,000)	\$ 60,841,475	0.5%
2018	-	300,000	(300,000)	58,554,649	0.5%
2017	-	300,000	(300,000)	59,036,086	0.5%

NOTES TO SCHEDULE

The above data is based on actuarial valuation performed as of July 1, 2019

KEY METHOD AND ASSUMPTIONS USED TO CALCULATE ADC

The actuarial cost method used is the Individual Entry Age Normal Level Percent of Pay cost method.

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

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SUPPLEMENTARY INFORMATION

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**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2019**

	Budget		Actual	Variance with Final Budget Over (Under)
	Adopted	Final		
REVENUES:				
Construction excise taxes	\$ 200,000	\$ 200,000	\$ 511,874	\$ 311,874
E-Rate	250,000	250,000	122,088	(127,912)
Intermediate sources	75,000	75,000	75,000	-
Other state and local sources	215,000	215,000	220,024	5,024
Investment earnings	2,521,000	2,521,000	5,120,264	2,599,264
Miscellaneous	7,500	7,500	7,232	(268)
Total revenues	3,268,500	3,268,500	6,056,482	2,787,982
EXPENDITURES:				
Instruction	-	-	-	-
Support services	396,555	396,555	92,667	(303,888)
Facilities acquisition and construction	200,050,000	200,050,000	163,358,333	(36,691,667)
Debt Service	195,000	195,000	183,650	(11,350) (1)
Total expenditures	200,641,555	200,641,555	163,634,650	(37,006,905)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(197,373,055)	(197,373,055)	(157,578,168)	39,794,887
OTHER FINANCING SOURCES (USES):				
Financing proceeds	50,000,000	50,000,000	53,865,357	3,865,357
Transfers from other funds	-	-	-	-
	<u>50,000,000</u>	<u>50,000,000</u>	<u>53,865,357</u>	<u>3,865,357</u>
NET CHANGE IN FUND BALANCE	(147,373,055)	(147,373,055)	(103,712,811)	43,660,244
FUND BALANCE, July 1, 2018	263,601,000	263,601,000	237,541,849	(26,059,151)
FUND BALANCE, June 30, 2019	\$ 116,227,945	\$ 116,227,945	\$ 133,829,038	\$ 17,601,093

(1) - Overexpenditure allowable for debt refunding under Oregon Local Budget Law.

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NONMAJOR AND FIDUCIARY FUNDS

NONMAJOR GOVERNMENTAL FUNDS

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

Nutrition Services Fund – The program is funded by the sale of meal tickets and monies and food products received from the U.S.D.A and the Oregon State Department of Education. The Board has contracted the operation of the food service to Sodexo, a nationwide food service contractor.

State and Other Grant Fund – This grant accounts for revenue and expenditures of grants restricted for specific educational projects. Principal revenue sources are state and local grants.

Other Special Revenue Fund – This fund accounts for the other special revenues from one primary source: student activities. The major source of revenue is student participation fees and receipts from event admission charges for student activities.

Debt Service Fund – This fund accounts for the payment of principal and interest on the general obligation bonds issued in 1996 and 2001, refunded in 2003 and 2005, and general obligation bonds issued in 2017 and 2019.

FIDUCIARY FUNDS

These funds account for the District's early retirement and post-employment health care benefits, and scholarship programs provided by bequests and donations. Included are:

Pension Trust Fund – The Early Retirement Fund accounts for the accumulation of resources to be used for payments to employees who receive supplemental early retirement stipends. The Post Retirement Fund accounts for the accumulation of resources to be used to pay post-employment medical care benefits (OPEB). Resources for the early retirement fund are charged to other funds as a percent of payroll based on actuarial valuations. Resources are contributed to the Post Retirement Fund through a transfer from the general fund. Both funds are budgeted together as the Pension Trust Fund.

Agency Fund – accounts for the receipts and disbursements associated with the processing of payroll for the Center for Advanced Learning and to account for "pass-through" grants where the District acts as the fiscal agent or cash conduit.

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**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2019**

	<u>Special Revenue Funds</u>				
	<u>Nutrition Services Fund</u>	<u>State and Other Grant Fund</u>	<u>Other Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>
ASSETS					
Equity in pooled cash and investments	\$ 953,297	\$ -	\$ 3,953,450	\$ 866,266	\$ 5,773,013
Property taxes receivable	-	-	-	452,280	452,280
Accounts and other receivable	212,718	1,858,421	3,357	77,053	2,151,549
TOTAL ASSETS	<u>\$ 1,166,015</u>	<u>\$ 1,858,421</u>	<u>\$ 3,956,807</u>	<u>\$ 1,395,599</u>	<u>\$ 8,376,842</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts and retainage payable	\$ 149,828	\$ 350,060	\$ 15,852	\$ 220	\$ 515,960
Matured interest coupons payable	-	-	-	-	-
Unearned revenue	43,500	126,917	-	-	170,417
Due to other funds	-	1,173,208	-	-	1,173,208
TOTAL LIABILITIES	<u>193,328</u>	<u>1,650,185</u>	<u>15,852</u>	<u>220</u>	<u>1,859,585</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue-property taxes	-	-	-	452,280	452,280
Fund Balances:					
Restricted for:					
Food Service	972,687	-	-	-	972,687
Retirement of long-term debt	-	-	-	943,099	943,099
School activities	-	-	1,650,051	-	1,650,051
Other activities	-	208,236	-	-	208,236
Assigned	-	-	2,290,904	-	2,290,904
TOTAL FUND BALANCES	<u>972,687</u>	<u>208,236</u>	<u>3,940,955</u>	<u>943,099</u>	<u>6,064,977</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 1,166,015</u>	<u>\$ 1,858,421</u>	<u>\$ 3,956,807</u>	<u>\$ 1,395,599</u>	<u>\$ 8,376,842</u>

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019**

	Special Revenue Funds				Total
	Nutrition Services Fund	State and Other Grant Fund	Other Special Revenue Fund	Debt Service Fund	
REVENUES:					
Property taxes	\$ -	\$ -	\$ -	\$ 17,809,170	\$ 17,809,170
Other taxes	-	-	-	-	-
Federal grants	3,206,511	-	-	-	3,206,511
State and local sources	107,745	4,808,836	171,077	-	5,087,658
Charges for services	602,780	-	2,981,720	-	3,584,500
Investment earnings	37,277	-	38,191	187,145	262,613
TOTAL REVENUES	<u>3,954,313</u>	<u>4,808,836</u>	<u>3,190,988</u>	<u>17,996,315</u>	<u>29,950,452</u>
EXPENDITURES:					
Current:					
Instruction	-	2,051,796	1,683,431	-	3,735,227
Support services	-	2,679,169	413,655	-	3,092,824
Community services	4,311,564	22	-	-	4,311,586
Capital outlay	-	-	-	-	-
Debt Service:					
Principal	-	-	-	8,200,850	8,200,850
Interest	-	-	-	9,316,306	9,316,306
TOTAL EXPENDITURES	<u>4,311,564</u>	<u>4,730,987</u>	<u>2,097,086</u>	<u>17,517,156</u>	<u>28,656,793</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(357,251)	77,849	1,093,902	479,159	1,293,659
OTHER FINANCING SOURCES:					
5100 Financing proceeds	-	-	-	-	-
5200 Transfers in	-	-	260,000	-	260,000
	<u>-</u>	<u>-</u>	<u>260,000</u>	<u>-</u>	<u>260,000</u>
NET CHANGE IN FUND BALANCE	<u>(357,251)</u>	<u>77,849</u>	<u>1,353,902</u>	<u>479,159</u>	<u>1,553,659</u>
FUND BALANCE, July 1, 2018	<u>1,329,938</u>	<u>130,387</u>	<u>2,587,053</u>	<u>463,940</u>	<u>4,511,318</u>
FUND BALANCE, June 30, 2019	<u>\$ 972,687</u>	<u>\$ 208,236</u>	<u>\$ 3,940,955</u>	<u>\$ 943,099</u>	<u>\$ 6,064,977</u>

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
 COMBINING BALANCE SHEET
 PENSION TRUST FUNDS
 JUNE 30, 2019**

	Pension Trust Funds		
	Early Retirement Fund	Post Retirement Fund	Total
ASSETS			
Cash and cash equivalents	\$ 299,567	\$ 1,556,215	\$ 1,855,782
Accounts and other receivable	-	-	-
TOTAL ASSETS	\$ 299,567	\$ 1,556,215	\$ 1,855,782
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Due to other agencies	-	-	-
TOTAL LIABILITIES	-	-	-
Fund Balances:			
Restricted for:			
Pensions	299,567	1,556,215	1,855,782
Retirement of long-term debt	-	-	-
TOTAL FUND BALANCES	299,567	1,556,215	1,855,782
 TOTAL LIABILITIES AND FUND BALANCES	\$ 299,567	\$ 1,556,215	\$ 1,855,782

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE
 PENSION TRUST FUNDS
 YEAR ENDED JUNE 30, 2019**

	Pension Trust Funds		
	Early Retirement Fund	Post Retirement Fund	Total
REVENUES:			
Contributions	\$ -	\$ 300,000	\$ 300,000
Charges for services	266,606	-	266,606
Investment earnings	7,419	40,975	48,394
TOTAL REVENUES	<u>274,025</u>	<u>340,975</u>	<u>615,000</u>
EXPENDITURES:			
Current:			
Support services	322,377	130,675	453,052
TOTAL EXPENDITURES	<u>322,377</u>	<u>130,675</u>	<u>453,052</u>
NET CHANGE IN FUND BALANCE	<u>(48,352)</u>	<u>210,300</u>	<u>161,948</u>
FUND BALANCE, July 1, 2018	<u>347,919</u>	<u>1,345,915</u>	<u>1,693,834</u>
FUND BALANCE, June 30, 2019	<u>\$ 299,567</u>	<u>\$ 1,556,215</u>	<u>\$ 1,855,782</u>

DETAIL BUDGET REPORTS

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**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
SCHEDULE OF DETAILED REVENUES -
BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2019**

	Budget		Actual	Variance with Final Budget Over (Under)
	Adopted	Final		
REVENUES:				
Local Sources:				
Current year taxes	\$ 28,000,000	\$ 28,000,000	\$ 28,557,905	\$ 557,905
Prior year taxes	500,000	500,000	1,198,569	698,569
Other taxes	10,000	10,000	2,749	(7,251)
Penalties and interest	-	-	32,471	32,471
Tuition and transportation	105,000	105,000	48,955	(56,045)
Investment earnings	450,000	450,000	934,523	484,523
Co-curricular activities	310,000	310,000	344,752	34,752
Community services activities	55,000	55,000	53,465	(1,535)
Rentals	250,000	250,000	246,427	(3,573)
Services provided to others	240,000	240,000	180,000	(60,000)
Fees charged to grants	475,000	475,000	393,257	(81,743)
Medicare Reimbursements	100,000	100,000	161,386	61,386
Miscellaneous	380,000	380,000	292,966	(87,034)
Total local sources	30,875,000	30,875,000	32,447,425	1,572,425
Intermediate Sources:				
County school fund	2,000	2,000	9,113	7,113
Other Intermediate sources	2,000,000	2,000,000	1,675,000	(325,000)
Total intermediate sources	2,002,000	2,002,000	1,684,113	(317,887)
State Sources:				
State school fund	85,263,271	85,263,271	88,562,945	3,299,674
Common school fund	1,183,284	1,183,284	1,351,843	168,559
Other state revenue	600,000	600,000	1,204,934	604,934
Total state sources	87,046,555	87,046,555	91,119,722	4,073,167
Federal Sources:				
Child care development	50,000	50,000	40,195	(9,805)
Federal forest fees	6,000	6,000	4,372	(1,628)
Other federal sources	-	-	54,865	54,865
Total federal sources	56,000	56,000	99,432	43,432
TOTAL REVENUES	119,979,555	119,979,555	125,350,692	5,371,137
Other Financing Sources:				
Proceeds from sale or loss of capital assets	5,000	5,000	-	(5,000)
Total other financing sources	5,000	5,000	-	(5,000)
TOTAL REVENUES AND OTHER FINANCING SOURCES	119,984,555	119,984,555	125,350,692	5,366,137
FUND BALANCE, July 1, 2018	14,002,441	14,002,441	15,384,880	1,382,439
TOTAL REVENUES, OTHER FINANCING SOURCES AND FUND BALANCE	\$ 133,986,996	\$ 133,986,996	\$ 140,735,572	\$ 6,748,576

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
SCHEDULE OF DETAILED EXPENDITURES -
BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2019**

	Actual			
	Salaries (100)	Benefits (200)	Services (300)	Materials (400)
EXPENDITURES:				
Instruction:				
1111 Elementary programs	\$ 14,429,985	\$ 8,696,247	\$ 42,758	\$ 313,186
1121 Middle school programs	7,483,486	4,179,741	34,432	202,890
1122 Middle school extracurricular	258,064	85,345	31,187	16,989
1131 High school programs	8,626,336	5,018,905	34,462	372,022
1132 High school extracurricular	983,733	401,168	147,226	29,325
1140 Preschool programs	231,876	169,688	-	4,116
1210 Talented and gifted programs	15,679	8,728	7,756	-
1220 Restrictive programs	1,542,351	1,016,675	1,514,828	10,199
1250 Resource rooms	5,069,117	3,339,509	50,349	72,984
1271 Remediation	41,635	15,391	80,419	-
1272 Title I	-	-	-	-
1280 Alternative education	171,469	94,989	9,660,820	91
1290 Designated programs	2,485,789	1,468,639	17,455	6,203
1400 Summer School	5,021	1,628	2,707	-
Total instruction	41,344,541	24,496,653	11,624,399	1,028,005
Support services:				
2110 Attendance and social work services	635,137	450,546	218,818	952
2120 Guidance services	1,759,365	1,005,109	310	3,060
2130 Health services	418,054	219,251	2,736	12,813
2140 Psychological services	231,527	141,673	741	3,655
2150 Speech pathology and audiology services	595,278	340,247	2,463	1,537
2190 Service direction - student support services	344,016	170,347	62,768	8,893
2210 Improvement of instruction services	1,094,779	543,774	158,818	55,711
2220 Educational media services	642,757	455,490	520	44,450
2230 Assessment and testing	41,670	21,784	423	1,265
2240 Instructional staff development	429,097	567,947	123,167	7,875
2310 Board of education services	41,522	22,225	86,454	12,799
2320 Executive administration services	252,398	125,883	54,050	10,325
2410 Office of the principal services	5,234,705	3,060,032	169,757	66,912
2520 Fiscal services	630,488	429,135	164,645	10,198
2540 Operation and maintenance of plant services	2,882,192	1,859,379	4,566,993	713,990
2550 Student transportation services	66,877	42,800	7,096,710	167,016
2570 Internal services	9,033	4,948	211,311	27,557
2620 Planning and development services	-	-	-	-
2630 Information services	116,142	59,018	112,203	7,135
2640 Staff services	442,034	266,508	64,944	13,496
2660 Technology services	1,105,364	574,951	23,920	519,163
2670 Records management	-	-	-	-
2680 Interpretation and translation services	19,241	5,023	28,786	-
2690 Other central support	45,907	22,668	75	4,180
Total support services	17,037,583	10,388,738	13,150,612	1,692,982

