



 AGENDA

I. EXECUTIVE SESSION:	Legal Counsel ORS 192.660(2)(h).	5:30 p.m.	
II. CALL MEETING TO ORDER		6:30 - 6:45 p.m.	
	Becky Tymchuk		
	A. Pledge to Flag		
	B. Recognitions of Students, Staff and Community		3
	a. WE Embrace Equity: Oregon Migrant Education Program Employee of the Year Award - Judy Swearingen		
III. BOARD PROCEDURES		6:45 - 6:50 p.m.	
	Becky Tymchuk		
IV. PUBLIC PARTICIPATION		6:50 - 7:15 p.m.	
	Public Comments		
V. REPORTS		7:15 - 8:00 p.m.	
	A. Superintendent Comments		
	Don Grotting		
	B. Beaverton Student Advisory Committee Update		
	Committee Members		
	C. School Reports		
	a. Stoller Middle School		4
	Veronica Galvan		
	D. Comprehensive Annual Financial Report (CAFR)		6
	Rob Drake, Gayellyn Jacobson and Jason Guchereau		
	E. Financial Update		191
	Gayellyn Jacobson		
VI. BREAK		8:00 - 8:10 p.m.	
VII. DISCUSSION ITEM		8:10 - 8:20 p.m.	
	A. First Reading of School Board Policies		202
	Donna Tyner, Camellia Osterink & David Williams		
	a. JECA - Admission of Resident Students		
	b. JHFF - Reporting Requirements Regarding Sexual Conduct with Students		
	c. JN - Student Fees		
VIII. ACTION ITEMS		8:20 - 8:50 p.m.	
	A. Approval of Budget Committee Member - Zone 2		208
	Becky Tymchuk		
	B. Raleigh Hills K-8 Construction		211
	Carl Mead & Paul Odenthal		
	C. Elmonica Elementary Boundary Adjustment		213
	Steven Sparks & Carl Mead		
	D. Resolution in Support of Stable School Funding		214
	Becky Tymchuk		
	E. Consent Agenda		
	Becky Tymchuk		
	a. Personnel		
	b. Approval of School Board Meeting Minutes		

c. Grant Report		225
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e. Superintendent Evaluation Process		237
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g. Public Contracts		242
h. Approval of Alternative Construction Contracting Method, Design Build for Highland Park Middle School Re-Roofing		247
IX. BOARD COMMUNICATION	8:50 - 8:55 p.m.	
School Board Members		
X. CLOSING COMMENTS/ADJOURNMENT	8:55 - 9:00 a.m.	
Becky Tymchuk & Don Grotting		
XI. INFORMATION ITEMS		
A. School Board Community Engagement SubCommittee Notes		251
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RECOGNITION OF STUDENTS, STAFF AND COMMUNITY

POLICY ISSUE/SITUATION

Tonight, the District recognizes the following individual for their outstanding achievement and contribution to the Beaverton School District and community. The following recognition exemplifies the Pillar of Equity.

BACKGROUND INFORMATION:

WE Embrace Equity: Oregon Migrant Education Program Employee of the Year Award – Judy Swearingen

Judy Swearingen, Beaverton School District Migrant Education Program Recruiter, was recently awarded the Oregon Migrant Education Program Employee of the Year Award in recognition of her commitment and outstanding dedication to Oregon's migrant students and their families.

Only one outstanding employee in the state is recognized with this prestigious award. "Beaverton's Migrant Education Program team is new this year except for Judy and she has done an exceptional job leading the team in continuing to provide the highest level of service for our students and families. Passionate, hardworking, collaborative, patient - Judy is a model for our school district and a true leader," says Andrew Robinson, Assistant Administrator for Multilingual Programs.

Congratulations, Judy!

RECOMMENDATION:

It is recommended that the School Board recognize Judy Swearingen.

District Goal: WE Empower all students to achieve post-high school success.

"The District prohibits discrimination and harassment based on any basis protected by law, including but not limited to, an individual's actual or perceived race, color, religion, sex, sexual orientation, gender identity, gender expression, national or ethnic origin, marital status, age, mental or physical disability, pregnancy, familial status, economic status, veteran status, or because of a perceived or actual association with any other persons within these protected classes."

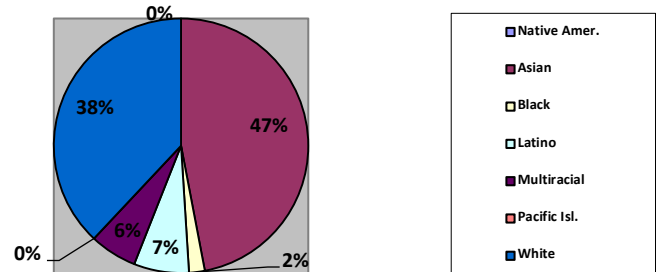

School: Stoller Middle School

Principal: Veronica Galvan

Years as School Principal: 6

Years in BSD:
14
School Demographics 2017-18

Enrollment: 1502
Economically Disadvantaged: 11%
Students with Disabilities: 7%
Ever English Language Learner: 19%
Different Languages Spoken: 42


School Metrics
College Readiness

Grade 8 English Language Arts	15-16	16-17	17-18	Grade 8 Mathematics	15-16	16-17	17-18
All Students	86%	83%	85%	All Students	82%	76%	85%
Economically Disadvantaged	64%	70%	56%	Economically Disadvantaged	56%	60%	47%
English Language Learners	68%	50%	60%	English Language Learners	80%	62%	76%
Ever English Language Learners	82%	70%	70%	Ever English Language Learners	86%	78%	80%
Students with Disabilities	29%	56%	35%	Students with Disabilities	24%	40%	32%
Talented and Gifted	>95%	>95%	>95%	Talented and Gifted	>95%	>95%	>95%
Asian	91%	90%	92%	Asian	>95%	88%	95%
Hispanic/Latino	89%	63%	69%	Hispanic/Latino	62%	42%	50%
White	82%	80%	80%	White	76%	70%	78%
Multi-racial	65%	87%	81%	Multi-racial	65%	86%	73%
Male	84%	79%	80%	Male	84%	77%	82%
Female	87%	88%	91%	Female	80%	75%	88%
Growth English Language Arts	15-16	16-17	17-18	Growth Mathematics	15-16	16-17	17-18
All Students	54%	58%	57%	All Students	62%	53%	56%
Economically Disadvantaged	36%	50%	46%	Economically Disadvantaged	50%	39%	49%
English Language Learners		65%	62%	English Language Learners		56%	53%
Ever English Language Learners				Ever English Language Learners			
Students with Disabilities	37%	44%	53%	Students with Disabilities	53%	36%	46%
Talented and Gifted	64%	63%	58%	Talented and Gifted	69%	59%	60%
Asian	57%	60%	62%	Asian	69%	60%	62%
Hispanic/Latino	40%	54%	53%	Hispanic/Latino	51%	41%	56%
White	52%	56%	54%	White	56%	46%	50%
Multi-racial	46%	58%	49%	Multi-racial	56%	52%	49%
Male	52%	52%	56%	Male	61%	49%	53%
Female	55%	64%	58%	Female	62%	57%	59%

District Goal: WE empower all students to achieve post-high school success.

The District prohibits discrimination and harassment based on any basis protected by law, including but not limited to, an individual's actual or perceived race, color, religion, sex, sexual orientation, gender identity, gender expression, national or ethnic origin, marital status, age, mental or physical disability, pregnancy, familial status, economic status, veteran status, or because of a perceived or actual association with any other persons within these protected classes.

2017-18 Participation RatesSmarter Balanced ELA: **98%**Smarter Balanced Math: **98%**Student Survey: **>99%**

	15-16	16-17	17-18		15-16	16-17	17-18
Students missing fewer than 10 days of school	78%	79%	73%	Students reporting that at least one adult cares about them	76%	81%	83%
Students missing class due to suspensions or expulsion	14	18	19	Parents reporting they feel informed and valued as active partners in their child's education	77%	76%	75%
Number of class days missed due to suspensions or expulsion	31.5	23	39	Teachers and staff reporting they contribute to school decision making	59%	62%	71%

Successes:

There are many things to be proud of at Stoller. Some areas that I am most proud are around academic growth for some of our at-risk subgroups. Growth in ELA for our students with disabilities consistently has gone up for the past three years. Growth in math has also shown improvement from the previous year. Academic Growth for our Latino students in both ELA and math has significantly improved since 15-16.