	Capital Outlay (500)	Other Objects (600)	Total	Budget		Variance with Final Budget Over (Under)
				Adopted	Final	
\$	-	\$ 9,160	\$ 23,491,336	\$ 24,150,415	\$ 24,090,736	\$ (599,400)
	-	15,005	11,915,554	12,515,211	12,534,048	(618,494)
	-	310	391,895	426,625	426,625	(34,730)
	-	3,913	14,055,638	13,918,964	13,959,806	95,832
	-	18,501	1,579,953	1,645,870	1,645,870	(65,917)
	-	-	405,680	423,058	423,058	(17,378)
	-	-	32,163	37,578	37,578	(5,415)
	-	-	4,084,053	4,342,295	4,342,295	(258,242)
	-	-	8,531,959	8,850,422	8,850,422	(318,463)
	-	-	137,445	215,393	215,393	(77,948)
	-	-	-	-	-	-
	-	-	9,927,369	9,917,542	9,917,542	9,827
	-	595	3,978,681	4,321,677	4,321,677	(342,996)
	-	-	9,356	24,408	24,408	(15,052)
	-	47,484	78,541,082	80,789,458	80,789,458	(2,248,376)
	-	-	1,305,453	1,433,684	1,433,684	(128,231)
	-	189	2,768,033	2,845,097	2,845,097	(77,064)
	-	-	652,854	674,998	674,998	(22,144)
	-	-	377,596	520,706	520,706	(143,110)
	-	-	939,525	884,268	884,268	55,257
	-	3,095	589,119	596,164	596,164	(7,045)
	-	6,488	1,859,570	1,711,254	1,711,254	148,316
	-	90	1,143,307	1,259,819	1,259,819	(116,512)
	-	-	65,142	368,045	368,045	(302,903)
	-	25	1,128,111	1,430,555	1,430,555	(302,444)
	-	11,583	174,583	247,483	247,483	(72,900)
	-	16,834	459,490	431,925	431,925	27,565
	-	28,752	8,560,158	8,412,745	8,412,745	147,413
	-	668,723	1,903,189	1,860,501	1,860,501	42,688
	158,184	3,612	10,184,350	9,578,636	9,578,636	605,714
	29,553	-	7,402,956	6,630,290	6,630,290	772,666
	-	-	252,849	287,415	287,415	(34,566)
	-	-	-	-	-	-
	-	1,550	296,048	349,886	349,886	(53,838)
	-	5,394	792,376	816,097	816,097	(23,721)
	-	1,900	2,225,298	2,380,380	2,380,380	(155,082)
	-	-	-	-	-	-
	-	-	53,050	47,086	47,086	5,964
	-	-	72,830	89,494	89,494	(16,664)
	187,737	748,235	43,205,887	42,856,528	42,856,528	349,359

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
 SCHEDULE OF DETAILED EXPENDITURES -
 BUDGET AND ACTUAL (Continued)
 GENERAL FUND
 YEAR ENDED JUNE 30, 2019**

	Actual			
	Salaries (100)	Benefits (200)	Services (300)	Materials (400)
Community services:				
3310 Community services	\$ 137,084	67,614	9,607	16,077
3320 Civic services	19,025	4,139	223	537
Total community services	156,109	71,753	9,830	16,614
Facilities acquisition and construction				
4150 Building acquisition and construction	-	-	-	-
Total facilities acquisition and construction	-	-	-	-
6110 OPERATING CONTINGENCY	-	-	-	-
TOTAL EXPENDITURES	\$ 58,538,233	\$ 34,957,144	\$ 24,784,841	\$ 2,737,601
OTHER FINANCING USES:				
5200 Transfers out				
7000 UNAPPROPRIATED ENDING FUND BALANCE				
TOTAL EXPENDITURES AND OTHER FINANCING USES				

Capital Outlay (500)	Other Objects (600)	Total	Budget		Variance with Final Budget Over (Under)
			Adopted	Final	
-	1,620	232,002	\$ 208,613	208,613	\$ 23,389
-	-	23,924	62,762	62,762	(38,838)
-	1,620	255,926	271,375	271,375	(15,449)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	9,509,635	9,509,635	(9,509,635)
<u>\$ 187,737</u>	<u>\$ 797,339</u>	<u>\$ 122,002,895</u>	<u>\$ 133,426,996</u>	<u>\$ 133,426,996</u>	<u>\$ (11,424,101)</u>
		(1) 560,000	560,000	560,000	-
		560,000	560,000	560,000	-
		-	-	-	-
		<u>\$ 122,562,895</u>	<u>\$ 133,986,996</u>	<u>\$ 133,986,996</u>	<u>\$ (11,424,101)</u>

(1) See footnote 7 for explanation of treatment of \$300,000 transfer to Post Retirement Fund (page 33)

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
NUTRITION SERVICES FUND
YEAR ENDED JUNE 30, 2019**

	Budget		Actual	Variance with
	Adopted	Final		Final budget Over (Under)
REVENUES:				
Charges for services:				
1600 Food services sales	\$ 650,000	\$ 650,000	\$ 602,502	\$ (47,498)
1900 Miscellaneous	500	500	278	(222)
Total local sources	<u>650,500</u>	<u>650,500</u>	<u>602,780</u>	<u>(47,720)</u>
State sources:				
3102 State school fund - school lunch match	45,000	45,000	42,949	(2,051)
3200 Other state sources	100,000	100,000	64,796	(35,204)
Total state sources	<u>145,000</u>	<u>145,000</u>	<u>107,745</u>	<u>(37,255)</u>
Federal sources:				
4505 Received through state agencies	3,600,000	3,600,000	2,893,662	(706,338)
4503 Food distribution	-	-	312,849	312,849
Total federal sources	<u>3,600,000</u>	<u>3,600,000</u>	<u>3,206,511</u>	<u>(393,489)</u>
1500 Investment earnings	<u>14,000</u>	<u>14,000</u>	<u>37,277</u>	<u>23,277</u>
TOTAL REVENUES	<u>4,409,500</u>	<u>4,409,500</u>	<u>3,954,313</u>	<u>(455,187)</u>
EXPENDITURES:				
Community services*:				
3100 Food preparation and dispensing services:				
100 Salaries	-	-	-	-
200 Benefits	-	-	-	-
300 Services	4,811,500	4,811,500	3,497,274	(1,314,226)
400 Materials	143,000	143,000	322,978	179,978
500 Capital outlay	400,000	400,000	346,353	(53,647)
600 Other	255,000	255,000	144,959	(110,041)
TOTAL EXPENDITURES	<u>5,609,500</u>	<u>5,609,500</u>	<u>4,311,564</u>	<u>(1,297,936)</u>
NET CHANGE IN FUND BALANCE	<u>(1,200,000)</u>	<u>(1,200,000)</u>	<u>(357,251)</u>	<u>842,749</u>
FUND BALANCE, July 1, 2018	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,329,938</u>	<u>129,938</u>
FUND BALANCE, June 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 972,687</u>	<u>\$ 972,687</u>

* Appropriation level

Note - Included in this Fund is the required state revenue match of \$42,949 (in the form of Claim on Cash) the District must provide for National School Lunch Support, in order to meet the general cash assistance match requirements.

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
SCHEDULE OF DETAILED REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FEDERAL GRANT FUND
YEAR ENDED JUNE 30, 2019**

	Budget		Actual	Variance with
	Adopted	Final		Final Budget Over (Under)
REVENUES:				
Federal Sources:				
4500 Received through state agencies	\$ 8,196,431	\$ 8,196,431	\$ 6,223,547	\$ (1,972,884)
4900 Received through other sources	-	-	-	-
Total federal sources	8,196,431	8,196,431	6,223,547	(1,972,884)
EXPENDITURES:				
1000 Instruction	5,189,847	5,189,847	4,299,601	(890,246)
2000 Support Services	2,914,779	2,914,779	1,883,741	(1,031,038)
3000 Community Services	91,805	91,805	40,205	(51,600)
Total expenditures	8,196,431	8,196,431	6,223,547	(1,972,884)
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE, July 1, 2018	-	-	-	-
FUND BALANCE, June 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
SCHEDULE OF DETAILED EXPENDITURES -
BUDGET AND ACTUAL
FEDERAL GRANT FUND
YEAR ENDED JUNE 30, 2019**

	Actual			
	Salaries (100)	Benefits (200)	Services (300)	Materials (400)
EXPENDITURES:				
INSTRUCTION*:				
1111 Elementary school programs	\$ -	\$ -	\$ -	\$ -
1121 Middle school programs	-	-	-	-
1131 High school programs	-	-	3,665	-
1220 Restrictive programs	62,102	50,833	3	2,630
1250 Resource rooms	620,930	350,251	452	1,053
1272 Title 1	1,572,905	893,699	466,958	76,256
1280 Alternative education	-	-	-	-
1290 Other programs	-	-	-	-
1460 Summer school - special programs	-	-	-	-
Total instruction	2,255,937	1,294,783	471,078	79,939
SUPPORT SERVICES*:				
2120 Placement services	-	-	-	-
2130 Health services	146,797	63,842	643	-
2140 Psychological services	60,840	44,847	269	-
2150 Speech pathology and audiology services	261,374	146,411	-	-
2190 Service direction-student support services	157,204	89,162	2,694	-
2210 Improvement of instruction services	64,021	36,703	990	442
2230 Assessment and testing	-	-	-	-
2240 Instructional staff development	458,312	247,879	40,838	7,922
2520 Fiscal services	-	-	-	-
2550 Student transportation	-	-	-	-
2660 Technology services	-	-	-	17,052
2690 Other central support services	-	-	-	-
Total support services	1,148,548	628,844	45,434	25,416
3300 COMMUNITY SERVICES*:	19,772	5,711	5,144	9,578
TOTAL EXPENDITURES	\$ 3,424,257	\$ 1,929,338	\$ 521,656	\$ 114,933

*Appropriation level

Capital Outlay (500)	Other Objects (600)	Total	Budget		Variance with Final Budget Over (Under)
			Adopted	Final	
\$ -	\$ -	\$ -	\$ 17,097	\$ 17,097	\$ (17,097)
-	-	-	-	-	-
-	-	3,665	-	-	3,665
-	-	115,568	115,661	115,661	(93)
-	76,387	1,049,073	1,145,491	1,145,491	(96,418)
-	121,477	3,131,295	3,611,598	3,611,598	(480,303)
-	-	-	-	-	-
-	-	-	300,000	300,000	(300,000)
-	-	-	-	-	-
-	197,864	4,299,601	5,189,847	5,189,847	(890,246)
-	-	-	-	-	-
-	-	211,282	339,060	339,060	(127,778)
-	836	106,792	95,535	95,535	11,257
-	-	407,785	410,729	410,729	(2,944)
-	294	249,354	290,944	290,944	(41,590)
-	509	102,665	451,653	451,653	(348,988)
-	-	-	-	-	-
-	28,884	783,835	1,206,278	1,206,278	(422,443)
-	4,976	4,976	120,580	120,580	(115,604)
-	-	-	-	-	-
-	-	17,052	-	-	17,052
-	-	-	-	-	-
-	35,499	1,883,741	2,914,779	2,914,779	(1,031,038)
-	-	40,205	91,805	91,805	(51,600)
\$ -	\$ 233,363	\$ 6,223,547	\$ 8,196,431	\$ 8,196,431	\$ (1,972,884)

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**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
STATE AND OTHER GRANT FUND
YEAR ENDED JUNE 30, 2019**

	Budget		Actual	Variance with Final Budget Over (Under)
	Adopted	Final		
REVENUES:				
Revenues from local sources:				
1920 Private donations	\$ 160,490	\$ 160,490	\$ 93,585	\$ (66,905)
1990 Miscellaneous	-	-	-	-
Total local sources	<u>160,490</u>	<u>160,490</u>	<u>93,585</u>	<u>(66,905)</u>
Revenues from intermediate sources:				
2102 ESD apportionment	100,000	100,000	100,000	-
2900 Other intermediate sources	311,000	311,000	327,040	16,040
Total intermediate sources	<u>411,000</u>	<u>411,000</u>	<u>427,040</u>	<u>16,040</u>
Revenues from state sources:				
3199 Other restricted grants	150,000	150,000	-	(150,000)
3299 Other restricted grants	10,808,900	10,808,900	4,288,211	(6,520,689)
Total state sources	<u>10,958,900</u>	<u>10,958,900</u>	<u>4,288,211</u>	<u>(6,670,689)</u>
TOTAL REVENUES	<u>11,530,390</u>	<u>11,530,390</u>	<u>4,808,836</u>	<u>(6,721,554)</u>
EXPENDITURES:				
1000 Instruction	1,543,832	1,543,832	2,051,796	507,964
2000 Support services	2,110,258	2,110,258	2,679,169	568,911
3000 Community services	300	300	22	(278)
4000 Building acquisition and construction	8,000,000	8,000,000	-	(8,000,000) +
Total expenditures	<u>11,654,390</u>	<u>11,654,390</u>	<u>4,730,987</u>	<u>(6,923,403)</u>
NET CHANGE IN FUND BALANCE	<u>(124,000)</u>	<u>(124,000)</u>	<u>77,849</u>	<u>201,849</u>
FUND BALANCE, July 1, 2018	<u>124,000</u>	<u>124,000</u>	<u>130,387</u>	<u>6,387</u>
FUND BALANCE, June 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 208,236</u>	<u>\$ 208,236</u>

+Exempt from Oregon Budget Law per ORS 294.338(2)

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
SCHEDULE OF DETAILED EXPENDITURES -
BUDGET AND ACTUAL
STATE AND OTHER GRANT FUND
YEAR ENDED JUNE 30, 2019**

	Actual			
	Salaries (100)	Benefits (200)	Services (300)	Materials (400)
EXPENDITURES:				
INSTRUCTION*:				
1111 Elementary school programs	\$ -	\$ -	\$ -	\$ 90
1121 Middle school programs	45,539	17,616	-	159,319
1131 High school programs	323,725	167,572	789,307	447,829
1140 Pre-kindergarten programs	17,051	11,414	1,049	1,515
1220 Restrictive programs for students with disabilities	-	-	-	-
1250 Resource Rooms	36,571	18,105	-	-
1271 Remediation	4,364	1,508	-	-
1272 Title I	-	-	-	-
1280 Alternative education	3,146	1,746	-	-
1290 Other Programs	99	40	619	3,572
Total instruction	<u>430,495</u>	<u>218,001</u>	<u>790,975</u>	<u>612,325</u>
SUPPORT SERVICES*:				
2113 Social Work	284,103	186,245	330	93,487
2120 Restrictive Programs	-	-	-	-
2130 Health services	-	-	-	-
2190 Service direction-student support services	-	-	-	-
2210 Improvement of instruction services	4,660	417	16,967	-
2220 Education media services	-	-	-	35,516
2230 Assessment and testing	-	-	-	-
2240 Instructional staff development	969,789	390,433	495,538	14,464
2320 Executive administration services	-	-	-	-
2540 Operation and maintenance of plant services	-	-	-	-
2550 Student transportation	-	-	-	-
2620 Planning and development services	-	-	-	-
2640 Staff services	-	-	-	-
2660 Technology services	44,526	33,082	-	93,622
Total support services	<u>1,303,078</u>	<u>610,177</u>	<u>512,835</u>	<u>237,089</u>
3100 COMMUNITY SERVICES*:	<u>-</u>	<u>-</u>	<u>-</u>	<u>22</u>
4100 BUILDING ACQUISITION AND CONSTRUCTION*:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 1,733,573</u>	<u>\$ 828,178</u>	<u>\$ 1,303,810</u>	<u>\$ 849,436</u>
7000 UNAPPROPRIATED ENDING FUND BALANCE*:				
TOTAL EXPENDITURES AND UNAPPROPRIATED ENDING FUND BALANCE				

*Appropriation level
+Exempt from Oregon Budget Law per ORS 294.338(2)