As we seed the need for more social-emotional support for our students, I am pleased to see that the number of students reporting that at least one adult cares about them has been increasing.

Our parent community is very supportive and are able to recognize how they're able to help, but also have shown great empathy for all student who may not have the resources and supports that most of our students do.

Challenges:

Areas of the report that are of concern are also around those same subgroups of students in the area of academic achievement. While they are showing growth, they are significantly behind as compared to their Stoller peers. Students with disabilities dropped in achievement significantly from the previous year. Our economically disadvantaged students in particular have shown a significant decrease in achievement in both ELA and Math. Our Latino subgroup has fluctuated up and down in achievement but are also underperforming.

Action Plan:

Being that this is my first year at Stoller, with an entire new administrative team, we have an incredible opportunity to look at this, and other, data and systems at Stoller to see which areas we can impact so that all of our students are performing at their true potential.

One area that would benefit all students is ensuring that AVID is implemented school wide. AVID strategies are not just programmatic, but rather best practices that benefit all Stoller students. Working with the AVID site team, the school leadership team (Stoller Advisory Committee), and departments, we need ensure that all staff have a common understanding of how AVID can help guide instruction and improve student performance school wide.

Another area to look at is attendance. Stoller's attendance overall is outstanding. However, this is not the case for all students. We have set up an attendance committee dedicated to looking at attendance for our subgroups.

We have set up and revamped our school leadership team, Stoller Advisory Committee. Our focus is to revisit our school's mission and vision. We will also be looking at data, discussing systems, and ensuring that decisions are made in a transparent and are data-based. We have ensured that there is school-wide teacher and department representation. A strategic area for this committee and my administrative team is admin-driven PD. This is in response teachers feedback around: differentiation, social-emotional/trauma-informed practices, and general classroom-management.

We have also started to restructure our Student Success Team (SST) to provide support and interventions for struggling students, coach teachers and staff, and ensure intentional data documentation.



COMPREHENSIVE ANNUAL FINANCIAL REPORT/AUDIT COMMITTEE PRESENTATION**POLICY ISSUE / SITUATION:**

The District Audit Committee met with the District's independent auditors in November to review the Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2018. The Committee Chair, Rob Drake, will present the CAFR to the School Board tonight.

BACKGROUND INFORMATION:

Audit committees play an important role in the private sector, facilitating communication between management, the independent auditors and the Board of Directors. The Government Finance Officers Association (GFOA) recommends that every government, regardless of size, formally establish an audit committee or its equivalent.

The audit committee's primary responsibility is to oversee the financial reporting and disclosure process, including all aspects of the independent audit, from the selection of the auditor to the resolution of audit findings. The audit committee presents to the governing board and management an annual report of how the committee has discharged its duties and met its responsibilities.

Audit Committee Membership

Rob Drake, Citizen Member - Chair
Samiha Wahid, Citizen Member
John Ng, Budget Committee Member

Lisa Ard, Citizen Member
Eric Simpson, School Board Member
Anne Bryan, School Board Member

District representation on Committee:

Gayellyn Jacobson, Chief Financial Officer
Jason Guchereau, Finance Manager

RECOMMENDATION:

It is recommended that the School Board receive the Comprehensive Annual Financial Report as presented by the District Audit Committee.

BE IT RESOLVED that the School Board of Beaverton School District hereby receives the Comprehensive Annual Financial Report for the year ended June 30, 2018 now on file in the Office of the Chief Financial Officer.

District Goal: WE Empower all students to achieve post-high school success.

"The District prohibits discrimination and harassment based on any basis protected by law, including but not limited to, an individual's actual or perceived race, color, religion, sex, sexual orientation, gender identity, gender expression, national or ethnic origin, marital status, age, mental or physical disability, pregnancy, familial status, economic status, veteran status, or because of a perceived or actual association with any other persons within these protected classes."

COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the year ended June 30, 2018



are the Beaverton
School District



District Goal: WE empower all students to achieve post-high school success.



BEAVERTON SCHOOL DISTRICT

Beaverton, Oregon

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Prepared by:
Business Services Department

Don Grotting
Superintendent of Schools

Gayellyn Jacobson
Chief Financial Officer

Jason Guchereau
Finance Manager



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INTRODUCTORY SECTION

WE





Beaverton School District
16550 S.W. Merlo Road
Beaverton, Oregon 97003
503-356-4500

WE EXPECT EXCELLENCE 

WE INNOVATE 

WE EMBRACE EQUITY 

WE COLLABORATE 

November 26, 2018

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

The Comprehensive Annual Financial Report of Beaverton School District (“District”) for the fiscal year ended June 30, 2018 is hereby submitted. State law requires that an independent audit be made of all District funds within six months following the close of the fiscal year. This report is published to fulfill the requirement for the fiscal year ended June 30, 2018 and consists of management’s representations concerning the finances of the District together with the opinions of our auditor.

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

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

Grove, Mueller & Swank, P.C., Certified Public Accountants, have issued an unmodified (“clean”) opinion on the Beaverton School District’s financial statements for the year ended June 30, 2018. The independent auditor’s report is located at the front of the financial section of this report.

FINANCIAL STATEMENT PRESENTATION

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

The *Introductory Section* includes this transmittal letter, the District’s organizational chart and copies of certificates awarded for Beaverton School District’s 2017 CAFR.

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

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

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

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

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

PROFILE OF THE DISTRICT

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

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

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

Student enrollment in the fall of 2017 was 41,016. October 1 enrollment counts are reported to the state in November of each year, allowing time for data entry and confirmation of student records. An enrolled student is defined as a student who attends one or more schools or programs within the District. Regardless of the number of schools or programs attended, each student is counted only once.

ENROLLMENT AND FACILITIES

<u>Grade Level</u>	<u>Number of Programs</u>	<u>Enrollment</u>
Elementary School Programs	34	17,802
Middle School Programs	20	9,354
High School Programs	11	11,697
Special Education Programs	-	1,613
Charter School Programs	2	550
Total Programs and Enrollment	<u>67</u>	<u>41,016</u>

Growing from an enrollment of 37,613 in fall of 2009 to 41,016, the District has experienced a 9.0% growth in enrollment over the past ten years. According to a study prepared by the Population Research Center of Portland State University, the District will see continued enrollment growth, and is expected to reach an enrollment of 44,660 students by 2025.

The demographics of our school district reflect our rich cultural diversity. Our students speak more than 101

languages and dialects. The District's enrollment includes 51.8% of students of color, and 35.7% of students qualify for free and reduced lunch status.

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

District management includes a superintendent, two deputy superintendents, four chief officers, and 139 principals, vice-principals and district administrators. The District employs 4,065 full-time equivalent personnel, including principals, vice-principals, administrators, teachers, supervisors, secretarial staff, bus drivers, maintenance personnel, cafeteria staff and other support staff.

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

ECONOMIC CONDITION

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

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

Currently, manufacturing accounts for 17% of the total non-farm employment in the Portland PMSA, while trade, transportation and utilities also accounts for 17%, government jobs 8%, professional and business services 19%, education and health services 12%, and leisure and hospitality 9%.

A major manufacturing employer in the Beaverton area is Nike, an athletic footwear and apparel manufacturer. Its 286-acre world headquarters campus is located in Washington County, and according to the Beaverton Chamber of Commerce, it is Washington County's second leading employer with approximately 10,700 employees.

The Portland-Vancouver PMSA relies heavily on the manufacturing, high technology industries, wholesale trade and financial activities. According to the Oregon Employment Department, at the end of June 2018, the Portland-Vancouver PMSA unemployment rate was 3.7%, as compared to the Oregon unemployment rate of 4.0% and the nation's rate of 4.0%.

LONG-TERM FINANCIAL PLANNING

The District's unrestricted general fund balance (the total of the committed, assigned and unassigned components of fund balance) at year-end was 11.8 percent of total General Fund revenues. This amount is above the policy guidelines set by Board policy for budgetary and planning purposes (a minimum 5.0 percent of total actual revenues and an additional 5.0 percent sustainability fund). The reserves are maintained to absorb economic downturns, state

revenue-sharing reductions and other revenue shortfalls, and will prudently be used when needed to provide stability of core programs and legally required activities.

With continued enrollment growth forecasted, the District issued \$297.9 million in general obligation bonds in 2016-17 to support the construction of one high school, one middle school, one elementary school and the purchase of land for an additional elementary school over the next few years. These were issued as part of the \$680 bond measure passed by voters in May 2014. As the average age of the District's buildings is in excess of 30 years, funds will also be used to rebuild and make extensive renovations to facilities throughout the District and enhance educational technology in the classroom.

MISSION STATEMENT AND PRIORITIES

The District Goal is: *WE empower all students to achieve post-high school success.*

The Beaverton School District Board adopted the Strategic Plan:

WE Expect Excellence

- WE teach students knowledge and skills for our evolving world
- WE seek, support and recognize our world-class employees

WE Innovate

- WE engage students with a variety of relevant and challenging learning experiences
- WE create learning environments that promote student achievement

WE Embrace Equity

- WE build honest, safe and inclusive relationships with our diverse students and their families
- WE provide needed support so that every student succeeds

WE Collaborate

- WE work and learn in teams to understand student needs and improve learning outcomes
- WE partner with the community to educate and serve our students

FINANCIAL INFORMATION

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

Expenditures are recorded when the liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, interfund transactions and certain compensated absences and claims and judgments which are recognized as expenditures because they will be liquidated with expendable financial resources.

The assets and liabilities of the agency fund are recorded on the modified accrual basis of accounting. The agency fund consists of the Private-Purpose Trust Fund.

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

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

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

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

Charter Schools. Oregon statute provides state funding for charter schools that flows through the district for schools that local boards of education have granted a charter. The District has two charter schools, Arco Iris Spanish Immersion Charter School and Hope Chinese Charter School, in operation during the 2017-18 fiscal year.

Arco Iris has completed its eighth year of operations. The school educates 310 full-time students in grades 1-8 and has renewed its charter through 2021-22. The school reports net position of \$213,490 as of June 30, 2017.

Hope Chinese has completed its sixth year of operations. The school educates 194 full time students in grades K-5, and has renewed its charter through 2022-23. The school reports net position of \$692,232 as of June 30, 2017.

INDEPENDENT AUDIT

The Beaverton School District's financial statements have been audited by Grove, Mueller & Swank, P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the District for the fiscal year ended June 30, 2018, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall basic financial statement presentation. The independent auditor concluded, based upon their audit, that there was a reasonable basis for rendering an unmodified ("clean") opinion that the District's basic financial statements for the fiscal year ended June 30, 2018, are fairly presented in all material respects in conformity with U.S. GAAP. The independent auditor's report is presented as the first component of the Financial Section of this report.

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

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Beaverton School District for its Comprehensive Annual Financial Report for the year ended

June 30, 2017. This was the thirty-seventh consecutive year the District has received this prestigious award. In order to be awarded a Certificate of Achievement, the District published an easily readable and efficiently organized Comprehensive Annual Financial Report. This report complies with 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 Beaverton School District for its Comprehensive Annual Financial Report for the year ended June 30, 2017. The District has received this prestigious award for thirty-six consecutive years.

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.

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

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

Respectfully submitted,



Don Grotting
Superintendent of Schools



Gayellyn Jacobson
Chief Financial Officer



Government Finance Officers Association

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

Presented to

**Beaverton School District
Oregon**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Beaverton School District

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2017.**

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards.



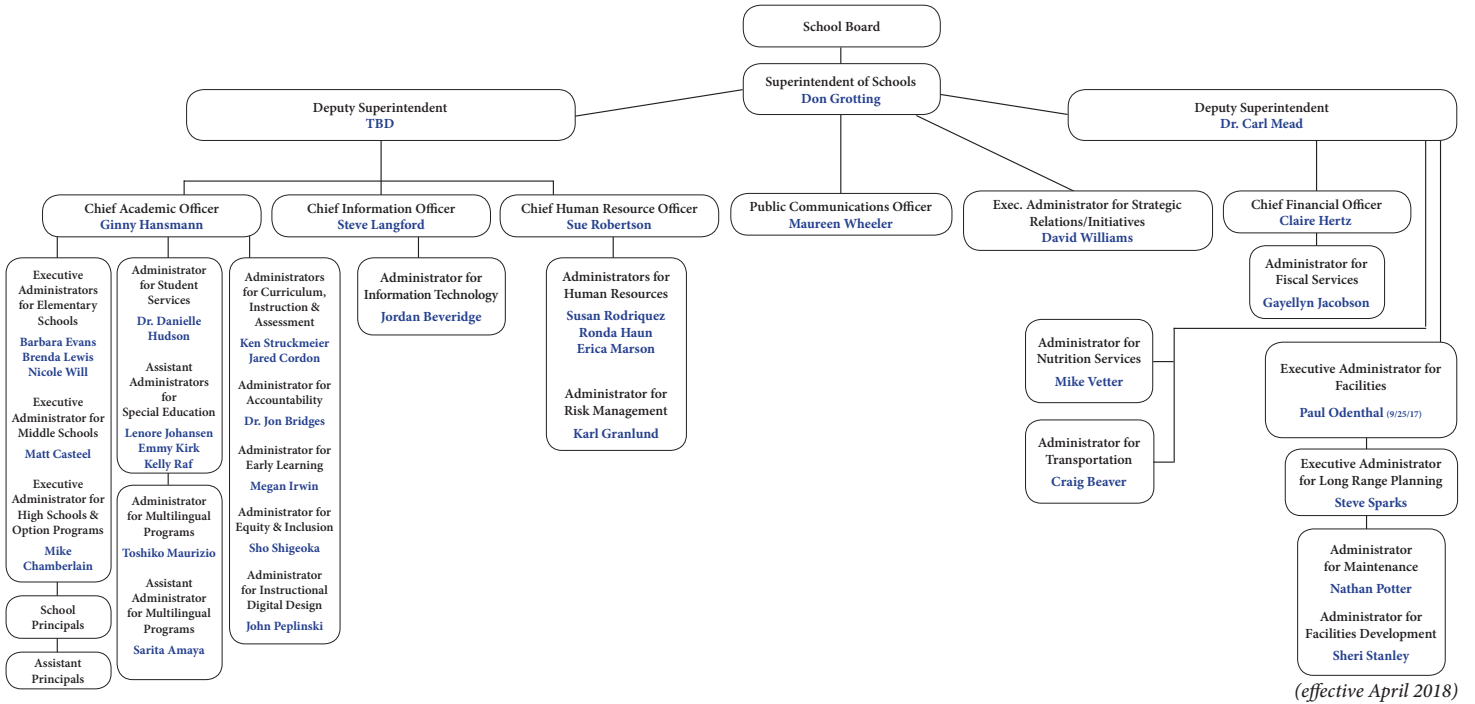
A handwritten signature in black ink, reading 'Charles E. Peterson, Jr.' The signature is written in a cursive style and is positioned above a horizontal line.

Charles E. Peterson, Jr., SFO, RSBA, MBA
President

A handwritten signature in black ink, reading 'John D. Musso'. The signature is written in a cursive style and is positioned above a horizontal line.