Capital Outlay (500)	Other Objects (600)	Total	Budget		Variance with Final Budget Over (Under)
			Adopted	Final	
\$ -	\$ -	\$ 90	\$ 3,000	\$ 3,000	\$ (2,910)
-	-	222,474	22,000	22,000	200,474
-	-	1,728,433	758,863	758,863	969,570
-	-	31,029	87,500	87,500	(56,471)
-	-	-	50	50	(50)
-	-	54,676	540,419	540,419	(485,743)
-	-	5,872	16,000	16,000	(10,128)
-	-	-	21,000	21,000	(21,000)
-	-	4,892	-	-	4,892
-	-	4,330	95,000	95,000	(90,670)
-	-	<u>2,051,796</u>	<u>1,543,832</u>	<u>1,543,832</u>	<u>507,964</u>
-	-	564,165	422,658	422,658	141,507
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	399	22,443	84,900	84,900	(62,457)
-	-	35,516	11,000	11,000	24,516
-	-	-	-	-	-
-	15,591	1,885,815	1,489,451	1,489,451	396,364
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	171,230	102,249	102,249	68,981
-	-	-	-	-	-
-	<u>15,990</u>	<u>2,679,169</u>	<u>2,110,258</u>	<u>2,110,258</u>	<u>568,911</u>
-	-	22	300	300	(278) +
-	-	-	8,000,000	8,000,000	(8,000,000) +
<u>\$ -</u>	<u>\$ 15,990</u>	<u>\$ 4,730,987</u>	<u>\$ 11,654,390</u>	<u>\$ 11,654,390</u>	<u>\$ (6,923,403)</u>
-	-	-	-	-	-
-	-	<u>\$ 4,730,987</u>	<u>\$ 11,654,390</u>	<u>\$ 11,654,390</u>	<u>\$ (6,923,403)</u>

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**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
OTHER SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2019**

	Budget		Actual	Variance with Final Budget Over (Under)
	Adopted	Final		
REVENUES:				
Local sources:				
1311 Tuition from individuals	\$ 170,000	\$ 170,000	\$ 85,497	\$ (84,503)
1330 Summer school tuition	-	-	-	-
1410 Transportation from individuals	1,500	1,500	475	(1,025)
1700 Extracurricular Activities	1,817,550	1,817,550	1,563,701	(253,849)
1800 Community Services	-	-	15,864	15,864
1920 Contributions	180,500	180,500	171,077	(9,423)
1940 Services provided others	65,028	65,028	24,589	(40,439)
1950 Textbook sales and rentals	16,300	16,300	10,263	(6,037)
1970 Services provided other funds	1,000,000	1,000,000	1,149,593	149,593
1990 Miscellaneous	57,200	57,200	131,738	74,538
Total local sources	3,308,078	3,308,078	3,152,797	(155,281)
1500 Investment earnings	6,500	6,500	38,191	31,691
TOTAL REVENUES	3,314,578	3,314,578	3,190,988	(123,590)
EXPENDITURES:				
1000 Instruction	3,365,550	3,365,550	1,683,431	(1,682,119)
2000 Support services	501,528	501,528	413,655	(87,873)
Total expenditures	3,867,078	3,867,078	2,097,086	(1,769,992)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(552,500)	(552,500)	1,093,902	1,646,402
OTHER FINANCING SOURCES:				
5200 Transfers in	260,000	260,000	260,000	-
NET CHANGE IN FUND BALANCE	(292,500)	(292,500)	1,353,902	1,646,402
FUND BALANCE, July 1, 2018	2,288,500	2,288,500	2,587,053	298,553
FUND BALANCE, June 30, 2019	\$ 1,996,000	\$ 1,996,000	\$ 3,940,955	\$ 1,944,955

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
 SCHEDULE OF DETAILED EXPENDITURES -
 BUDGET AND ACTUAL
 OTHER SPECIAL REVENUE FUND
 YEAR ENDED JUNE 30, 2019**

	Actual			
	Salaries (100)	Benefits (200)	Services (300)	Materials (400)
EXPENDITURES:				
INSTRUCTION*:				
1113 Elementary school extracurricular	\$ -	\$ -	\$ 11,809	\$ 117,163
1122 Middle school extracurricular	-	-	121,849	149,458
1131 High school programs	-	-	-	-
1132 High school extracurricular	-	-	444,166	615,137
1220 Self Contained Classrooms	-	-	67	1,171
1400 Summer school programs.	-	-	-	-
 Total instruction	 -	 -	 <u>577,891</u>	 <u>882,929</u>
SUPPORT SERVICES*:				
2120 Restrictive programs	-	-	-	226
2220 Education media services	-	-	-	19,838
2410 Office of the principal	-	-	3,592	42,412
2550 Student transportation	-	-	57,378	749
2570 Internal services	111,719	49,950	44,669	71,301
Total support services	<u>111,719</u>	<u>49,950</u>	<u>105,639</u>	<u>134,526</u>
 TOTAL EXPENDITURES	 <u>\$ 111,719</u>	 <u>\$ 49,950</u>	 <u>\$ 683,530</u>	 <u>\$ 1,017,455</u>
 7000 UNAPPROPRIATED ENDING FUND BALANCE*:				
 TOTAL EXPENDITURES AND UNAPPROPRIATED ENDING FUND BALANCE				

*Appropriation level

Capital Outlay (500)	Other Objects (600)	Total	Budget		Variance with Final Budget Over (Under)
			Adopted	Final	
\$ 25,216	\$ 24,752	\$ 178,940	\$ 393,550	\$ 393,550	\$ (214,610)
-	13,089	284,396	615,000	615,000	(330,604)
-	-	-	15,000	15,000	(15,000)
-	159,505	1,218,808	2,342,000	2,342,000	(1,123,192)
-	49	1,287	-	-	1,287
-	-	-	-	-	-
<u>25,216</u>	<u>197,395</u>	<u>1,683,431</u>	<u>3,365,550</u>	<u>3,365,550</u>	<u>(1,682,119)</u>
-	-	226	-	-	226
-	-	19,838	-	-	19,838
-	347	46,351	38,000	38,000	8,351
-	11,474	69,601	103,500	103,500	(33,899)
-	-	277,639	360,028	360,028	(82,389)
-	11,821	413,655	501,528	501,528	(87,873)
<u>\$ 25,216</u>	<u>\$ 209,216</u>	<u>\$ 2,097,086</u>	<u>\$ 3,867,078</u>	<u>\$ 3,867,078</u>	<u>\$ (1,769,992)</u>
		-	1,996,000	1,996,000	(1,996,000)
		<u>\$ 2,097,086</u>	<u>\$ 5,863,078</u>	<u>\$ 5,863,078</u>	<u>\$ (3,765,992)</u>

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2019**

	Budget		Actual	Variance with Final Budget Over (Under)
	Adopted	Final		
REVENUES:				
1100 Property taxes	\$ 17,743,014	\$ 17,743,014	\$ 17,809,170	\$ 66,156
1500 Investment earnings	55,000	55,000	187,145	132,145
TOTAL REVENUES	<u>17,798,014</u>	<u>17,798,014</u>	<u>17,996,315</u>	<u>198,301</u>
EXPENDITURES:				
5100 Debt service:*				
610 Principal	8,200,850	8,200,850	8,200,850	-
620 Interest	9,317,164	9,317,164	9,316,306	(858)
	<u>17,518,014</u>	<u>17,518,014</u>	<u>17,517,156</u>	<u>(858)</u> (1)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	280,000	280,000	479,159	199,159
FUND BALANCE, July 1, 2018	<u>470,000</u>	<u>470,000</u>	<u>463,940</u>	<u>(6,060)</u>
FUND BALANCE, June 30, 2019	<u>\$ 750,000</u>	<u>\$ 750,000</u>	<u>\$ 943,099</u>	<u>\$ 193,099</u>

(1) - Overexpenditure allowable for debt refunding under Oregon Local Budget Law.

*Appropriation level

**GRESHAM-BARLOW SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2019**

	Budget		Actual	Variance with
	Adopted	Final		Final Budget Over (Under)
REVENUES:				
1130 Construction excise tax	\$ 200,000	\$ 200,000	\$ 511,874	\$ 311,874
2190 Intermediate sources	75,000	75,000	75,000	-
3290 Other state sources	215,000	215,000	220,024	5,024
1500 Investment earnings	2,521,000	2,521,000	5,120,264	2,599,264
1960 E-Rate and recovery of prior year	250,000	250,000	122,088	(127,912)
1920 Contributions	-	-	6,127	6,127
1910 Rentals	7,500	7,500	1,105	(6,395)
TOTAL REVENUES	3,268,500	3,268,500	6,056,482	2,787,982
EXPENDITURES:				
1000 Instruction	-	-	-	-
2000 Support services	396,555	396,555	92,667	(303,888)
4000 Facilities acquisition and construction	200,050,000	200,050,000	163,358,333	(36,691,667)
5110 Debt services	195,000	195,000	183,650	(11,350)
6110 Contingency	10,000,000	10,000,000	-	(10,000,000)
Total expenditures	210,641,555	210,641,555	163,634,650	(47,006,905)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(207,373,055)	(207,373,055)	(157,578,168)	49,794,887
OTHER FINANCING SOURCES:				
5100 Financing proceeds	50,000,000	50,000,000	53,865,357	3,865,357
5200 Transfers in	-	-	-	-
	50,000,000	50,000,000	53,865,357	3,865,357
NET CHANGE IN FUND BALANCE	(157,373,055)	(157,373,055)	(103,712,811)	53,660,244
FUND BALANCE, July 1, 2018	263,601,000	263,601,000	237,541,849	(26,059,151)
FUND BALANCE, June 30, 2019	\$ 106,227,945	\$ 106,227,945	\$ 133,829,038	\$ 27,601,093

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
 SCHEDULE OF DETAILED EXPENDITURES -
 BUDGET AND ACTUAL
 CAPITAL PROJECTS FUND
 YEAR ENDED JUNE 30, 2019**

	Actual			
	Salaries (100)	Benefits (200)	Services (300)	Materials (400)
EXPENDITURES:				
INSTRUCTION*:				
1111 Elementary, K-5	\$ -	\$ -	\$ -	\$ -
SUPPORT SERVICES*:				
2520 Fiscal services	-	-	8,292	77,835
2540 Operation and maintenance of plant services	5,000	1,540	-	-
2630 Information services	-	-	-	-
2660 Technology services	-	-	-	-
Total support services	<u>5,000</u>	<u>1,540</u>	<u>8,292</u>	<u>77,835</u>
FACILITIES ACQUISITION AND CONSTRUCTION*:				
4110 Facilities acquisition and construction direction	45,426	18,473	738,056	20,935
4120 Site acquisition and development	-	-	-	-
4150 Building acquisition, construction and improvement	207,037	74,600	7,421,356	2,641,617
4180 Other Capital Items	-	-	-	1,343,175
Total facilities acquisition and construction	<u>252,463</u>	<u>93,073</u>	<u>8,159,412</u>	<u>4,005,727</u>
DEBT SERVICES*:				
5110 Long-Term Debt				
Principal	-	-	-	-
Interest	-	-	-	-
Lease	-	-	-	-
Total debt services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
6110 OPERATING CONTINGENCY	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 257,463</u>	<u>\$ 94,613</u>	<u>\$ 8,167,704</u>	<u>\$ 4,083,562</u>
7000 UNAPPROPRIATED ENDING FUND BALANCE*:				
TOTAL EXPENDITURES AND UNAPPROPRIATED ENDING FUND BALANCE				

*Appropriation level

Capital Outlay (500)	Other Objects (600)	Total	Budget		Variance with Final Budget Over (Under)
			Adopted	Final	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	86,127	290,000	290,000	(203,873)
-	-	6,540	106,555	106,555	(100,015)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	92,667	396,555	396,555	(303,888)
-	30,266	853,156	190,000,000	190,000,000	(189,146,844)
-	-	-	-	-	-
149,512,742	1,304,650	161,162,002	10,050,000	10,050,000	151,112,002
-	-	1,343,175	-	-	1,343,175
149,512,742	1,334,916	163,358,333	200,050,000	200,050,000	(36,691,667)
-	135,000	135,000	145,000	145,000	(10,000)
-	48,650	48,650	50,000	50,000	(1,350)
-	-	-	-	-	-
-	183,650	183,650	195,000	195,000	(11,350)
-	-	-	10,000,000	10,000,000	(10,000,000)
\$ 149,512,742	\$ 1,518,566	\$ 163,634,650	\$ 210,641,555	\$ 210,641,555	\$ (47,006,905)
		-	106,227,945	106,227,945	(106,227,945)
		\$ 163,634,650	\$ 316,869,500	\$ 316,869,500	\$ (153,234,850)

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL
EARLY RETIREMENT FUND
YEAR ENDED JUNE 30, 2019**

	Budget		Actual	Variance with
	Adopted	Final		Final Budget
				Over (Under)
REVENUES:				
5200 Contributions	\$ -	\$ -	\$ -	\$ -
1970 Charges for services	335,800	335,800	266,606	(69,194)
1500 Investment earnings	1,500	1,500	7,419	5,919
TOTAL REVENUES	337,300	337,300	274,025	(63,275)
EXPENDITURES:				
Support services:*				
2700 Supplemental retirement program:				
100 Salaries	659,077	659,077	311,004	(348,073)
200 Benefits	24,223	24,223	11,373	(12,850)
Total support services	683,300	683,300	322,377	(360,923)
NET CHANGE IN FUND BALANCE	(346,000)	(346,000)	(48,352)	297,648
FUND BALANCE, July 1, 2018	346,000	346,000	347,919	1,919
FUND BALANCE, June 30, 2019	\$ -	\$ -	\$ 299,567	\$ 299,567

*Appropriation level

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL
POST RETIREMENT FUND
YEAR ENDED JUNE 30, 2019**

	Budget		Actual	Variance with
	Adopted	Final		Final Budget
				Over (Under)
REVENUES:				
5200 Contributions	\$ 300,000	\$ 300,000	\$ 300,000	\$ -
1970 Charges for services	-	-	-	-
1500 Investment earnings	10,000	10,000	40,975	30,975
TOTAL REVENUES	310,000	310,000	340,975	30,975
EXPENDITURES:				
Support services:*				
2700 Supplemental retirement program:				
100 Salaries	-	-	-	-
200 Benefits	1,795,000	1,795,000	130,675	(1,664,325)
Total support services	1,795,000	1,795,000	130,675	(1,664,325)
NET CHANGE IN FUND BALANCE	(1,485,000)	(1,485,000)	210,300	1,695,300
FUND BALANCE, July 1, 2018	1,485,000	1,485,000	1,345,915	(139,085)
FUND BALANCE, June 30, 2019	\$ -	\$ -	\$ 1,556,215	\$ 1,556,215

*Appropriation level

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
YEAR ENDED JUNE 30, 2019**

	<u>BALANCES JULY 1, 2018</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCES JUNE 30, 2019</u>
ASSETS				
Cash and investments	\$ 8,023	\$ 553,525	\$ 553,249	\$ 8,299
Accounts receivable	<u>102</u>	<u>\$ 74,557</u>	<u>102</u>	<u>74,557</u>
Total Assets	<u>\$ 8,125</u>	<u>\$ 628,082</u>	<u>\$ 553,351</u>	<u>\$ 82,856</u>
LIABILITIES				
Book overdraft	\$ 102	\$ 74,557	\$ 102	\$ 74,557
Due to agencies	<u>8,023</u>	<u>553,525</u>	<u>553,249</u>	<u>8,299</u>
Total Liabilities	<u>\$ 8,125</u>	<u>\$ 628,082</u>	<u>\$ 553,351</u>	<u>\$ 82,856</u>