John D. Musso, CAE
Executive Director

Organizational Chart 2017-2018



BEAVERTON SCHOOL DISTRICT Appointed and Elected Officials

Administrative Office

16550 SW Merlo Road
Beaverton, Oregon 97003

Don Grotting
Carl Mead
Steve Phillips
Ginny Hansmann

Superintendent and Clerk
Deputy Superintendent
Deputy Superintendent (FY 2017-18)
Deputy Superintendent (FY 2018-19)

School Board as of June 30, 2018

Name and Title	Term Expires
Anne Bryan, Chair	June 30, 2021
Becky Tymchuk, Vice Chair	June 30, 2019
Susan Greenberg	June 30, 2021
Eric Simpson	June 30, 2019
Donna Tyner	June 30, 2021
LeeAnn Larsen	June 30, 2021
Tom Colett	June 30, 2019

The above Board Members receive mail at the address below:

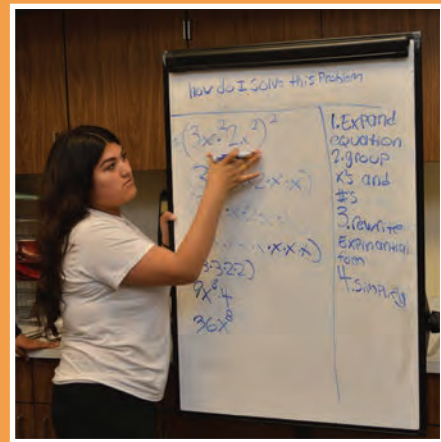
Beaverton School District
16550 SW Merlo Road
Beaverton, Oregon 97003



FINANCIAL SECTION

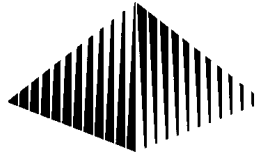


WE
EXPECT
EXCELLENCE



INDEPENDENT AUDITOR'S REPORT





GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS
475 Cottage Street NE, Suite 200, Salem, Oregon 97301
(503) 581-7788

INDEPENDENT AUDITOR'S REPORT

School Board
Beaverton School District
Beaverton, Oregon

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Beaverton School District, Washington County, Oregon (the District) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Beaverton School District, Washington County, Oregon as of June 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis-of-Matter – Change in Accounting Principle

As discussed in notes to the basic financial statements, as of and for the year ended June 30, 2018, the District adopted new accounting guidance in implementing Government Accounting Standards Board Statement (GASBS) No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (MD&A), 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 (except as mentioned in the following paragraph) in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Other Supplementary Information

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

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

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

Reports on Other Legal and Regulatory Requirements


Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 26, 2018, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Other Reporting Required by Oregon Minimum Standards

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated November 26, 2018, on our consideration of the District's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

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

By: 
Larry E. Grant, A Shareholder
November 26, 2018



MANAGEMENT'S DISCUSSION AND ANALYSIS



**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018**

As management of Beaverton School District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2018. 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.

NEW ACCOUNTING STANDARDS IMPLEMENTED

The District implemented Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASB No. 75), Statement 81, *Irrevocable Split-Interest Agreements* (GASB No. 81), Statement No. 82, *Omnibus 2017* (GASB No. 82), and GASB Statement No. 86, *Certain Debt Extinguishment Issues* (GASB No. 86) in fiscal year 2017-18. The District anticipates no financial impact as a result of implementing GASB 81, GASB 82, and GASB 86. The District restated net position as a result of implementing GASB 75. Additional information can be found in Footnote 18 and 19 of the financial statements.

FINANCIAL HIGHLIGHTS

- In the government-wide statements, the liabilities and deferred inflows of resources exceeded the assets and deferred outflows of resources of the by \$29.7 million (net position).
- The District's total net position decreased by \$41.3 million for the fiscal year, which includes a change of \$31.5 for activity that occurred in the current year and a decrease of \$9.8 million due to restatement of the prior period net position.
- The District's governmental funds report combined ending fund balance of \$362.4 million, an decrease of \$97.1 million from the prior year. Approximately 8.2 percent of this total amount, \$29.7 million, is unassigned, available for appropriation at the District's discretion. The remaining fund balances are either nonspendable, restricted or committed: \$296.6 million for use on capital projects, \$2.2 million for debt service and the balance of \$33.9 million for other purposes.
- At the end of the current fiscal year, the unrestricted fund balance (the total of the committed and unassigned components of fund balance) for the General Fund was \$52.5 million, or about 11.8 percent of total General Fund revenue.
- Total cost of all the District's programs was \$594.0 million for the fiscal year, an increase of \$42.4 million (7.7 percent) from the prior year.
- The District's total outstanding long-term debt decreased \$50.6 million (4.3 percent) during the 2017-18 fiscal year due to debt service payments and amortization of premiums.

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 intended to furnish additional detail to support the basic financial statements themselves.

**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018
(CONTINUED)**

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

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

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

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

The government-wide financial statements can be found on pages 21 - 22 of this report.

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

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

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

The District maintains eight individual governmental funds. Information is presented separately in the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances for the General, Debt Service, and Capital Projects Funds, all of which are considered to be major funds. Data from the two additional General Fund type funds is included as a separate presentation, which can be found in the appropriate sections following the notes to the basic financial statements. Data from five of these governmental

**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018
(CONTINUED)**

funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided as Other Supplementary Information.

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

The basic governmental fund financial statements can be found on pages 23 - 26.

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

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

The basic proprietary fund financial statements are provided on pages 27 - 29 of this report.

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

The District maintains one fiduciary fund. The fund is used to report resources held in trust for students to use for scholarships.

The basic fiduciary fund financial statements are located on pages 30 - 31 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 32 - 66 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *Required Supplementary Information (RSI)* including budget to actual presentations for required major funds. This information can be found on pages 69 - 73 of this report. *Other Supplementary Information*, presented on pages 77 - 120, includes combining statements for the nonmajor governmental funds, budgetary comparison for nonmajor and other funds, and other financial schedules.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, its liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources by \$29.7 million at June 30, 2018.

**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018
(CONTINUED)**

Capital assets, which consist of the District's land, buildings, building improvements, construction in progress, vehicles and equipment, represent 67.3 percent of total assets.

The remaining assets consist mainly of cash and investments, grants and property taxes receivable.

The District's largest liability (91.8 percent) is for the repayment of long-term debt and obligations including post-employment benefit obligations, the PERS net pension obligation, and all general obligation and limited tax pension obligation bonds due in more than one year. Other liabilities, representing about 8.2 percent of the District's total liabilities, consist principally of the debt and obligations due within one year, capital leases due within one year, payables on accounts, and accrued salaries and benefits.

Most of the District's net position (\$290.8 million) reflects its investment in capital assets (e.g. land, buildings, vehicles and equipment), less any related debt used to acquire those assets that is still outstanding and unspent bond proceeds. The District uses these capital assets to provide services to students and other District residents; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources (generally property taxes), since the capital assets themselves cannot be used to liquidate these liabilities.

The District's restricted net position (\$3.5 million) reflects resources that are subject to external restrictions on how they may be used. The remaining balance in net position (negative \$324.0 million) is unrestricted.

Beaverton School District Net Position			
	Governmental Activities		Increase / (Decrease)
	June 30, 2017	June 30, 2018	
Capital assets	\$ 839,537,137	\$ 917,764,280	\$ 78,227,143
Current and other assets	563,781,726	446,473,991	(117,307,735)
Total assets	1,403,318,863	1,364,238,271	(39,080,592)
Deferred outflows of resources	236,826,672	179,283,306	(57,543,366)
Total assets and deferred outflows of resources	1,640,145,535	1,543,521,577	(96,623,958)
Long-term liabilities	1,473,322,990	1,430,914,710	(42,408,280)
Other liabilities	144,410,839	128,013,896	(16,396,943)
Total liabilities	1,617,733,829	1,558,928,606	(58,805,223)
Deferred inflows of resources	10,775,172	14,244,449	3,469,277
Total liabilities and deferred inflows of resources	1,628,509,001	1,573,173,055	(55,335,946)
Net position:			
Net investment in capital assets	268,188,162	290,846,498	22,658,336
Restricted	3,748,594	3,532,119	(216,475)
Unrestricted	(260,300,222)	(324,030,095)	(63,729,873)
Total net position	\$ 11,636,534	\$ (29,651,478)	\$ (41,288,012)

**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018
(CONTINUED)**

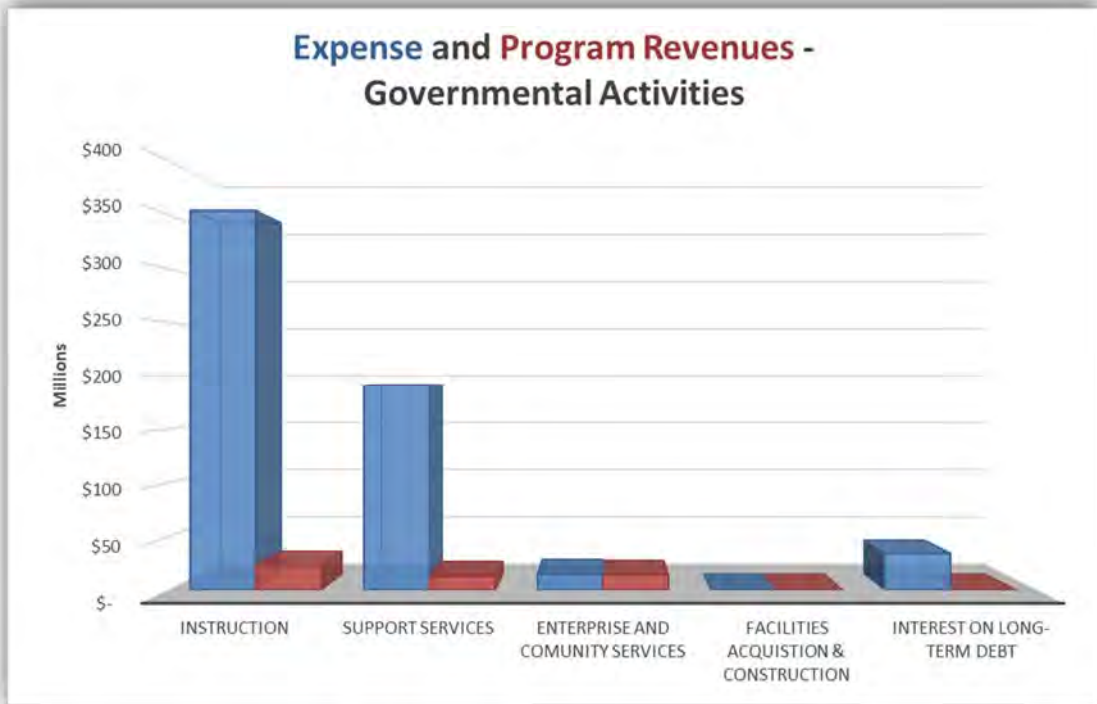
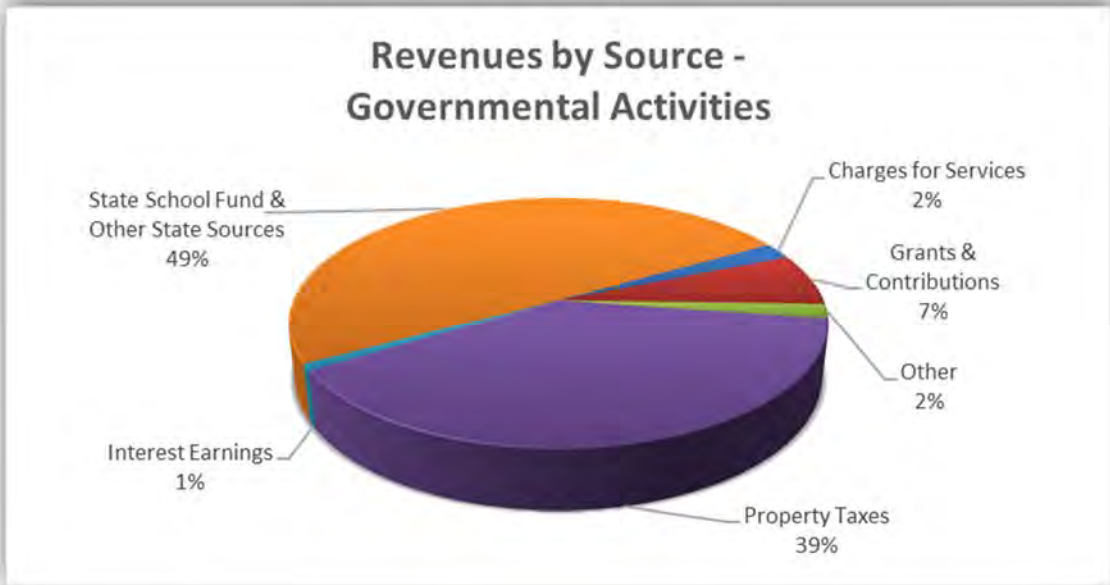
The District's overall financial position changed as indicated by a decrease of \$41.3 million in net position, which includes a change of \$31.5 for activity that occurred in the current year and a decrease of \$9.8 million due to restatement of the prior period net position. Unrestricted net position decreased by \$63.7 million due mainly to the change in the PERS net pension liability. At the same time, the District's investment in capital assets, net of related debt, increased by \$22.7 million due principally to payment of related debt during the year.

Governmental activities. During the 2017-18 fiscal year, the District's net position decreased by \$41.3 million. The key elements in this change are the following:

Beaverton School District Changes in Net Position Year Ended June 30,			
	Governmental Activities		Increase / (Decrease)
	2017	2018	
Revenues:			
Program revenues:			
Charges for services	\$ 11,891,285	\$ 11,716,641	\$ (174,644)
Operating grants and contributions	30,565,670	37,291,667	6,725,997
Capital grants and contributions	361,917	472,169	110,252
General revenues:			
Property taxes	178,771,515	187,038,021	8,266,506
Local option taxes	28,882,071	31,005,163	2,123,092
Construction excise tax	3,829,430	3,217,459	(611,971)
State school fund	231,739,269	258,157,569	26,418,300
Other state and local sources	19,779,176	21,452,058	1,672,882
Earnings on investments	2,351,393	4,943,574	2,592,181
Miscellaneous	2,516,646	7,232,558	4,715,912
Total revenues	510,688,372	562,526,879	51,838,507
Expenses:			
Instruction	334,402,483	354,196,558	19,794,075
Support services	172,910,114	190,885,022	17,974,908
Enterprise and community services	14,011,447	14,904,678	893,231
Interest on long-term debt	30,307,560	34,035,456	3,727,896
Total expenses	551,631,604	594,021,714	42,390,110
Increase (decrease) in net position	(40,943,232)	(31,494,835)	9,448,397
Net position – July 1 (as restated)	52,579,766	1,843,357	(50,736,409)
Net position – June 30	\$ 11,636,534	\$ (29,651,478)	\$ (41,288,012)

- Program revenues increased by \$6.7 million in 2017-18 as a combination of a decrease of \$175 thousand in charges for services and an increase of \$6.8 million in grants and contributions.
- General revenues increased by \$45.2 million in 2017-18 largely due to increases from local property taxes and state school fund.

**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018
(CONTINUED)**



**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018
(CONTINUED)**

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, 2018, the District's governmental funds reported combined ending fund balances of \$362.4 million, a decrease of \$97.1 million in comparison with the prior year. Approximately \$332.7 million (91.8 percent) of the ending fund balances constitutes *nonspendable, restricted or committed balances*. Restricted or committed ending fund balances are constrained to specific purposes by bondholders or the governing body. Another \$29.7 million (8.2 percent) of the ending fund balances are unassigned and available for spending at the District's discretion. Of the fund balance, \$296.6 million or 81.8 percent is designated for capital projects, as authorized by voters and the Board, and an additional \$2.2 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, 2018, committed fund balance was \$22.9 million to fund early retirement payments, long-term planning needs, and a stability fund. As a measure of the fund's liquidity, it may be useful to compare total fund balance to total fund revenues. At the end of the fiscal year, the General Fund balance was 11.8 percent of General Fund revenues. The fund balance decreased by \$7.3 million due to increased budgeted expenditures.

Debt Service Fund. The Debt Service Fund has a total fund balance of \$2.2 million, all of which is set aside for the payment of debt service. The fund balance stayed stable during the current year, with a net increase of \$42 thousand.