GRESHAM-BARLOW SCHOOL DISTRICT 10JT
SCHEDULE OF BOND AND FINANCING REDEMPTION AND INTEREST REQUIREMENTS
June 30, 2019

DATE	Gresham-Barlow #10JT 2005 Refunding Series		Gresham-Barlow #10JT 2012 FFCO Series*		Gresham-Barlow #10JT 2017 General Obligation		Gresham-Barlow #10JT 2019 General Obligation	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2019-20	5,250,000	603,075	140,000	42,650	3,765,545	8,556,080	-	1,016,843
2020-21	5,715,000	314,325	145,000	37,050	3,731,021	8,660,604	451,684	896,166
2021-22	-	-	155,000	31,250	9,255,166	8,891,459	1,336,405	961,445
2022-23	-	-	160,000	26,050	10,530,000	8,113,875	1,550,000	877,850
2023-24	-	-	165,000	20,700	11,570,000	7,587,825	1,690,000	815,850
2024-25	-	-	170,000	15,750	12,615,000	7,071,200	1,825,000	748,250
2025-26	-	-	175,000	10,650	13,780,000	6,444,400	1,990,000	657,000
2026-27	-	-	180,000	5,400	15,025,000	5,757,500	2,160,000	557,500
2027-28	-	-	-	-	16,345,000	5,006,250	2,345,000	449,500
2028-29	-	-	-	-	17,750,000	4,189,000	2,535,000	332,250
2029-30	-	-	-	-	19,245,000	3,301,500	2,740,000	205,500
2030-31	-	-	-	-	20,825,000	2,339,250	2,441,819	586,681
2031-32	-	-	-	-	12,187,133	11,615,867	2,011,237	1,098,763
2032-33	-	-	-	-	11,839,160	12,618,840	1,985,021	1,209,978
2033-34	-	-	-	-	11,474,383	13,653,617	1,958,813	1,326,187
2034-35	-	-	-	-	11,119,635	14,703,365	1,926,764	1,443,236
2035-36	-	-	-	-	10,772,822	15,760,179	1,897,642	1,567,358
2036-37	-	-	-	-	25,960,000	1,298,000	1,868,345	1,696,655
2037-38	-	-	-	-	-	-	8,714,259	8,580,741
2038-39	-	-	-	-	-	-	8,573,238	9,201,762
TOTALS	\$ 10,965,000	\$ 917,400	\$ 1,290,000	\$ 189,500	\$ 237,789,864	145,568,811	\$ 50,000,227	34,229,515

DATE	PERS Bonds 2002 Series		PERS Bonds 2003 Series		PERS Bonds 2012 Refunding Series		Total Requirements All Issues	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2019-20	761,002	2,780,872	674,173	1,992,096	-	68,337	10,590,720	15,059,953
2020-21	-	1,341,874	669,426	2,126,843	2,485,000	68,337	13,197,131	13,445,199
2021-22	2,705,000	1,341,874	666,333	2,264,935	-	-	14,117,904	13,490,963
2022-23	3,050,000	1,193,640	666,953	2,409,315	-	-	15,956,953	12,620,730
2023-24	3,425,000	1,026,195	2,465,000	756,269	-	-	19,315,000	10,206,839
2024-25	3,835,000	836,107	2,760,000	617,984	-	-	21,205,000	9,289,291
2025-26	4,275,000	623,265	3,080,000	461,216	-	-	23,300,000	8,196,531
2026-27	4,745,000	386,003	3,420,000	286,272	-	-	25,530,000	6,992,675
2027-28	2,210,000	122,655	1,620,000	92,016	-	-	22,520,000	5,670,421
2028-29	-	-	-	-	-	-	20,285,000	4,521,250
2029-30	-	-	-	-	-	-	21,985,000	3,507,000
2030-31	-	-	-	-	-	-	23,266,819	2,925,931
2031-32	-	-	-	-	-	-	14,198,370	12,714,630
2032-33	-	-	-	-	-	-	13,824,181	13,828,818
2033-34	-	-	-	-	-	-	13,433,196	14,979,804
2034-35	-	-	-	-	-	-	13,046,399	16,146,601
2035-36	-	-	-	-	-	-	12,670,464	17,327,537
2036-37	-	-	-	-	-	-	27,828,345	2,994,655
2037-38	-	-	-	-	-	-	8,714,259	8,580,741
2038-39	-	-	-	-	-	-	8,573,238	9,201,762
TOTALS	\$ 25,006,002	\$ 9,652,485	\$ 16,021,885	\$ 11,006,946	\$ 2,485,000	136,674	343,557,978	\$ 201,701,331

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
SCHEDULE OF PROPERTY TAX TRANSACTIONS
For the Year Ended June 30, 2019**

General Fund:	TAXES UNCOLLECTED JUNE 30, 2018	ADD LEVY AS EXTENDED BY ASSESSOR	DEDUCT DISCOUNTS ALLOWED	ADD INTEREST	ADD (DEDUCT) CANCELLATION AND ADJUSTMENTS	DEDUCT COLLECTIONS	TAXES UNCOLLECTED JUNE 30, 2019
Total General Fund Levies							
2018-2019		\$ 29,860,428	\$ 785,517	\$ 9,971	\$ (80,286)	\$ 28,557,905	\$ 446,691
2017-2018	\$ 462,353	-	(1,940)	16,160	16,941	285,157	212,237
2016-2017	220,067	-	932	14,628	(13,385)	122,239	98,139
2015-2016	168,044	-	1,446	17,987	(13,795)	126,974	43,816
2014-2015	168,796	-	3,207	12,439	(1,200)	163,564	13,264
2013-2014 & Prior	579,148	-	12,968	5,149	(9,358)	500,636	61,335
Total Prior	1,598,408	-	16,613	66,363	(20,797)	1,198,570	428,791
Total	\$ 1,598,408	\$ 29,860,428	\$ 802,130	\$ 76,334	\$ (101,083)	\$ 29,756,475	\$ 875,482
Multnomah County							
2018-2019		\$ 24,915,904	655,476	8,790	(66,014)	23,828,370	\$ 374,834
2017-2018	\$ 367,037	-	(1,940)	12,669	29,867	229,403	182,110
2016-2017	171,076	-	932	11,661	(1,488)	98,836	81,481
2015-2016	130,487	-	1,446	14,652	(1,273)	105,892	36,528
2014-2015	142,275	-	3,207	10,491	3,133	141,730	10,962
2013-2014 & Prior	498,558	-	12,968	4,200	(1,744)	431,951	56,095
Total Prior	1,309,433	-	16,613	53,673	28,495	1,007,812	367,176
Total	\$ 1,309,433	\$ 24,915,904	\$ 672,089	\$ 62,463	\$ (37,519)	\$ 24,836,182	\$ 742,010
Clackamas County							
2018-2019		\$ 4,944,524	130,041	1,181	(14,272)	4,729,535	\$ 71,857
2017-2018	\$ 95,316	-	-	3,491	(12,926)	55,754	30,127
2016-2017	48,991	-	-	2,967	(11,897)	23,403	16,658
2015-2016	37,557	-	-	3,335	(12,522)	21,082	7,288
2014-2015	26,521	-	-	1,948	(4,333)	21,834	2,302
2013-2014 & Prior	80,590	-	-	949	(7,614)	68,685	5,240
Total Prior	288,975	-	-	12,690	(49,292)	190,758	61,615
Total	\$ 288,975	\$ 4,944,524	\$ 130,041	\$ 13,871	\$ (63,564)	\$ 4,920,293	\$ 133,472
Debt Service Fund:							
Total Debt Service Levies							
2018-2019		\$ 18,207,659	\$ 478,977	\$ 6,080	\$ (48,954)	\$ 17,413,433	\$ 272,375
2017-2018	\$ 268,449	-	(1,128)	9,381	9,898	165,578	123,278
2016-2017	47,890	-	204	3,203	(2,912)	26,762	21,215
2015-2016	38,370	-	332	4,113	(3,123)	29,041	9,987
2014-2015	39,273	-	745	2,894	(288)	38,957	2,177
2013-2014 & Prior	146,963	-	3,116	1,490	(2,261)	119,828	23,248
Total Prior	540,945	-	3,269	21,081	1,314	380,166	179,905
Total	\$ 540,945	\$ 18,207,659	\$ 482,246	\$ 27,161	\$ (47,640)	\$ 17,793,599	\$ 452,280

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
SCHEDULE OF PROPERTY TAX TRANSACTIONS (Continued)
For the Year Ended June 30, 2019**

Debt Service Fund (Continued):

	<u>TAXES UNCOLLECTED JUNE 30, 2018</u>	<u>ADD LEVY AS EXTENDED BY ASSESSOR</u>	<u>DEDUCT DISCOUNTS ALLOWED</u>	<u>ADD INTEREST</u>	<u>ADD (DEDUCT) CANCELLATION AND ADJUSTMENTS</u>	<u>DEDUCT COLLECTIONS</u>	<u>TAXES UNCOLLECTED JUNE 30, 2019</u>
Multnomah County							
2018-2019		\$ 15,196,958	399,795	\$ 5,361	\$ (40,264)	\$ 14,533,638	\$ 228,622
2017-2018	\$ 213,393	-	(1,128)	7,365	17,364	133,373	105,877
2016-2017	37,245	-	204	2,558	(327)	21,677	17,595
2015-2016	29,877	-	332	3,359	(291)	24,274	8,339
2014-2015	33,055	-	745	2,437	728	33,838	1,637
2013-2014 & Prior	121,660	-	3,116	1,253	(427)	103,290	16,080
			-				
Total Prior	435,230	-	3,269	16,972	17,047	316,452	149,528
Total	<u>\$ 435,230</u>	<u>\$ 15,196,958</u>	<u>\$ 403,064</u>	<u>\$ 22,333</u>	<u>\$ (23,217)</u>	<u>\$ 14,850,090</u>	<u>\$ 378,150</u>
Clackamas County							
2018-2019		\$ 3,010,701	\$ 79,182	\$ 719	\$ (8,690)	\$ 2,879,795	\$ 43,753
2017-2018	\$ 55,056	-	-	2,016	(7,466)	32,205	17,401
2016-2017	10,645	-	-	645	(2,585)	5,085	3,620
2015-2016	8,493	-	-	754	(2,832)	4,767	1,648
2014-2015	6,218	-	-	457	(1,016)	5,119	540
2013-2014 & Prior	25,303	-	-	237	(1,834)	16,538	7,168
Total Prior	105,715	-	-	4,109	(15,733)	63,714	30,377
Total	<u>\$ 105,715</u>	<u>\$ 3,010,701</u>	<u>\$ 79,182</u>	<u>\$ 4,828</u>	<u>\$ (24,423)</u>	<u>\$ 2,943,509</u>	<u>\$ 74,130</u>
						General Fund	Debt Service Fund
Total Property Taxes						\$ 29,756,475	\$ 17,793,599
Other taxes							
County sales tax						2,749	-
Tax offsets						32,470	15,570
Total other taxes						35,219	15,571
Total Taxes						<u>\$ 29,791,694</u>	<u>\$ 17,809,170</u>

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OTHER INFORMATION

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GRESHAM-BARLOW SCHOOL DISTRICT 10JT
COMPARATIVE SCHEDULE OF STUDENT ACTIVITY FUNDS BY SCHOOL
June 30, 2019 and 2018

	2019	2018
Gresham Union High School:		
Cash and investments	\$ 313,475	\$ 326,002
Sam Barlow High School:		
Cash and investments	290,902	565,350
Springwater Trail High School		
Cash and investments	39,327	40,641
Clear Creek Middle School:		
Cash and investments	53,293	52,366
Deep Creek Damascus K-8:		
Cash and investments	72,709	74,365
Dexter McCarty Middle School:		
Cash and investments	51,204	55,899
Gorden Russell Middle School:		
Cash and investments	123,149	98,946
West Orient Middle School:		
Cash and investments	102,794	76,053
East Gresham Elementary School		
Cash and investments	15,626	16,459
East Orient Grade School:		
Cash and investments	22,821	22,884
Hall Elementary School:		
Cash and investments	14,283	11,346
Highland Elementary School:		
Cash and investments	9,286	13,028
Hogan Cedars Elementary School		
Cash and investments	26,534	37,986
Hollydale Elementary School:		
Cash and investments	11,543	12,782
Kelly Creek Elementary School:		
Cash and investments	58,247	43,793
North Gresham Grade School:		
Cash and investments	17,773	19,686
Powell Valley Grade School:		
Cash and investments	15,609	12,451
West Gresham Grade School		
Cash and investments	10,166	9,370
Student Support Services		
Cash and investments	1,410	1,097
Total	\$ 1,250,151	\$ 1,490,504

The Student Activity Funds are grouped in the Other Special Revenue Fund under Nonmajor Governmental Funds

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**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
 SUPPLEMENTAL INFORMATION AS REQUIRED
 BY THE OREGON STATE DEPARTMENT OF EDUCATION
 YEAR ENDED JUNE 30, 2019**

A. Energy bills for heating - all funds:				<u>Objects 325 and 326</u>
Please enter your expenditures for electricity				Function 2540
& heating fuel for these Functions & Objects.				Function 2550
				\$ 1,610,941
				-
 B. Replacement of equipment - General Fund:				
Include all General Fund expenditures in Object 542, except for the following exclusions:				<u>Amount</u>
Exclude these functions:				
1113, 1122 & 1132	Co-curricular activities	4150	Construction	\$ 113,320
1140	Pre-kindergarten	2550	Pupil transportation	
1300	Continuing education	3100	Food service	
1400	Summer school	3300	Community services	

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
 SUPPLEMENTAL INFORMATION AS REQUIRED
 BY THE OREGON STATE DEPARTMENT OF EDUCATION
 SCHEDULE OF REVENUES
 YEAR ENDED JUNE 30, 2019**

	Fund 100	Fund 200	Fund 300
REVENUES:			
REVENUES FROM LOCAL SOURCES:			
1110 Ad valorem taxes levied by district	\$ 29,759,223	\$ -	\$ 17,793,599
1190 Penalties and interest on taxes	32,471	-	15,571
1130 Construction excise tax	-	-	-
1310 Tuition from individuals	-	85,497	-
1330 Summer school tuition	12,675	-	-
1410 Transportation fees from individuals	36,280	475	-
1500 Earnings on investments	934,523	75,468	187,145
1600 Food service	-	602,502	-
1700 Extracurricular activities	344,752	1,563,701	-
1800 Community services activities	53,465	15,864	-
1910 Rentals	246,427	-	-
1920 Contributions and donations	4,810	264,662	-
1940 Services provided to other LEA	180,000	24,589	-
1950 Textbook sales and rentals	-	10,263	-
1960 Recovery of prior year's expenditures	108,672	-	-
1970 Services provided other funds	-	1,149,593	-
1980 Fees charged to grants	393,257	-	-
1990 Miscellaneous	340,870	132,016	-
Total revenue from local sources	<u>32,447,425</u>	<u>3,924,630</u>	<u>17,996,315</u>
REVENUES FROM INTERMEDIATE SOURCES:			
2101 County school fund	9,113	-	-
2102 General education service district funds	1,675,000	-	-
2190 Other revenue from intermediate sources	-	427,040	-
Total revenue from intermediate sources	<u>1,684,113</u>	<u>427,040</u>	<u>-</u>
REVENUES FROM STATE SOURCES:			
3101 State school fund	88,562,945	-	-
3102 State school lunch match	-	42,949	-
3103 Common school fund	1,351,843	-	-
3199 Other unrestricted state revenue	1,184,904	-	-
3204 Driver education	-	-	-
3299 Other restricted state revenue	20,030	4,353,007	-
Total revenue from state sources	<u>91,119,722</u>	<u>4,395,956</u>	<u>-</u>
REVENUES FROM FEDERAL SOURCES:			
4500 Restricted revenue from federal government through the state	54,865	9,430,058	-
4700 Restricted revenue from federal government through the intermediate sources	-	-	-
4801 Forest Fees	40,195	-	-
	4,372	-	-
Total revenue from federal sources	<u>99,432</u>	<u>9,430,058</u>	<u>-</u>
REVENUES FROM OTHER SOURCES:			
5160 Lease purchase receipts	-	-	-
5200 Transfers	-	260,000	-
5300 Sale or compensation for loss of fixed assets	-	-	-
5400 Resources - beginning fund balance	15,384,880	4,047,378	463,940
Total revenue from other sources	<u>15,384,880</u>	<u>4,307,378</u>	<u>463,940</u>
TOTAL REVENUES	<u>\$ 140,735,572</u>	<u>\$ 22,485,062</u>	<u>\$ 18,460,255</u>

Fund 400	Fund 500	Fund 600	Fund 700	Total
\$ -	\$ -	\$ -	\$ -	\$ 47,552,822
-	-	-	-	48,042
511,874	-	-	-	511,874
-	-	-	-	85,497
-	-	-	-	12,675
-	-	-	-	36,755
5,120,264	-	-	48,394	6,365,794
-	-	-	-	602,502
-	-	-	-	1,908,453
-	-	-	-	69,329
1,105	-	-	-	247,532
6,127	-	-	8,776	284,375
-	-	-	284,063	488,652
-	-	-	-	10,263
122,088	-	-	-	230,760
-	-	-	266,606	1,416,199
-	-	-	-	393,257
-	-	-	40,915	513,801
<u>5,761,458</u>	<u>-</u>	<u>-</u>	<u>648,754</u>	<u>60,778,582</u>
-	-	-	-	9,113
-	-	-	-	1,675,000
75,000	-	-	-	502,040
<u>75,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,186,153</u>
-	-	-	-	88,562,945
-	-	-	-	42,949
-	-	-	-	1,351,843
-	-	-	-	1,184,904
-	-	-	-	-
220,024	-	-	-	4,593,061
<u>220,024</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>95,735,702</u>
-	-	-	-	9,484,923
-	-	-	-	40,195
-	-	-	-	4,372
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,529,490</u>
53,865,357	-	-	-	53,865,357
-	-	-	300,000	560,000
-	-	-	-	-
237,541,849	-	-	1,701,857	259,139,904
<u>237,541,849</u>	<u>-</u>	<u>-</u>	<u>2,001,857</u>	<u>313,565,261</u>
<u>\$ 243,598,331</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,650,611</u>	<u>\$ 481,795,188</u>

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
 SUPPLEMENTAL INFORMATION AS REQUIRED
 BY THE OREGON STATE DEPARTMENT OF EDUCATION
 SCHEDULE OF SPECIAL REVENUE FUND EXPENDITURES
 YEAR ENDED JUNE 30, 2019**

	100 Objects	200 Objects	300 Objects
EXPENDITURES:			
INSTRUCTION:			
1111 Primary programs K-5	\$ -	-	-
1113 Elementary extracurricular	-	-	11,809
1121 Middle school programs	45,539	17,616	-
1122 Middle school extracurricular	-	-	121,849
1131 High school programs	323,725	167,572	792,972
1132 High school extracurricular	-	-	444,166
1140 Pre-kindergarten programs	17,051	11,414	1,049
1220 Restrictive programs for students with disabilities	62,102	50,833	70
1250 Resource rooms	657,501	368,356	452
1271 Remediation	4,364	1,508	-
1272 Title I	1,572,905	893,699	466,958
1280 Alternative Education	3,146	1,746	-
1299 Other programs	99	40	619
1400 Summer school programs	-	-	-
Total instruction	<u>2,686,432</u>	<u>1,512,784</u>	<u>1,839,944</u>
SUPPORT SERVICES:			
2110 Attendance and social work	284,103	186,245	330
2120 Guidance services	-	-	-
2130 Health services	146,797	63,842	643
2140 Psychological testing services	60,840	44,847	269
2150 Speech pathology and audiology	261,374	146,411	-
2190 Service direction - student support services	157,204	89,162	2,694
2210 Improvement of instruction services	68,681	37,120	17,957
2220 Educational media services	-	-	-
2230 Assessment and testing	-	-	-
2240 Instructional staff development	1,428,101	638,312	536,376
2320 Executive administration services	-	-	-
2410 Office of the principal	-	-	3,592
2520 Fiscal services	-	-	-
2550 Student transportation	-	-	57,378
2570 Internal services	111,719	49,950	44,669
2620 Planning and development services	-	-	-
2660 Technology services	44,526	33,082	-
2690 Other central support	-	-	-
Total support services	<u>2,563,345</u>	<u>1,288,971</u>	<u>663,908</u>
COMMUNITY SERVICES:			
3100 Food services	-	-	3,497,274
3300 Community services	19,772	5,711	5,144
Total community services	<u>19,772</u>	<u>5,711</u>	<u>3,502,418</u>
TOTAL EXPENDITURES	<u>\$ 5,269,549</u>	<u>\$ 2,807,466</u>	<u>\$ 6,006,270</u>

Note - this is the total of the Federal Grant, Nutrition Services,
 State and Other Grant and Other Special Revenue Funds.

400 Objects	500 Objects	600 Objects	Total
90	-	-	\$ 90
117,163	25,216	24,752	178,940
159,319	-	-	222,474
149,458	-	13,089	284,396
447,829	-	-	1,732,098
615,137	-	159,505	1,218,808
1,515	-	-	31,029
3,801	-	49	116,855
1,053	-	76,387	1,103,749
-	-	-	5,872
76,256	-	121,477	3,131,295
-	-	-	4,892
3,572	-	-	4,330
-	-	-	-
<u>1,575,193</u>	<u>25,216</u>	<u>395,259</u>	<u>8,034,828</u>
93,487	-	-	564,165
226	-	-	226
-	-	-	211,282
-	-	836	106,792
-	-	-	407,785
-	-	294	249,354
442	-	908	125,108
55,354	-	-	55,354
-	-	-	-
22,386	-	44,475	2,669,650
-	-	-	-
42,412	-	347	46,351
-	-	4,976	4,976
749	-	11,474	69,601
71,301	-	-	277,639
-	-	-	-
110,674	-	-	188,282
-	-	-	-
<u>397,031</u>	<u>-</u>	<u>63,310</u>	<u>4,976,565</u>
322,978	346,353	144,959	4,311,564
9,600	-	-	40,227
<u>332,578</u>	<u>346,353</u>	<u>144,959</u>	<u>4,351,791</u>
<u>\$ 2,304,802</u>	<u>\$ 371,569</u>	<u>\$ 603,528</u>	<u>\$ 17,363,184</u>

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STATISTICAL SECTION

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

Contents

Financial Trends	71
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
Revenue Capacity	75
These schedules contain information to help the reader assess the government's most significant local revenue sources, the property tax.	
Debt Capacity	79
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	
Demographic and Economic Information	81
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	
Operating Information	82
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	

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

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GRESHAM-BARLOW SCHOOL DISTRICT 10JT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	<u>2018-2019</u>	<u>2017-18</u>	<u>2016-17**</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14*</u>	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>
Governmental activities:										
Net investment in capital assets	\$ 65,058,057	\$ 55,267,175	\$ 48,951,887	\$ 43,176,211	\$ 40,316,151	\$ 37,147,822	\$ 34,124,378	\$ 31,873,301	\$ 29,983,256	\$ 27,643,113
Restricted	136,093,033	239,631,536	2,604,752	3,435,202	3,299,710	3,692,994	4,216,323	4,100,076	3,897,351	2,323,424
Unrestricted	(218,218,856)	(318,650,009)	(81,958,437)	(62,194,488)	(38,284,073)	(54,264,349)	4,704,560	11,151,934	18,091,441	23,717,800
Total primary government net position	<u>\$ (17,067,766)</u>	<u>\$ (23,751,298)</u>	<u>\$ (30,401,798)</u>	<u>\$ (15,583,075)</u>	<u>\$ 5,331,788</u>	<u>\$ (13,423,533)</u>	<u>\$ 43,045,261</u>	<u>\$ 47,125,311</u>	<u>\$ 51,972,048</u>	<u>\$ 53,684,337</u>

* as restated for GASB 68

** as restated for GASB 73 and 75

GRESHAM-BARLOW SCHOOL DISTRICT 10JT
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS
(accrual basis of accounting)

81A

	2018-2019	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
Expenses										
Governmental activities:										
Instruction:										
Regular programs	\$ 62,553,018	\$ 57,567,160	\$ 54,472,633	\$ 65,410,928	\$ 38,759,479	\$ 45,136,409	\$ 42,766,242	\$ 46,001,030	\$ 45,585,182	\$ 45,897,151
Special programs	32,623,091	30,820,653	31,072,837	30,955,800	23,247,820	24,005,235	21,281,755	19,462,804	18,662,614	17,550,276
Adult/Continuing programs	-	-	-	-	-	-	-	-	-	-
Summer school programs	10,018	17,868	20,370	40,928	31,756	23,617	27,907	29,639	37,316	35,779
Total instruction	<u>95,186,127</u>	<u>88,405,681</u>	<u>85,565,840</u>	<u>96,407,656</u>	<u>62,039,055</u>	<u>69,165,261</u>	<u>64,075,904</u>	<u>65,493,473</u>	<u>64,285,112</u>	<u>63,483,206</u>
Support services:										
Student support services	8,822,858	8,117,838	8,041,429	9,279,322	5,559,793	6,610,669	6,224,778	6,291,417	5,970,489	5,928,050
Instructional staff support	7,542,690	6,056,780	6,132,841	5,869,810	4,065,219	3,604,080	3,757,790	4,046,447	4,615,721	4,799,441
General administration	676,361	1,138,534	1,553,901	1,503,735	873,881	1,078,227	1,016,157	600,724	1,096,149	860,098
School administration	9,308,359	8,748,351	8,524,219	9,614,000	5,870,308	7,088,709	6,816,155	6,762,586	6,163,757	6,361,477
Business support services	22,701,808	20,226,465	19,710,606	20,504,784	18,633,516	19,493,722	21,367,682	18,949,088	16,737,959	15,434,205
Central activities	3,857,789	3,475,812	4,377,320	3,753,521	3,568,485	5,125,256	4,993,580	3,163,133	4,924,378	4,621,373
Supplemental retirement program	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Total support services	<u>53,209,865</u>	<u>48,063,780</u>	<u>48,640,316</u>	<u>50,825,172</u>	<u>38,871,202</u>	<u>43,300,663</u>	<u>44,476,142</u>	<u>40,113,395</u>	<u>39,808,453</u>	<u>38,304,644</u>
Enterprise and community services	4,692,501	4,674,721	4,595,430	4,220,173	4,083,154	3,972,990	3,943,914	3,756,939	3,656,939	3,836,382
Facilities and construction	-	-	-	-	-	146,963	-	-	-	-
Interest on long-term debt	7,809,148	9,015,879	2,897,748	1,256,043	4,868,853	4,757,167	4,903,333	5,321,741	5,053,148	5,136,273
Total primary government expenses	<u>\$ 160,897,641</u>	<u>\$ 150,160,061</u>	<u>\$ 141,699,334</u>	<u>\$ 152,709,044</u>	<u>\$ 109,862,264</u>	<u>\$ 121,343,044</u>	<u>\$ 117,399,293</u>	<u>\$ 114,685,548</u>	<u>\$ 112,803,652</u>	<u>\$ 110,760,505</u>
Program Revenues										
Governmental activities:										
Charges for services:										
Regular programs	\$ 2,604,268	\$ 2,619,535	\$ 2,555,549	\$ 2,531,283	\$ 2,580,889	\$ 2,258,215	\$ 2,404,909	\$ 2,591,406	\$ 2,489,026	\$ 2,490,473
Other instruction activities	379,079	358,101	170,033	125,047	84,280	175,515	173,701	171,181	175,652	166,175
Support services	1,040,016	1,023,302	1,095,766	911,172	927,334	865,374	514,453	448,729	789,508	897,504
Enterprise and community services	858,666	892,431	780,786	741,698	705,118	922,338	953,220	1,039,824	1,123,322	1,241,200
Operating grants and contributions	14,695,101	12,578,993	12,054,900	10,718,324	11,182,275	10,374,635	11,123,257	10,410,830	12,407,411	12,084,445
Capital grants and contributions	81,127	97,925	316,330	694,825	867,493	554,778	1,733,518	1,202,499	936,071	403,907
Total primary government program revenues	<u>\$ 19,658,257</u>	<u>\$ 17,570,287</u>	<u>\$ 16,973,364</u>	<u>\$ 15,722,349</u>	<u>\$ 16,347,389</u>	<u>\$ 15,150,855</u>	<u>\$ 16,903,058</u>	<u>\$ 15,864,469</u>	<u>\$ 17,920,990</u>	<u>\$ 17,283,704</u>
Net (Expense)/Revenue										
Total primary government net expense	<u>\$ (141,239,384)</u>	<u>\$ (132,589,774)</u>	<u>\$ (124,725,970)</u>	<u>\$ (136,986,695)</u>	<u>\$ (93,514,875)</u>	<u>\$ (106,192,189)</u>	<u>\$ (100,496,235)</u>	<u>\$ (98,821,079)</u>	<u>\$ (94,882,662)</u>	<u>\$ (93,476,801)</u>

GRESHAM-BARLOW SCHOOL DISTRICT 10JT
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2018-2019	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes	\$ 29,791,694	\$ 27,920,419	\$ 27,051,766	\$ 26,419,363	\$ 25,127,171	\$ 23,524,401	\$ 23,617,045	\$ 23,114,803	\$ 22,742,618	\$ 22,241,298
Property taxes levied for debt service	17,809,170	16,050,570	5,924,562	6,038,838	5,848,183	5,585,613	5,731,001	5,865,392	5,770,673	5,937,248
State school fund - general support	88,605,894	87,163,092	80,889,125	78,922,863	77,338,087	72,089,563	65,044,223	60,784,257	58,771,970	62,535,975
State school fund - school improvement fund	-	-	-	-	-	-	-	-	-	-
Common school fund	1,351,843	1,276,986	1,551,007	1,488,746	1,226,724	1,168,802	1,219,378	1,098,776	1,195,304	1,230,366
Multnomah county income taxes	9,113	1,485	3,578	1,882	-	-	-	-	85,995	59,254
Unrestricted state and local sources	3,613,258	3,428,022	3,161,123	2,765,807	2,548,419	2,276,194	449,916	2,651,937	367,976	26,328
Federal forest fees	4,372	6,496	2,877	12,093	12,662	13,289	13,282	6,747	22,283	26,376
Other federal sources	-	-	-	-	-	-	-	35,578	3,734,680	3,229,489
Earnings on investments	6,317,400	2,760,953	987,718	232,192	168,950	170,315	198,678	241,170	237,566	304,554
Miscellaneous	420,172	632,251	148,953	190,048	-	-	142,662	175,540	241,308	263,843
Proceeds from refunding bonds	-	-	-	-	-	-	-	142	-	-
Total primary government	\$ 147,922,916	\$ 139,240,274	\$ 119,720,709	\$ 116,071,832	\$ 112,270,196	\$ 104,828,177	\$ 96,416,185	\$ 93,974,342	\$ 93,170,373	\$ 95,854,731
Change in Net Position										
Total primary government	\$ 6,683,532	\$ 6,650,500	\$ (5,005,261)	\$ (20,914,863)	\$ 18,755,321	\$ (1,364,012)	\$ (4,080,050)	\$ (4,846,737)	\$ (1,712,289)	\$ 2,377,930

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Source: Gresham-Barlow School District 10JT financial records.

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

(modified accrual basis of accounting)

	2018-19(1)	2017-18(1)	2016-17(1)	2015-16(1)	2014-15(1)	2013-14(1)	2012-13(1)	2011-12(1)	2010-11(1)	2009-10
General Fund (1)										
Unassigned	\$ 18,172,677	\$ 15,384,880	\$ 11,855,630	\$ 10,278,093	\$ 6,866,451	\$ 6,080,252	\$ 6,530,804	\$ 10,654,889	\$ 12,714,159	
Unreserved										\$ 13,557,462
Total general fund	<u>\$ 18,172,677</u>	<u>\$ 15,384,880</u>	<u>\$ 11,855,630</u>	<u>\$ 10,278,093</u>	<u>\$ 6,866,451</u>	<u>\$ 6,080,252</u>	<u>\$ 6,530,804</u>	<u>\$ 10,654,889</u>	<u>\$ 12,714,159</u>	<u>\$ 13,557,462</u>
All Other Governmental Funds(1)										
Restricted for:										
Student activity groups	\$ 1,650,051	\$ 1,490,504	\$ 1,274,075	\$ 1,305,948	\$ 1,286,825	\$ 1,271,120	\$ 1,319,242	\$ 1,365,098	\$ 1,306,688	\$ -
Retirement of long-term debt	943,099	463,940	659,220	865,944	853,530	893,146	1,069,912	1,164,286	1,450,341	-
Food service	972,687	1,329,938	1,109,803	1,100,720	943,319	933,926	788,221	672,758	475,903	-
School construction	132,318,960	236,216,767	356,493	59,751	121,494	231,001	706,896	607,767	451,362	-
Planning activities	208,236	130,387	179,909	151,652	81,715	46,286	16,718	-	-	-
Other activities	2,290,904	1,096,549	40,965	102,839	94,542	-	-	-	-	-
Committed to:										
PERS litigation	-	-	-	-	-	-	-	-	3,352,000	-
Assigned to:										
Capital expenditures(2)	1,510,078	1,325,082	266,114,710	926,538	1,113,052	1,156,265	1,573,340	720,371	782,383	-
Reserved for:										
Student activity groups										1,263,121
Retirement of long-term debt										1,770,506
Capital expenditures(2)										948,887
PERS litigation										3,336,190
Unreserved, reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	-	327,906
Total all other governmental funds	<u>\$ 139,894,015</u>	<u>\$ 242,053,167</u>	<u>\$ 269,735,175</u>	<u>\$ 4,513,392</u>	<u>\$ 4,494,477</u>	<u>\$ 4,531,744</u>	<u>\$ 5,474,329</u>	<u>\$ 4,530,280</u>	<u>\$ 7,818,677</u>	<u>\$ 7,646,610</u>

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(1) GASB 54 implemented 2010-11- requiring new fund balance categories. Over time all fund balances will be reported under new GASB 54 fund balance categories.