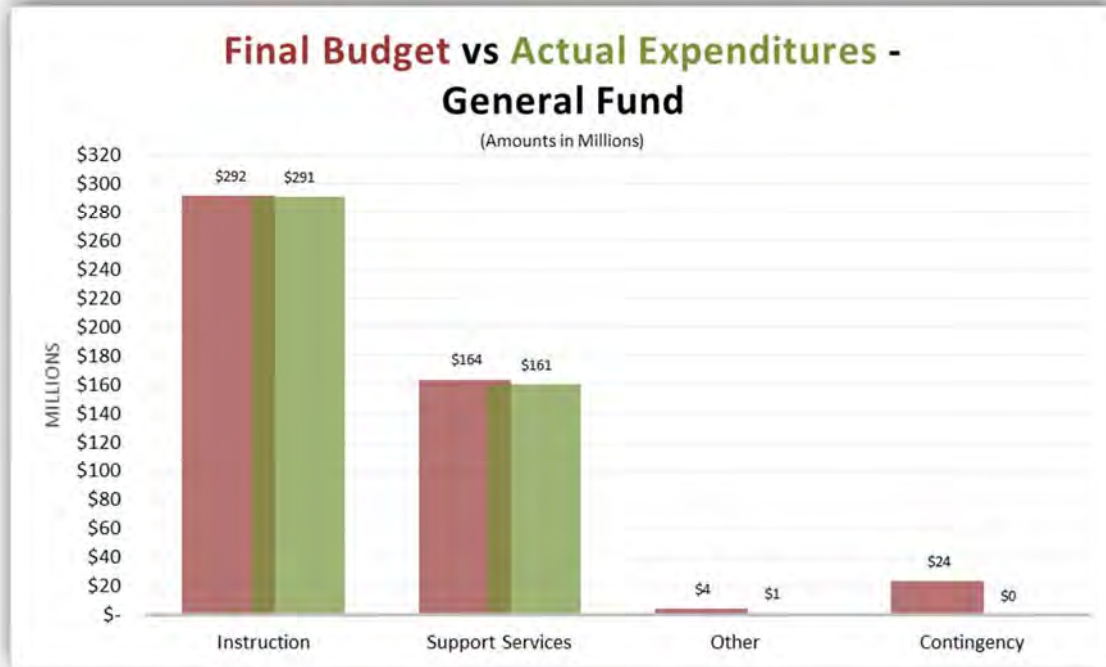
Capital Projects Fund. The Capital Projects Fund has a total fund balance of \$296.6 million, all of which is dedicated for ongoing capital projects. Capital expenditures reflect costs incurred as part of the Long Range Facilities Plan. All of the Capital Projects Fund balance is restricted or committed for capital improvements and repairs.

GENERAL FUND BUDGETARY HIGHLIGHTS

Original budget compared to final budget. During the year, there were two supplemental budgets with additional appropriations that were adopted for 2017-18.

Final budget compared to actual results. The most significant difference between estimated revenue and actual revenue was State and Local Sources. Estimated revenues were \$278.3 million and actual revenue was \$277.2 million with a difference of \$1.2 million. The decrease of the revenue source was attributed to a change in the common school fund revenues compared to estimates.

**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018
(CONTINUED)**



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, 2018, the District had approximately \$917.8 million invested in capital assets, net of depreciation, as shown in the following table:

Beaverton School District Accumulated Capital Assets (net of accumulated depreciation)			
	June 30, 2017	June 30, 2018	Increase (Decrease)
Land	\$ 63,208,802	\$ 71,449,746	\$ 8,240,944
Buildings and improvements	521,369,574	774,132,908	252,763,334
Vehicles and equipment	22,114,384	25,416,119	3,301,735
Construction in progress	232,844,377	46,765,507	(186,078,870)
Total capital assets, net of related accumulated depreciation	<u>\$ 839,537,137</u>	<u>\$ 917,764,280</u>	<u>\$ 78,227,143</u>

Additional information regarding the District's capital assets can be found in Note 8 on page 44 of this report.

**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018
(CONTINUED)**

Long-term debt. At the end of the current fiscal year, the District had total long-term debt outstanding of \$1,117 million, of the total \$1,119.6 million outstanding debt. The debt consisted of general obligation bonds, full faith and credit obligation bonds, pension obligation bonds, capital leases and unamortized premium.

State statutes limit the amount of general obligation debt a school district may issue to 7.95 percent of its total real market value. The current debt limit is \$3.69 billion, which is significantly in excess of the District's outstanding general obligation debt.

The District maintains an "A+" rating from Standard & Poor's and an "Aa2" rating from Moody's for general obligation debt.

Additional information on the District's long-term debt can be found in Notes 9 and 10 on pages 44 - 49 of this report.

Beaverton School District Outstanding Debt			
(in thousands)			
	June 30, 2017	June 30, 2018	Increase (Decrease)
General obligation bonds	\$ 832,135	\$ 800,970	\$ (31,165)
Pension obligation bonds	215,470	203,740	(11,730)
Full faith and credit obligation bonds	18,115	17,455	(660)
Unamortized premium	101,872	94,836	(7,036)
Capital leases	2,574	2,607	33
	<u>\$ 1,170,165</u>	<u>\$ 1,119,608</u>	<u>\$ (50,557)</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Resources supporting District General Fund operations primarily reflect local and state revenues, with additional income representing federal, county and other sources. The largest segment is determined by the State School Fund formula. The majority of funding provided by the State to the District is based on the District's average daily membership of students. Total student enrollment in 2017-18 increased from 2016-17. Slow continual growth trends are projected to continue in future years.

The state economic forecast reveals a slow, steady growth and slow growth in State School funding for the District in the next few biennia.

The 2018-19 budget was based on a K-12 state funding level of \$8.2 billion, which is about 11% higher than the legislatively approved 2015-17 K-12 funding level. Local voters approved a local option levy in 2013-14 and it was renewed by the voters in the May 2018 election. This has restored 300 teaching positions reduced in previous years and will continue through June of 2023 to support additional classroom teachers in an effort to reduce class sizes.

In June 2018, the board adopted the District budget for the fiscal year 2018-19. The adopted budget for the General Fund for the year ending June 30, 2019 is \$488.3 million.

**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018
(CONTINUED)**

The School Board has set policy that the District will target 5 percent of annual operating revenues as ending fund balance and an additional 5 percent to a rainy-day fund reserve. The District will also budget an annual operating contingency equal to 5 percent of budgeted revenues. The 2018-19 beginning fund balance meets board policy requirements.

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 Finance Manager at 16550 SW Merlo Road, Beaverton, Oregon 97003.

BASIC FINANCIAL STATEMENTS



BEAVERTON SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2018

ASSETS:	
Cash and investments	\$ 424,931,438
Receivables	20,009,798
Inventories	515,050
OPEB net asset - RHIA	1,017,705
Capital assets not being depreciated:	
Land	71,449,746
Construction in progress	46,765,507
Capital assets, net of accumulated depreciation:	
Buildings and improvements	774,132,908
Vehicles and equipment	25,416,119
TOTAL ASSETS	<u>1,364,238,271</u>
DEFERRED OUTFLOWS OF RESOURCES:	
Deferred amount on refunding	645,480
PERS deferred outflows	175,955,715
OPEB deferred outflows	2,682,111
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>179,283,306</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>1,543,521,577</u>
LIABILITIES:	
Accounts payable	22,847,784
Accrued salaries and benefits	45,726,181
Accrued interest payable	4,772,146
Unearned revenue	2,887,555
Accrued claims losses	2,690,000
Other accrued liabilities	2,507,218
Capital leases payable - due within one year	1,007,620
General obligation and full faith and credit obligation bonds - due within one year	33,075,392
Bonds payable - limited tax pension obligation bonds - due within one year	12,500,000
Capital leases payable - due in more than one year	1,599,571
General obligation and full faith and credit obligation bonds - due in more than one year	880,185,839
Bonds payable - limited tax pension obligation bonds - due in more than one year	191,240,000
PERS net pension liability	328,358,025
OPEB total liability - PHIS	29,531,275
TOTAL LIABILITIES	<u>1,558,928,606</u>
DEFERRED INFLOWS OF RESOURCES:	
PERS deferred inflows	12,015,611
OPEB deferred inflows	2,228,838
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>14,244,449</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>1,573,173,055</u>
NET POSITION:	
Net investment in capital assets	290,846,498
Restricted for student body	3,532,119
Unrestricted	(324,030,095)
TOTAL NET POSITION	<u>\$ (29,651,478)</u>