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

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
CHANGES IN FUND BALANCES
LAST TEN FISCAL YEARS**

(modified accrual basis of accounting)

REVENUES:	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
Local sources:										
Taxes(1)	\$ 48,234,826	\$ 44,771,365	\$ 33,438,943	\$ 32,698,611	\$ 31,371,012	\$ 29,350,424	\$ 29,546,553	\$ 29,029,839	\$ 28,761,869	\$ 28,364,220
Earnings on investments	6,317,400	2,760,953	987,718	232,192	168,950	170,315	199,253	241,170	237,566	304,554
Other Local Sources	5,577,602	5,586,161	4,778,402	4,470,406	4,603,450	4,518,788	5,801,012	4,681,234	5,166,456	5,236,971
Intermediate Sources(3)	2,186,153	2,730,214	3,029,585	2,025,930	2,399,201	2,299,495	1,248,936	657,635	514,209	528,565
State Sources(2)	95,735,702	91,124,096	84,221,308	82,274,119	79,634,347	73,895,753	66,817,581	64,711,770	60,404,359	63,841,922
Federal Sources	9,529,490	9,837,772	10,137,897	9,971,176	10,363,332	9,704,632	9,531,146	10,203,702	16,050,190	14,857,826
Total Revenues	<u>167,581,173</u>	<u>156,810,561</u>	<u>136,593,853</u>	<u>131,672,434</u>	<u>128,540,292</u>	<u>119,939,407</u>	<u>113,144,481</u>	<u>109,525,350</u>	<u>111,134,649</u>	<u>113,134,058</u>
EXPENDITURES:										
Current:										
Instruction	86,563,266	82,290,478	79,023,925	75,370,746	74,744,012	70,652,667	67,548,028	65,948,102	64,693,562	63,823,957
Support Services	48,400,026	45,400,637	44,243,859	41,574,300	42,399,084	39,371,998	38,277,642	37,221,418	36,620,508	35,499,369
Enterprise and Community Services	4,607,717	4,601,208	4,233,443	4,102,848	4,134,407	3,956,043	3,929,611	3,723,763	3,634,613	3,817,410
Facilities Acquisition & Construction	13,845,591	26,292,477	4,843,684	-	-	148,444	102,336	47,369	-	154,673
Other Capital Outlay	149,700,479	5,594,978	450,517	2,052,751	1,181,480	1,251,059	2,836,840	1,818,164	707,685	400,043
Debt Service:										
Principal	8,335,850	4,807,911	6,660,683	5,839,761	4,737,911	4,250,000	4,120,000	3,745,000	3,532,970	3,301,667
Interest	9,364,956	11,975,630	1,326,689	808,009	1,600,531	1,718,968	1,892,070	2,371,556	2,620,786	2,799,602
Total Expenditures	<u>320,817,885</u>	<u>180,963,319</u>	<u>140,782,800</u>	<u>129,748,415</u>	<u>128,797,425</u>	<u>121,349,179</u>	<u>118,706,527</u>	<u>114,875,372</u>	<u>111,810,124</u>	<u>109,796,721</u>
Excess of revenues over (under) expenditures	(153,236,712)	(24,152,758)	(4,188,947)	1,924,019	(257,133)	(1,409,772)	(5,562,046)	(5,350,022)	(675,475)	3,337,337
Other Financing Sources (uses):										
General long-term debt issued	53,865,357	-	270,976,068	1,500,000	-	-	2,185,000	11,915,000		
Premium/(discount) on debt issued	-	-	-	-	-	-	191,174	(82,562)		
Payments to refunded bond escrow	-	-	-	-	-	-	-	(11,832,296)		
Proceeds from capital leases	-	-	-	-	1,006,065	-	-	-		
Sale or loss of capital assets	-	-	12,200	6,538	-	16,635	5,836	2,213	4,239	38,754
Transfers in	260,000	520,000	540,000	500,000	510,000	250,000	250,000	3,616,205		
Transfers out	(260,000)	(520,000)	(540,000)	(500,000)	(510,000)	(250,000)	(250,000)	(3,616,205)		
Total other financing sources (uses)	<u>53,865,357</u>	<u>-</u>	<u>270,988,268</u>	<u>1,506,538</u>	<u>1,006,065</u>	<u>16,635</u>	<u>2,382,010</u>	<u>2,355</u>	<u>4,239</u>	<u>38,754</u>
Net change in fund balances	<u>\$ (99,371,355)</u>	<u>\$ (24,152,758)</u>	<u>\$ 266,799,321</u>	<u>\$ 3,430,557</u>	<u>\$ 748,932</u>	<u>\$ (1,393,137)</u>	<u>\$ (3,180,036)</u>	<u>\$ (5,347,667)</u>	<u>\$ (671,236)</u>	<u>\$ 3,376,091</u>
Debt services as a percentage of noncapital expe	11.25%	11.26%	5.90%	5.21%	4.97%	4.98%	5.19%	5.41%	5.54%	5.59%

(1) Revenues are recognized when susceptible to accrual.

(2) Includes state replacement/transportation reimbursement and basic school support.

(3) Addition of PERS Litigation fund for 2003-04 to 2005-06.

GRESHAM-BARLOW SCHOOL DISTRICT 10JT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

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FISCAL YEAR	PROPERTY VALUE ASSESSED VALUATION(1)				TOTAL DIRECT TAX RATE(2)	PROPERTY VALUE TRUE CASH VALUATION(1)				RATIO OF ASSESSED VALUATION TO TRUE CASH VALUATION
	REAL PROPERTY	PERSONAL PROPERTY	PUBLIC UTILITY PROPERTY	TOTAL		REAL PROPERTY	PERSONAL PROPERTY	PUBLIC UTILITY PROPERTY	TOTAL	
2018-19	\$ 6,358,781,933	\$ 107,760,916	\$ 170,471,700	\$ 6,637,014,549	\$ 7.27	\$ 10,307,393,034	\$ 121,443,267	\$ 170,471,700	\$ 10,599,308,001	62.6 %
2017-18	6,084,673,840	108,656,446	247,992,706	6,441,322,992	7.14	9,301,858,299	117,459,162	257,425,263	9,676,742,724	66.6
2016-17	5,749,555,044	94,830,643	236,182,700	6,080,568,387	5.51	7,465,179,001	99,053,031	295,841,508	7,860,073,540	77.4
2015-16	5,713,975,169	94,699,500	236,328,300	6,045,002,969	5.55	7,333,823,559	98,851,917	299,960,840	7,732,636,316	78.2
2014-15	5,471,345,826	89,714,891	238,220,500	5,799,281,217	5.56	6,690,357,833	93,359,109	272,772,787	7,056,489,729	82.2
2013-14	5,221,377,564	94,527,553	225,607,960	5,541,513,077	5.56	6,078,358,205	98,166,145	269,903,109	6,446,427,459	86.0
2012-13	5,086,731,228	96,150,587	219,078,200	5,401,960,015	5.61	5,998,838,242	99,719,516	259,509,321	6,358,067,079	85.0
2011-12	5,049,372,484	100,445,837	224,488,380	5,374,306,701	5.57	6,206,883,641	104,198,915	238,505,680	6,549,588,236	82.1
2010-11	4,951,908,278	107,992,177	186,293,200	5,246,193,655	5.59	6,767,365,771	111,713,129	186,878,336	7,065,957,236	74.2
2009-10	4,801,708,917	111,816,750	181,458,890	5,094,984,557	5.62	7,243,951,660	112,838,609	181,540,671	7,538,330,940	67.6

(1) Multnomah County Tax Supervising and Conservation Commission, Multnomah and Clackamas Counties.

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

NA=not available

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
LARGEST TAXPAYERS WITHIN DISTRICT
CURRENT AND NINE YEARS AGO**

	2019		2010	
	ASSESSED VALUATION	PERCENTAGE OF TOTAL DISTRICT'S ASSESSED VALUATION	ASSESSED VALUATION	PERCENTAGE OF TOTAL DISTRICT'S ASSESSED VALUATION
PRIVATE ENTERPRISES				
Microchip Technology Inc	\$ 164,810,680	2.48 %	\$ 119,014,700	2.34 %
Semiconductor Components	109,377,780	1.65	48,962,970	0.96
DDR Gresham Station Eat LLC	38,012,720	0.57		
Madison-Specht Vista Logistics	33,872,160	0.51	-	0.00
Holly Ridge Associates	29,884,490	0.45	22,904,050	0.45
PKI Gresham Town Fair LLC	26,176,460	0.39	19,933,790	0.39
Glisan Corporate Park LLC	24,028,600	0.36	-	0.00
ARHC CFGREOR01LLC	22,771,530	0.34		
ROC II or Vista at 23 LLC	21,621,340	0.33		
Fred Meyer Stores Inc	21,078,480	0.32	16,703,330	0.33
Comcast Corporation			41,771,800	
GE Capital			35,869,630	0.70
Westlake Gresham North LLC			24,564,760	0.48
EQR Oregon LLC			16,514,530	0.32
Mutual Materials Company			15,892,340	0.31
PUBLIC UTILITIES				
Portland General Electric Co.	66,785,670	1.01	45,768,000	0.90
Frontier/Verizon Communications	15,119,400	0.23	51,195,200	1.00
Northwest Natural Gas	13,811,000	0.21		
SUB TOTAL	587,350,310	8.85	459,095,100	9.01
ALL OTHER TAXPAYERS	6,049,664,239	91.15	4,635,889,457	90.99
TOTAL	\$ 6,637,014,549	100.00 %	\$ 5,094,984,557	100.00 %

Source: Multnomah County Department of Assessment and Taxation

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
LARGEST TAXPAYERS WITHIN MULTNOMAH COUNTY
JUNE 30, 2019**

<u>Taxpayer</u>	<u>ASSESSED VALUATION</u>	<u>PERCENTAGE OF TOTAL DISTRICT'S ASSESSED VALUATION</u>	<u>Tax</u>
Port of Portland	\$ 638,096,920	0.78 %	\$ 131,107
Portland General Electric Co.	580,603,790	0.71	9,395,966
Alaska Airlines	487,260,400	0.59	7,362,876
Centurylink	400,783,000	0.49	6,457,089
Pacificorp (PP&L)	368,657,000	0.45	5,962,670
Weston Investment Co LLC	278,306,670	0.34	6,117,770
AT&T, Inc	256,803,100	0.31	4,167,431
Comcast Corporation	256,574,400	0.31	4,211,299
Boeing Company	254,645,800	0.31	3,956,820
Southwest Airlines	232,662,700	0.28	4,089,357
 Subtotal - ten of County's largest taxpayers	 <u>3,754,393,780</u>	 <u>4.56</u>	 <u>51,852,384</u>
All other County Taxpayers	<u>78,566,245,980</u>	<u>95.44</u>	
 TOTAL	 <u><u>\$ 82,320,639,760</u></u>	 <u><u>100.00</u></u> %	

Source: Multnomah County Department of Assessment and Taxation

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS**

	Dollars per \$1,000 True Cash Value									
	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
DIRECT:										
Gresham-Barlow School District 10JT Permanent Rate	\$ 4.53	\$ 4.53	\$ 4.53	\$ 4.53	\$ 4.53	\$ 4.53	\$ 4.53	\$ 4.53	\$ 4.53	\$ 4.53
Gresham-Barlow School District 10JT Bond	2.74	2.61	0.98	1.02	1.03	1.03	1.08	1.04	1.06	1.09
Gresham Grade School #4 Bond	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Weighted Average Direct (1)	<u>\$ 7.27</u>	<u>\$ 7.14</u>	<u>\$ 5.51</u>	<u>\$ 5.55</u>	<u>\$ 5.56</u>	<u>\$ 5.56</u>	<u>\$ 5.61</u>	<u>\$ 5.57</u>	<u>\$ 5.59</u>	<u>\$ 5.62</u>
Orient School district #6 Bond (2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.34
Damascus Union School District #26 Bond (2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.72	0.73	0.77
Overlapping:										
Tri-Met Service District	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.06	0.09	0.09
Port of Portland	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07
Multnomah ESD	0.46	0.46	0.46	0.46	0.46	0.46	0.44	0.46	0.46	0.46
Mt. Hood Community College	0.49	0.49	0.49	0.49	0.49	0.49	0.48	0.49	0.49	0.49
Clackamas Community College	0.74	0.75	0.74	0.75	0.71	0.71	0.72	0.70	0.70	0.72
City of Gresham	3.61	3.48	3.61	3.61	3.61	3.61	3.51	3.61	3.61	3.61
City of Damascus	0.00	0.00	0.00	2.80	2.80	3.10	3.10	3.30	3.30	3.30
Metropolitan Service District	0.47	0.41	0.40	0.39	0.46	0.47	0.40	0.32	0.41	0.44
Multnomah County	4.39	5.57	4.34	5.67	5.67	5.69	5.42	5.44	5.38	5.40
East Multnomah County Water & Soil	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Clackamas County Rural	3.22	3.22	3.22	3.22	3.22	3.22	3.22	3.22	2.86	2.86
Boring Fire district 59/Clackamas Fire 1	2.49	2.51	2.38	2.38	2.38	2.38	2.38	2.38	2.38	2.38
Vector control	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03
	<u>16.09</u>	<u>17.09</u>	<u>15.85</u>	<u>19.97</u>	<u>20.00</u>	<u>20.33</u>	<u>19.87</u>	<u>20.18</u>	<u>19.88</u>	<u>19.95</u>
Totals*	<u>\$ 23.36</u>	<u>\$ 24.23</u>	<u>\$ 21.36</u>	<u>\$ 25.52</u>	<u>\$ 25.56</u>	<u>\$ 25.89</u>	<u>\$ 25.48</u>	<u>\$ 25.75</u>	<u>\$ 25.47</u>	<u>\$ 25.57</u>

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

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

(2) Rates are presented for comparison only and are not included in the totals. Debt levies were not consolidated upon merger. Instead, the debt levies are assessed depending upon the former District's boundary lines.

N/A - Not Available

Source: Multnomah and Clackamas Counties Departments of Assessment and Taxation.