BEAVERTON SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
Regular programs	\$ 261,781,198	\$ 5,270,449	\$ 6,045,650	\$ -
Special programs	90,816,316	-	11,110,441	-
Summer school programs	1,599,044	-	485,873	-
Student support services	43,245,977	-	3,783,505	-
Instructional staff support	21,579,054	-	1,778,375	-
General administration support	2,233,419	-	-	-
School administration	36,716,727	-	-	-
Business support services	62,356,966	1,213,871	4,948,714	472,169
Central activities support	24,743,049	348,175	172,123	-
Supplemental retirement program	9,830	-	-	-
Food services	14,889,225	4,884,146	8,953,030	-
Community services	15,453	-	13,956	-
Interest on long-term debt	34,035,456	-	-	-
Total governmental activities	\$ 594,021,714	\$ 11,716,641	\$ 37,291,667	\$ 472,169
General revenues:				
Property taxes levied for general purposes				128,140,820
Local option taxes levied for general purposes				31,005,163
Property taxes levied for debt service				58,897,201
Construction excise tax				3,217,459
State school fund - general support				258,157,569
Common school fund				4,191,413
Unrestricted state and local sources				17,260,645
Earnings on investments				4,943,574
Gain on sale of capital asset				298,016
Miscellaneous				6,934,542
Total general revenues				513,046,402
CHANGE IN NET POSITION				(31,494,835)
NET POSITION, July 1, 2017 as originally reported				11,636,534
Restatement (see Note 19)				(9,793,177)
NET POSITION, July 1, 2017 as restated				1,843,357
NET POSITION, June 30, 2018				\$ (29,651,478)

**BEAVERTON SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018**

	General Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total
ASSETS					
Equity in pooled cash and investments	\$ 89,781,644	\$ 330,566	\$ 311,476,243	\$ 13,824,124	\$ 415,412,577
Cash with fiscal agent	2,035	125,124	300,000	-	427,159
Receivables	3,889,728	162,803	3,383,170	5,432,693	12,868,394
Property taxes receivable	5,129,275	1,992,348	-	-	7,121,623
Due from other funds	2,296,860	1,348,058	-	-	3,644,918
Inventories	-	-	-	515,050	515,050
TOTAL ASSETS	\$ 101,099,542	\$ 3,958,899	\$ 315,159,413	\$ 19,771,867	\$ 439,989,721
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 5,035,440	\$ -	\$ 16,404,371	\$ 654,005	\$ 22,093,816
Accrued salaries and benefits	37,558,925	-	72,674	2,328,152	39,959,751
Due to other funds	1,500,126	-	3,484	2,406,781	3,910,391
Unearned revenue	-	-	-	2,887,555	2,887,555
Other liabilities	6,098	-	2,115,066	386,054	2,507,218
TOTAL LIABILITIES	44,100,589	-	18,595,595	8,662,547	71,358,731
Deferred inflows of Resources:					
Unavailable revenue - property taxes	4,486,927	1,759,310	-	-	6,246,237
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	48,587,516	1,759,310	18,595,595	8,662,547	77,604,968
Fund Balances:					
Nonspendable					
Inventories	-	-	-	515,050	515,050
Restricted					
Debt Service Fund	-	561,085	-	-	561,085
Capital Projects Fund	-	-	288,305,160	-	288,305,160
Student Body Fund	-	-	-	3,532,119	3,532,119
Committed					
Debt Service Fund	-	1,638,504	-	-	1,638,504
Capital Projects Fund	-	-	8,258,658	-	8,258,658
Special Purpose Fund	-	-	-	1,110,005	1,110,005
Categorical Fund	-	-	-	2,705,099	2,705,099
Nutrition Services Fund	-	-	-	3,247,047	3,247,047
Pension Fund	61,970	-	-	-	61,970
Long-term Planning Fund	22,790,054	-	-	-	22,790,054
Unassigned	29,660,002	-	-	-	29,660,002
TOTAL FUND BALANCES	52,512,026	2,199,589	296,563,818	11,109,320	362,384,753
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 101,099,542	\$ 3,958,899	\$ 315,159,413	\$ 19,771,867	\$ 439,989,721

BEAVERTON SCHOOL DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO STATEMENT OF NET POSITION
JUNE 30, 2018

TOTAL FUND BALANCES		\$	362,384,753
Capital assets are not financial resources and therefore are not reported in the governmental funds:			
Cost	\$	1,206,583,217	
Accumulated depreciation		<u>(288,818,937)</u>	917,764,280
A portion of the District's revenues are collected after year-end, but are not available soon enough to pay for the current year's operations, and therefore are not reported in the governmental funds.			
			6,246,237
Internal service funds are used by the District to charge the costs of insurance premiums and claims to the individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.			
			5,899,335
Compensated absences are reported when earned as a liability in the Statement of Net Position while in the governmental funds only the portion that requires the use of current financial resources is reported as a liability.			
			(5,732,777)
Long-term liabilities not payable in the current year are not reported as governmental fund liabilities. Interest on long-term debt and capital lease is not accrued in the governmental funds, but rather is recognized as an expenditure when due. These liabilities consist of:			
Accrued interest payable		(4,772,146)	
Bonds payable and unamortized premium		(1,117,001,231)	
Capital leases payable		<u>(2,607,191)</u>	(1,124,380,568)
Long-term pension assets / liabilities not payable in the current year are not reported as governmental fund liabilities. Actuarial changes create deferred outflows and inflows of resources. These consist of:			
PERS net pension liability		(328,358,025)	
PERS deferred outflow of resources		175,955,715	
PERS deferred inflows of resources		<u>(12,015,611)</u>	(164,417,921)
In 2015-16 bond refunding, a larger amount paid to the escrow agent than the premiums of the bonds being refunded that was recorded as interest expense. This deferred outflow of resources is recognized based on the schedule of maturities of the refunded bonds.			
			645,480
Long-term other postemployment benefits obligation assets / liabilities not payable in the current year are not reported as governmental fund liabilities. Actuarial changes create deferred outflows and inflows of resources. These consist of:			
Total OPEB asset		1,017,705	
Total OPEB liability		(29,531,275)	
OPEB deferred outflow of resources		2,682,111	
OPEB deferred inflows of resources		<u>(2,228,838)</u>	(28,060,297)
TOTAL NET POSITION		\$	<u><u>(29,651,478)</u></u>