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
PROPERTY TAX LEVIES AND COLLECTION
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30	TOTAL TAX LEVY FOR FISCAL YEAR			COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	
	GENERAL FUND	DEBT SERVICE FUND	TOTAL	AMOUNT	PERCENTAGE OF LEVY		AMOUNT	PERCENTAGE OF LEVY
2018-19	\$ 29,860,428	\$ 18,207,659	\$ 48,068,087	\$ 45,971,339	95.6 %	\$ -	\$ 45,971,339	95.6 %
2017-18	28,983,051	16,832,467	45,815,517	43,383,823	94.7	433,754	43,817,577	95.6
2016-17	27,770,373	6,086,989	33,857,362	32,253,312	95.3	394,560	31,985,355	94.5
2015-16	27,063,772	6,196,842	33,260,614	32,533,242	97.8	512,821	33,046,063	99.4
2014-15	25,773,207	5,996,922	31,770,129	31,023,586	97.7	611,406	31,634,992	99.6
2013-14	24,087,065	5,717,058	29,804,123	29,033,266	97.4	631,780	29,665,046	99.5
2012-13	24,240,352	5,880,813	30,121,165	29,287,073	97.2	687,929	29,975,002	99.5
2011-12	23,670,264	5,999,667	29,669,931	28,740,137	96.9	756,830	29,496,967	99.4
2010-11	23,437,991	5,939,102	29,377,093	28,539,902	97.2	721,636	29,261,538	99.6
2009-10	22,864,871	6,095,480	28,960,351	28,019,394	96.8	833,307	28,852,701	99.6

Source: Multnomah and Clackamas County Departments of Assessment and Taxation.

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

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
RATIOS OF GENERAL BONDED DEBT OUTSTANDING AND LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS**

FISCAL YEAR	DEBT OUTSTANDING						RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUATION
	GENERAL OBLIGATION BONDS	PENSION OBLIGATION BONDS	TOTAL	LESS DEBT SERVICE FUND	NET GENERAL BONDED DEBT	OTHER DEBT OUTSTANDING(4)	
2018-19	\$ 329,912,122	\$ 42,092,373	\$ 372,004,495	\$ 943,099	\$ 371,061,396	\$ 1,391,960	\$ 5.59%
2017-18	285,969,425	42,757,626	328,727,051	463,940	328,263,111	1,539,705	5.10%
2016-17	291,117,555	43,260,954	334,378,509	659,220	333,719,289	1,936,050	5.49%
2015-16	26,271,457	43,626,533	69,897,990	865,944	69,032,046	3,827,900	1.14%
2014-15	31,132,749	44,080,635	75,213,384	853,530	74,359,854	2,711,093	1.28%
2013-14	35,724,040	44,113,855	79,837,895	893,146	78,944,749	2,095,685	1.42%
2012-13	40,085,332	44,120,084	84,205,416	1,069,912	83,135,504	2,228,430	1.54%
2011-12	44,392,310	44,085,334	88,477,644	1,164,286	87,313,358		1.62%
2010-11	48,291,210	43,899,973	92,191,183	1,450,341	90,740,842		1.73%
2009-10	52,166,203	43,719,868	95,886,071	1,770,506	94,115,565		1.85%

Legal Debt Margin Calculation for Fiscal Year 2019:

Real Market Value	\$ 10,599,308,001
Debt Limit (7.95%)(1)	842,644,986
Amount of Debt Applicable to Debt Limit	(372,004,495)
Legal Debt Margin	\$ 470,640,491

FISCAL YEAR	RATIO OF NET GENERAL BONDED DEBT TO TRUE CASH VALUE	RATIO OF TOTAL GENERAL BONDED DEBT TO PERSONAL INCOME	TOTAL GENERAL BONDED DEBT PER CAPITA	NET GENERAL BONDED DEBT PER CAPITA	LEGAL DEBT LIMIT(1)	LEGAL DEBT MARGIN(2)	RATIO OF LEGAL DEBT MARGIN TO DEBT LIMIT
2018-19	3.50%	N/A	3,366	\$ 3,358	\$ 842,644,986	\$ 470,640,491	55.85%
2017-18	3.39%	5.51%	2,993	2,989	769,301,047	440,573,996	57.27%
2016-17	4.25%	8.29%	4,269	4,260	624,875,846	290,497,337	46.49%
2015-16	0.89%	1.83%	901	890	614,744,587	544,846,597	88.63%
2014-15	1.05%	2.07%	975	964	560,990,933	485,777,549	86.59%
2013-14	1.22%	2.29%	1,038	1,026	512,490,983	432,653,088	84.42%
2012-13	1.31%	2.46%	1,097	1,083	505,466,333	421,260,917	83.34%
2011-12	1.33%	2.69%	1,155	1,139	520,692,265	432,214,621	83.01%
2010-11	1.28%	2.92%	1,205	1,186	561,743,600	469,552,417	83.59%
2009-10	1.25%	2.99%	1,207	1,184	599,297,310	503,411,239	84.00%

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

(1) ORS 328.245 establishes a parameter of bonded indebtedness for school districts. Aggregates are governed by real market values of all taxable properties within the District bases on the following: (A) For each grade from kindergarten to eighth for which the District operates schools, fifty-five one-hundredths of one of one percent (.0055) of real market value. (B) For each grade from ninth to twelfth for which the District operates schools, seventy-five one-hundredths of one percent (.0075) of real market value. Allowable percent of real market value: (A) Kindergarten through eighth grade, 9 x .0055 = 4.95% (B) Ninth through twelfth grade, 4 x .0075 = 3.00% or 7.95% of real market value. Real market value data can be found on page 75:

Assessed Value and Actual Value of Taxable Property.

(2) The legal debt margin is the District's available borrowing authority under ORS 328.245 and is calculated by subtracting the net debt applicable to the legal debt limit from the legal debt limit.

(3) Demographic and Economic Statistics can be found on page 81 for personal income and population data. Assessed Value and True Cash Value can be found on page 75.

(4) Includes Full Faith and Credit Obligations, Financing Agreement and Capital Leases (all of which are not included in the debt limit calculation).

Sources: Portland State University, Population Research Center and Multnomah and Clackamas Counties Departments of Assessment and Taxation.

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
DIRECT AND OVERLAPPING GROSS BONDED DEBT
JUNE 30, 2019**

GOVERNMENTAL UNIT	2018-2019	GROSS (1)	NET (2)	PERCENT	OVERLAPPING	
	REAL MARKET VALUATION				BONDED DEBT	DIRECT DEBT
<u>DIRECT DEBT</u>						
Gresham-Barlow School District	\$ 10,599,308,001	\$ 372,004,495	\$ 372,004,495	100.00%	\$ 372,004,495	\$ 372,004,495
<u>OVERLAPPING GOVERNMENT</u>						
City of Gresham	14,227,848,511	78,738,487	45,375,487	59.64	46,958,768	27,061,441
City of Troutdale	2,331,863,007	10,885,000	10,885,000	2.36	256,788	256,788
Clackamas Community College	57,813,899,000	117,873,913	93,763,913	0.00	3,536	2,813
Clackamas County	78,616,684,571	129,945,000	129,945,000	2.59	3,370,643	3,370,643
Clackamas Cty RFPD 1	35,892,916,692	44,467,277	29,447,277	4.51	2,004,807	1,327,630
Clackamas Soil & Water Conserv.	78,616,700,641	6,815,000	6,815,000	2.59	176,774	176,774
Lusted Water Authority	267,600,919	650,000	650,000	100.00	650,000	650,000
Metropolitan Service District	331,648,968,470	836,005,000	819,020,000	3.25	27,174,343	26,622,245
Mt. Hood Community College	48,698,376,214	53,819,068	20,660,000	23.14	12,452,925	4,780,414
Multnomah County	175,598,998,220	330,220,117	330,220,117	5.26	17,358,351	17,358,351
Multnomah County RFPD 10	1,081,651,922	3,019,182	3,019,182	63.82	1,926,715	1,926,715
Multnomah ESD	177,897,232,702	26,825,000	-	6.34	1,699,364	-
North Clackamas Parks & Rec	23,168,289,782	3,640,000	-	0.09	3,167	-
Pleasant Home Water District	244,860,592	1,425,000	1,425,000	94.27	1,343,299	1,343,299
Port of Portland	359,418,340,514	58,452,781	-	3.14	1,832,845	-
Rockwood Water PUD	6,976,959,150	4,655,000	-	14.30	665,707	-
TOTAL OVERLAPPING	1,392,501,190,907	1,707,435,825	1,491,225,976		117,878,032	84,877,113
TOTAL	\$ 1,403,100,498,908	\$ 2,079,440,320	\$ 1,863,230,471		\$ 489,882,527	\$ 456,881,608

Source: Municipal Debt Advisory Commission, State of Oregon.

(1) Gross bonded debt includes all bonds backed by a general obligation pledge including self-supporting general obligation bonds and limited tax debt.

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

(3) The percentage of overlapping debt is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the overlapping district's taxable assessed value that is within the school district's boundaries and dividing it by the overlapping district's total taxable assessed value.

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

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.

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

<u>FISCAL YEAR</u>	<u>POPULATION (ESTIMATED) (1)</u>	<u>PERSONAL INCOME (thousands of dollars) (ESTIMATED) (3)</u>	<u>PER CAPITA PERSONAL INCOME (2)</u>	<u>UNEMPLOYMENT RATE (2)</u>
2018-2019	110,505	\$ N/A	\$ N/A	3.6 %
2017-2018	109,820	5,966,411	54,329	3.6
2016-2017	78,335	4,034,873	51,508	3.7
2015-2016	77,549	3,817,737	49,230	4.8
2014-2015	77,108	3,632,249	47,106	5.7
2013-2014	76,909	3,482,824	45,285	6.6
2012-2013	76,757	3,424,744	44,618	7.7
2011-2012	76,631	3,288,006	42,907	8.6
2010-2011	76,485	3,152,176	41,213	9.4
2009-2010	79,462	3,202,001	40,296	11.3

(1) Population Research Center, Portland State University

a) 2010-11 from 2010 Census, 2011-12 estimated based on City of Gresham's projected population increases since the 2010 Census

b) Estimated based on City of Gresham's projected population increases since the 2000 Census (2002-2010)

(2) Employment Division, Research and Statistics, State of Oregon (For Multnomah County)

(3) Estimated using per capital information and estimated population.

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
 PRINCIPAL EMPLOYERS
 CURRENT AND NINE YEARS AGO**

<u>EMPLOYER</u>	<u>2019</u>			<u>2010</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of total employment(1)</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of total employment(1)</u>
Mt. Hood Community College	1,283	1	2.35 %	1,448	1	3.12 %
Gresham-Barlow School District	993	2	1.82	1,152	2	2.48
ON Semiconductor	807	3	1.48	504	5	1.09
Legacy Mt. Hood Medical Center	601	4	1.10	601	3	1.30
City of Gresham	580	5	1.06	569	4	1.23
Microchip Technology	564	6	1.03	348	6	0.75
Fred Meyer Inc	279	7	0.51	197	7	0.42
Albertina Kerr Centers	185	8	0.34			
Kaiser Foundation Health Plan	170	9	0.31			
Winco Foods	165	10	0.30	181	8	0.39
First Student	140	11	0.26	137	10	0.30
Safeway	144	12	0.26			
Regency Gresham Nursing	116	13	0.21			
Fairlawn Health Center	106	14	0.19	-		
Kaiser Permanente				140	9	0.30
Total	<u><u>6,132</u></u>		<u><u>11.25 %</u></u>	<u><u>5,277</u></u>		<u><u>11.38 %</u></u>

Source: City of Gresham, Community and Economic Development Department and United States Department of Labor, Bureau of Labor and Statistics.

(1)The District does not have records on employers within its jurisdiction and was unable to find a resource for its jurisdiction. The District used total employment for the City of Gresham as reported by the Bureau of Labor and Statistics.

The District took the City's top 25 list and was able to use this information to obtain those top ten within the District's jurisdiction.

GRESHAM-BARLOW SCHOOL DISTRICT 10JT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14(1)</u>	<u>2012-13(1)</u>	<u>2011-12(1)</u>	<u>2010-11(2)</u>	<u>2009-10</u>
Instruction:										
Primary programs	239.4	230.4	233.0	226.9	201.3	199.3	202.8	199.1	149.9	152.6
Intermediate programs(4)	-	-	-	-	-	-	-	-	78.6	75.8
Middle school programs	102.9	97.1	97.5	95.4	101.8	98.1	112.5	110.7	125.2	124.8
High school programs	122.7	120.1	120.9	119.3	120.5	117.7	136.2	132.5	149.4	148.7
Preschool programs	6.2	6.2	5.7	5.7	5.7	5.7	6.6	6.1	6.1	6.5
Talented and gifted programs	0.2	0.2	0.2	0.2	0.1	0.1	0.2	0.2	0.3	-
Restrictive programs	38.5	40.7	39.4	37.8	35.6	50.6	28.7	30.4	15.1	50.5
Resource rooms	128.7	122.9	124.2	114.2	113.5	103.2	104.2	107.0	118.9	82.4
Remediation	-	-	-	-	-	-	-	-	-	-
Title I	30.4	28.7	35.2	32.5	38.4	33.5	25.8	29.0	46.8	39.0
Alternative education	2.7	3.2	3.0	3.1	0.8	2.2	2.2	3.1	3.8	5.4
Designated programs	45.1	44.0	44.0	44.4	44.6	39.8	39.4	39.5	40.4	39.5
Total instruction	716.7	693.4	703.1	679.5	662.3	650.3	658.6	657.6	734.5	725.2
Support services:										
Attendance and social work services	20.4	18.0	19.0	17.5	18.3	17.5	18.0	17.8	17.3	16.5
Guidance services	27.4	26.9	26.9	27.3	26.9	27.5	29.5	31.1	31.7	34.9
Health services	9.2	9.2	9.5	9.8	8.8	7.3	7.3	5.2	6.2	4.6
Psychological services	5.5	5.3	7.0	6.5	6.5	7.5	7.5	7.1	7.1	7.1
Speech pathology and audiology services	12.0	12.0	12.0	12.0	11.7	11.7	11.7	14.5	13.9	14.0
Service direction - student support services	5.6	5.7	5.7	5.7	5.7	3.8	4.3	4.2	4.2	4.2
Improvement of instruction services	9.5	6.5	6.3	6.3	5.8	5.8	5.6	9.3	7.6	7.4
Educational media services	18.9	18.7	18.6	18.4	18.5	18.9	18.9	19.5	20.7	19.8
Assessment and testing	2.5	2.4	2.4	2.4	2.4	2.4	2.4	1.9	2.5	2.2
Instructional staff development	14.0	13.0	9.6	9.9	7.9	8.3	8.0	7.5	16.1	1.3
Executive administration services	3.0	5.0	6.0	6.0	6.0	6.0	6.0	3.0	4.0	4.0
Office of the principal services	75.9	75.9	74.9	74.7	78.1	76.3	77.5	78.2	77.8	71.6
Fiscal services	8.9	8.9	8.9	8.7	8.6	8.8	8.9	9.9	8.9	8.8
Operations and maintenance of plant services	58.0	58.0	58.0	58.0	58.0	57.0	57.0	57.0	59.0	59.0
Student transportation services	1.0	1.0	1.0	1.0	0.9	0.9	0.9	0.9	0.9	4.0
Internal services	2.3	2.3	2.3	2.3	2.2	1.2	1.0	1.0	1.0	1.0
Planning and development services	-	-	-	-	-	-	-	-	-	-
Information services	2.0	2.0	1.5	1.5	1.5	1.5	1.5	1.5	2.0	2.0
Staff services	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	7.0	7.0
Technology services	19.8	19.8	18.8	18.8	18.8	18.4	18.3	18.3	18.1	19.1
Other central support	1.0	1.0	1.0	1.1	1.0	1.0	1.0	1.0	1.0	1.0
Total support services	302.9	297.5	295.4	293.9	293.6	287.8	291.3	294.9	307.0	289.5
Community services:										
Food preparation and dispensing	-	-	-	0.2	0.2	0.2	-	-	-	0.1
Community services	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Civic services	-	-	-	-	-	-	-	-	-	-
Other community services										
Total community services	2.0	2.0	2.0	2.2	2.2	2.2	2.0	2.0	2.0	2.1
Facilities Acquisition and Construction										
Total FTE	1,021.6	992.9	1,000.5	975.6	958.1	940.3	951.9	954.5	1,043.5	1,016.8

(1) FTE (Full Time Equivalent) based on a reduction of 5 contracted working days.

(2) FTE (Full Time Equivalent) based on a reduction of 8 contracted working days.

(3) FTE based on a reduction of 10 contracted working days.

(4) Function eliminated in 2011-12

Source: Gresham-Barlow School District Adopted Budget

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
 LICENSED PROFESSIONAL SALARY PLAN
 YEAR ENDED JUNE 30, 2019**

<u>LEVEL</u>	<u>BACHELORS*</u>	<u>BACHELORS +45*</u>	<u>BACHELORS +75* MASTERS*</u>	<u>BACHELORS +105* MASTERS +23*</u>
1	39,766	43,682	45,096	49,112
2	41,725	45,559	47,067	51,120
3	43,781	47,518	49,126	53,207
4	45,938	49,561	51,273	55,380
5	48,199	51,693	53,516	57,638
6	50,573	53,915	55,857	59,992
7	53,064	56,234	60,014	64,279
8	55,678	58,652	60,849	64,993
9	58,418	61,175	63,509	67,648
10	61,298	63,804	66,287	70,409
11		66,547	69,186	73,283
12		69,410	72,211	76,277
13			75,370	79,391

*Based on 187 day contract

LICENCED STAFF PER LEVEL AND EDUCATION IN FULL-TIME EQUIVALENT EMPLOYEES-JUNE 2019

<u>LEVEL</u>	<u>BACHELORS</u>	<u>BACHELORS +45</u>	<u>BACHELORS +75 MASTERS</u>	<u>BACHELORS +105 MASTERS +23</u>	<u>TOTAL</u>
1	9.00	2.00	17.00	4.00	32.00
2	8.00	2.00	17.00	2.00	29.00
3	6.00	2.00	9.00	6.00	23.00
4	7.00	0.00	14.00	13.00	34.00
5	10.00	5.00	26.00	22.00	63.00
6	8.00	2.00	13.00	11.00	34.00
7	2.00	3.00	12.00	6.00	23.00
8	0.00	1.00	7.00	12.00	20.00
9	3.00	0.00	8.00	14.00	25.00
10	9.00	0.00	5.00	12.00	26.00
11	0.00	4.00	17.00	13.00	34.00
12	0.00	16.00	15.00	19.00	50.00
13	0.00	0.00	107.00	319.00	426.00
Total	62.00	37.00	267.00	453.00	819.00

Source: Gresham-Barlow School District Budget Department

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

FISCAL YEAR	STUDENT ENROLLMENT(1)	WEIGHTED AVERAGE DAILY MEMBERSHIP(2)	AVERAGE DAILY MEMBERSHIP(2)	COST PER PUPIL(4)(7)			TEACHING STAFF (6)	PUPIL-TEACHER RATIO (5)	NUMBER OF STUDENTS GRADE 5 AND ABOVE	
				K-8	9-12	ALL			GRESHAM HIGH SCHOOL	BARLOW HIGH SCHOOL
2018-2019	11,507	11,830	11,649	\$ 10,880	\$ 11,873	\$ 10,525	641.0	17.95	319	314
2017-2018	11,726	11,894	11,753	9,658	10,623	10,525	623.0	18.82	296	345
2016-2017	11,834	11,952	11,863	9,785	10,367	10,467	619.0	19.12	342	389
(8) 2015-2016	12,002	11,993	11,895	9,063	9,227	9,607	819.0	14.65	347	335
2014-2015	12,068	11,646	11,635	9,460	8,757	9,223	556.4	21.69	307	344
2013-2014	12,120	11,644	11,635	8,873	8,355	8,700	512.6	23.64	315	334
2012-2013	12,400	11,707	11,689	8,671	8,476	8,611	568.8	21.80	328	354
2011-2012	12,535	11,660	11,642	8,508	8,289	8,442	560.2	22.38	342	362
2010-2011	12,601	11,648	11,623	8,234	8,153	8,213	613.9	20.53	332	368
2009-2010	12,850	11,736	11,719	7,997	8,331	8,109	609.6	21.08	330	377

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NUMBER OF TYPE A LUNCES SERVED

NUMBER OF BREAKFASTS SERVED

FISCAL YEAR	PAID	FREE	REDUCED PRICE
2018-2019	409,194	360,780	75,274
2017-2018	153,982	727,567	50,960
2016-2017	126,353	709,047	51,334
2015-2016	134,229	788,452	46,470
2014-2015	131,919	723,820	38,787
2013-2014	180,825	562,725	73,555
2012-2013	234,133	612,662	72,010
2011-2012	266,606	595,317	78,625
2010-2011	305,294	550,631	88,862
2009-2010	364,163	536,262	103,422

FISCAL YEAR	PAID	FREE	REDUCED PRICE
2018-2019	218,564	150,137	26,226
2017-2018	28,926	320,001	13,728
2016-2017	18,232	307,943	13,666
2015-2016	21,035	372,462	11,469
2014-2015	17,866	325,204	7,884
2013-2014	54,116	271,047	31,274
2012-2013	61,002	304,513	28,870
2011-2012	49,147	247,628	27,323
2010-2011	69,760	209,919	33,264
2009-2010	79,085	210,632	38,105

(1) Enrollment in Gresham-Barlow School District locations only.

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

(3) Weighted Average Daily Membership (ADMw) includes all resident students regardless of where they attend in addition to program calculations included in the formula (including charter schools, schools outside the district, and schools for special needs students operated by other agencies and education service districts).

(5) Enrollment to Teacher Ratio

(6) Includes all licensed staff, not just classroom teachers, (i.e., counselors, special education, librarians).

(7) Cost per Pupil increased in 2018/19 due to ESSA requirements to report costs by school location.

(8) 2015-2016 first year with full year kindergarden.

**GRESHAM-BARLOW SCHOOL DISTRICT 10JT
CAPITAL ASSET INFORMATION
LAST TEN FISCAL YEARS**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013(1)</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
SCHOOLS										
ELEMENTARY										
BUILDINGS	11	11	11	11	11	11	11	11	11	11
SQUARE FEET	633,084	633,084	633,084	633,084	633,084	633,084	633,084	651,268	651,268	649,635
CAPACITY	5,611	5,611	5,611	5,611	5,611	5,611	5,611	5,838	5,838	5,353
ENROLLMENT	5,179	5,346	5,402	5,436	5,459	5,447	5,483	5,501	5,521	5,672
MIDDLE										
BUILDINGS	5	5	5	5	5	5	5	5	5	5
SQUARE FEET	460,285	460,285	460,285	460,285	460,285	460,285	460,285	472,199	472,199	470,257
CAPACITY	3,328	3,328	3,328	3,328	3,328	3,328	3,328	3,280	3,280	2,943
ENROLLMENT	2,797	2,765	2,763	2,744	2,806	2,832	2,986	3,110	3,100	3,045
HIGH										
BUILDINGS	3	3	3	3	3	3	3	3	3	3
SQUARE FEET	561,876	561,876	561,876	561,876	561,876	561,876	561,876	537,134	537,134	537,134
CAPACITY	3,630	3,630	3,630	3,630	3,630	3,630	3,630	3,627	3,627	3,170
ENROLLMENT(2)	3,531	3,615	3,669	3,822	3,803	3,841	3,931	3,924	3,980	4,133
§ ADMINISTRATIVE										
BUILDINGS	1	1	1	1	1	1	1	1	1	1
SQUARE FEET	13,094	13,094	13,094	13,094	13,094	13,094	13,094	13,094	13,094	12,000
OPERATIONS AND MAINTENANCE										
BUILDINGS	1	1	1	1	1	1	1	1	1	1
SQUARE FEET	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	6,000
OTHER										
SQUARE FEET	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000
ATHLETICS										
FOOTBALL FIELDS	3	3	3	3	3	3	3	3	3	3
SOCCER FIELDS	4	4	4	4	4	4	4	4	4	4
FOOTBALL/SOCCER FIELDS	2	2	2	2	2	2	2	2	2	2
BASEBALL/SOFTBALL	20	20	20	20	20	20	20	20	20	20
SWIMMING POOLS	2	2	2	2	2	2	2	2	2	2
PLAYGROUNDS	16	16	16	16	16	16	16	16	16	16

(1) Long-range planning for building capacity was conducted on a building by building and room by room basis to develop optimal capacity information.

(2) Does not include Adult Living Program.

AUDIT COMMENTS AND DISCLOSURES REQUIRED BY STATE REGULATIONS

Oregon Administrative Rules 162-10-050 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 comments and disclosures related to the audit of such statements and schedules are set forth in the following pages.

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December 2, 2019

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the Gresham-Barlow School District as of and for the year ended June 30, 2019, and have issued our report thereon dated December 2, 2019. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards.

Compliance

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

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

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

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

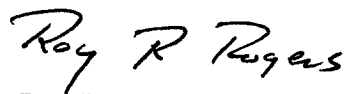
1. Expenditures of all the various funds were within authorized appropriations, except as noted on page 25.

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the internal controls over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial

statements, but not for the purpose of expressing an opinion on the effectiveness of the internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the internal controls over financial reporting.

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

A handwritten signature in black ink that reads "Roy R. Rogers". The signature is written in a cursive style with a large, prominent "R" and "R".

Roy R. Rogers, CPA
PAULY, ROGERS AND CO., P.C.

SINGLE AUDIT SECTION

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**Gresham-Barlow School District 10JT
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2019**

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>ODE Pass Through Entity Number</u>	<u>Grant Period Covered</u>	<u>Expenditures</u>
U.S. Department of Education				
Passed through Oregon Department of Education:				
Title IA/D Grants to LEA's	84.010	45602	07/01/17-09/30/18	\$ 416,438
	84.010	52106	09/30/18-09/30/20	345
	84.010	50396	07/01/18-09/30/19	2,344,266
				<u>2,761,049</u>
English Language Acquisition	84.365	50248	07/01/18-09/30/19	145,970
	84.365	44218	07/01/17-09/30/18	25,003
	84.365	48112	07/01/17-09/30/19	939
				<u>171,912</u>
Support Effective Instruction State Grant	84.367	45817	07/01/17-09/30/18	181,962
	84.367	49314	07/01/18-09/30/19	207,370
				<u>389,332</u>
Special Education - Grants to States	84.027	49519	07/01/18-06/30/19	7,655
	84.027	51268	07/01/17-09/30/18	8,258
	84.027	49887	07/01/18-09/30/20	1,986,059
	84.027	45184	07/01/17-09/30/19	129,370
	84.027			-
	84.027			-
				<u>2,131,342</u>
Special Education Preschool Grant	84.173	45396	07/01/17-09/30/18	12,296
	84.173	50084	07/01/18-09/30/20	9,450
				<u>21,746</u>
Special Education Cluster				2,153,088
21st Century Community Learning	84.287	44148	07/01/17-09/30/18	34,529
	84.287	49062	07/01/18-09/30/19	342,221
				<u>376,750</u>
School Improvement Grants	84.377	46860	07/01/18-09/30/19	94,906
	84.377	46140	03/07/14-09/30/18	134,521
				<u>229,427</u>
Homeless Children and Youth	84.196	46121	07/01/17-09/30/18	59,045
Student Support and Academic Enrichment	84.424	50730	07/01/18-09/30/19	31,393
	84.424	47730	07/01/17-06/30/18	51,551
				<u>82,944</u>
Total U.S. Department of Education				<u>6,223,547</u>

(1) There were no funds passed through to subrecipients

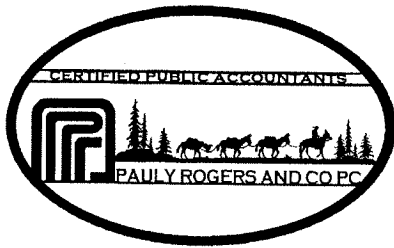
Gresham-Barlow School District 10JT
 Schedule of Expenditures of Federal Awards (Continued)
 Year Ended June 30, 2019

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>ODE Pass Through Entity Number</u>	<u>Period Covered</u>	<u>Expenditures</u>
U.S. Department of Health & Human Services				
Passed through Oregon Department of Education Foster Care Transportation Grant	93.658	47422	07/01/17-06/30/19	<u>54,865</u>
Passed through Oregon Employment Department Child Care Development Block Grant	93.575	ODE/OCC 14-036	07/01/13-12/31/19	<u>40,195</u>
Total U.S. Department of Health & Human Services				<u>95,060</u>
U.S. Department of Agriculture:				
Passed through Oregon Department of Education:				
Child Nutrition Cluster:				
Donated Commodities	10.555/10.553		07/01/18-06/30/19	312,849
School Breakfast Program	10.553		07/01/18-06/30/19	609,920
National School Lunch Program	10.555		07/01/18-06/30/19	2,075,280
Child and Adult Care Food Program	10.558		07/01/18-06/30/19	167,527
Summer Food Service Program for Children	10.559		07/01/18-06/30/19	63,226
CNP SAE 2016 Reallocation	10.560		07/01/18-06/30/19	<u>1,359</u>
				<u>3,230,161</u>
Passed through Clackamas and Multnomah Counties Oregon Forest Service - Schools and Roads			07/01/18-06/30/19	<u>4,372</u>
Total U.S. Department of Agriculture				<u>3,234,533</u>
Disaster Grants - Public Assistance:				
Passed through Oregon Department of Education:				
Military Department - FEMA	97.036		07/01/17-06/30/18	-
TOTAL FEDERAL FINANCIAL ASSISTANCE				<u><u>\$ 9,553,140</u></u>
Reconciliation to Federal Revenue:				
Total Federal Awards Expended, above				\$ 9,553,140
Accruals/Deferrals				<u>(23,650)</u>
Total Federal Revenue Recognized				<u><u>\$ 9,529,490</u></u>

(1) There were no funds passed through to subrecipients

REPORTS ON LEGAL AND OTHER REGULATORY COMPLIANCE

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December 2, 2019

To the Board of Directors
Gresham-Barlow School District
Gresham, Oregon

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, fiduciary funds, and the aggregate remaining fund information of Gresham-Barlow School District as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated December 2, 2019.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the basic financial statements will not be prevented, or detected and corrected on a timely basis.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

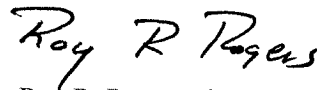
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

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

Purpose of this Report

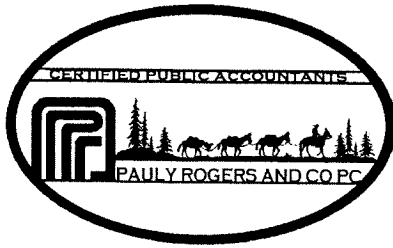
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control or on compliance. This report is an integral part of an audit performed in accordance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



Roy R. Rogers, CPA
PAULY, ROGERS AND CO., P.C.

GRANT COMPLIANCE REVIEW

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December 2, 2019

To the Board of Directors
Gresham-Barlow School District
Gresham, Oregon

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

Report on Compliance for Each Major Federal Program

We have audited Gresham-Barlow School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2019. The major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Gresham-Barlow 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, 2019.

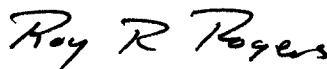
Report on Internal Control Over Compliance

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

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

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

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



Roy R. Rogers, CPA
PAULY, ROGERS AND CO., P.C.

GRESHAM-BARLOW SCHOOL DISTRICT
GRESHAM, OREGON

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

SECTION I – SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued Unmodified

Internal control over financial reporting:

Material weakness(es) identified? yes no

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

Noncompliance material to financial statements noted? yes no

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

FEDERAL AWARDS

Internal control over major programs:

Material weakness(es) identified? yes no

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

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

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

IDENTIFICATION OF MAJOR PROGRAMS

CFDA NUMBER **NAME OF FEDERAL PROGRAM CLUSTER**

84.010 Title I

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

Auditee qualified as low-risk auditee? yes no

GRESHAM-BARLOW SCHOOL DISTRICT
GRESHAM, OREGON

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

SECTION II – FINANCIAL STATEMENT FINDINGS

NONE

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

NONE

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL EXPENDITURES

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes federal grant activity under programs of the federal government. The information in this schedule is presented in accordance with the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations, it is not intended to and does not present the net position, changes in net position, or cash flows of the District.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