BEAVERTON SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018

	General Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total
REVENUES:					
Property taxes	\$ 130,772,599	\$ 58,897,201	\$ -	\$ -	\$ 189,669,800
Local option levy	31,005,163	-	-	-	31,005,163
Construction excise tax	-	-	3,217,459	-	3,217,459
State and local sources	277,208,985	-	-	8,649,941	285,858,926
Federal sources	-	-	-	24,170,167	24,170,167
Charges for services	2,985,139	-	-	8,422,125	11,407,264
Rentals	904,652	-	26,730	4,976	936,358
Investment earnings	1,486,339	470,989	2,801,327	85,175	4,843,830
Contributions and donations	38,813	-	2,149,002	3,024,445	5,212,260
Services to other funds	-	20,374,626	-	-	20,374,626
Recovery of prior years' expenditures	229,367	-	4,773,963	1,150	5,004,480
Other	1,128,550	-	472,169	1,391,865	2,992,584
Total revenues	445,759,607	79,742,816	13,440,650	45,749,844	584,692,917
EXPENDITURES:					
Current:					
Instruction	290,977,430	-	-	19,516,109	310,493,539
Support services	161,744,729	-	2,243,151	6,791,384	170,779,264
Enterprise and community services	-	-	-	14,045,480	14,045,480
Facilities acquisition and construction	84,790	-	100,690,912	4,917,524	105,693,226
Debt service					
Principal	942,547	43,554,513	-	-	44,497,060
Interest	75,842	37,450,611	-	-	37,526,453
Total expenditures	453,825,338	81,005,124	102,934,063	45,270,497	683,035,022
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(8,065,731)	(1,262,308)	(89,493,413)	479,347	(98,342,105)
OTHER FINANCING SOURCES (USES):					
Sale of or compensation for loss of capital assets	-	-	277,750	-	277,750
Transfers in	1,919,285	1,304,800	-	4,820	3,228,905
Transfers out	(2,088,979)	-	(1,135,106)	(4,820)	(3,228,905)
Proceeds from capital leases	976,104	-	-	-	976,104
TOTAL OTHER FINANCING SOURCES (USES)	806,410	1,304,800	(857,356)	-	1,253,854
NET CHANGE IN FUND BALANCES	(7,259,321)	42,492	(90,350,769)	479,347	(97,088,251)
FUND BALANCE, July 1, 2017	59,771,347	2,157,097	386,914,587	10,629,973	459,473,004
FUND BALANCE, June 30, 2018	\$ 52,512,026	\$ 2,199,589	\$ 296,563,818	\$ 11,109,320	\$ 362,384,753

BEAVERTON SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018

NET CHANGE IN FUND BALANCES \$ (97,088,251)

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

Governmental funds report capital outlay as expenditures. In the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

This is the amount by which capital outlay exceeded depreciation in the current period:

Net change in capital assets	\$ 99,226,762	
Less net change in accumulated depreciation	<u>(20,999,619)</u>	78,227,143

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

Net change in PERS net pension liability / asset	8,067,349	
Net change in deferred outflow of resources	(59,584,620)	
Net change in deferred inflow of resources	<u>(1,240,439)</u>	(52,757,710)

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

Debt principal repaid	43,554,513	
Amortization expense	7,035,945	
Capital lease issued	(976,104)	
Capital lease debt principal repaid	<u>942,547</u>	50,556,901

In refunding bonds, the amount of new bonds in excess of the refunded bonds is a deferred outflow of resources for the Statement of Activities, whereas it is recorded as an interest expense in the year of refunding. (640,857)

In the Statement of Activities, interest is accrued on long-term debt, whereas in the governmental funds it is recorded as an interest expenditure when due. (2,904,091)

Certain revenues that do not meet the measurable and available criteria are not recognized in the current year in the governmental funds. In the Statement of Activities, they are recognized as revenue when earned. (2,631,779)

Internal service funds are used by the District to charge the costs of insurance premiums and claims to the individual funds. The net income is reported with governmental activities. (1,757,137)

Compensated absences are recognized as an expenditure in the governmental funds when they are paid. In the Statement of Activities compensated absences are recognized as an expense when earned. (2,404,888)

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

Net change in total OPEB liability / asset	2,128,449	
Net change in deferred outflow of resources	6,223	
Net change in deferred inflow of resources	<u>(2,228,838)</u>	<u>(94,166)</u>

CHANGE IN NET POSITION \$ (31,494,835)

BEAVERTON SCHOOL DISTRICT
STATEMENT OF NET POSITION
 PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
 JUNE 30, 2018

ASSETS

Current assets:

Cash and cash equivalents	\$ 9,091,702
Receivables	19,781
Due from other funds	<u>266,542</u>

TOTAL ASSETS	<u><u>9,378,025</u></u>
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LIABILITIES

Current liabilities:

Accounts payable	753,968
Accrued claims losses	2,690,000
Accrued salaries and benefits	33,653
Due to other funds	<u>1,069</u>

TOTAL LIABILITIES	<u><u>3,478,690</u></u>
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NET POSITION

Unrestricted	<u>5,899,335</u>
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TOTAL NET POSITION	<u><u>\$ 5,899,335</u></u>
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BEAVERTON SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2018

OPERATING REVENUES:	
Services to other funds	\$ 3,720,966
Recovery of prior years' expenditures	399,357
Other	<u>63,515</u>
TOTAL OPERATING REVENUES	<u>4,183,838</u>
OPERATING EXPENSES:	
Losses and claims	2,249,199
Insurance premiums and assessments	1,988,343
Salaries and benefits	1,124,085
Services, supplies and materials	522,837
Facilities acquisition and construction	<u>156,256</u>
TOTAL OPERATING EXPENSES	<u>6,040,720</u>
OPERATING INCOME (LOSS)	(1,856,882)
NONOPERATING REVENUE:	
Investment earnings	<u>99,745</u>
TOTAL NONOPERATING REVENUES	<u>99,745</u>
CHANGE IN NET POSITION	(1,757,137)
NET POSITION, July 1, 2017	<u>7,656,472</u>
NET POSITION, June 30, 2018	<u><u>\$ 5,899,335</u></u>

BEAVERTON SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2018

CASH FLOWS FROM OPERATING ACTIVITIES:	
Received from interfund services provided	\$ 3,759,081
Received from recovery of prior years' expenditures	399,357
Paid for goods and services	(2,183,482)
Paid to claimants	(2,223,469)
Paid to employees	<u>(1,065,085)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(1,313,598)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest received	<u>99,745</u>
NET CASH FLOWS FROM INVESTING ACTIVITIES	<u>99,745</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,213,853)
CASH AND CASH EQUIVALENTS, July 1, 2017	<u>10,305,555</u>
CASH AND CASH EQUIVALENTS, June 30, 2018	<u><u>\$ 9,091,702</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:	
Operating income (loss)	\$ (1,856,882)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Changes in assets and liabilities	
Receivables	(14,848)
Due from other funds	(11,335)
Accounts payable	483,954
Accrued claims losses	59,000
Accrued salaries and benefits	25,730
Due to other funds	<u>783</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u><u>\$ (1,313,598)</u></u>

BEAVERTON SCHOOL DISTRICT
STATEMENT OF NET POSITION
 FIDUCIARY FUND - PRIVATE PURPOSE TRUST FUND
 JUNE 30, 2018

ASSETS	
Equity in pooled cash and investments	\$ 340,620
TOTAL ASSETS	<u>340,620</u>
LIABILITIES	
Accounts payable	1,000
Scholarships payable	<u>34,000</u>
TOTAL LIABILITIES	<u>35,000</u>
NET POSITION	
Held in trust for:	
Scholarships	<u>305,620</u>
TOTAL NET POSITION	<u>\$ 305,620</u>

BEAVERTON SCHOOL DISTRICT
STATEMENT OF CHANGES IN NET POSITION
 FIDUCIARY FUND - PRIVATE PURPOSE TRUST FUND
 YEAR ENDED JUNE 30, 2018

ADDITIONS:

Contributions and donations	\$ 88,933
Investment earnings	3,152
Recovery of prior years' expenditures	<u>1,745</u>
Total additions	<u>93,830</u>

DEDUCTIONS:

Scholarships	<u>52,755</u>
Total deductions	<u>52,755</u>

CHANGE IN NET POSITION

41,075

NET POSITION, July 1, 2017

264,545

NET POSITION, June 30, 2018

\$ 305,620

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

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

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

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

Basis of Presentation

Government-wide Financial Statements

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

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

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

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

Fund Financial Statements

The fund financial statements provide information about the District's funds including those of a fiduciary nature. Separate statements for each fund category (governmental, proprietary 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 - is the District's primary operating fund and accounts for all revenues and expenditures except those required to be accounted for in another fund. This includes the Pension sub-fund to account for the accumulation of resources to be used for payments to employees who receive supplemental early retirement stipends and post-employment health care benefits and the Long-term Planning sub-fund to account for funds set aside for a specific purpose carrying over one year.

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

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

Additionally, the District reports the following fund types:

Special Revenue Funds account for revenue sources that are legally restricted to expenditures for specific purposes such as federal and state grants, classroom supplies and equipment, capital improvements, the receipts, disbursements and cash balances of the various schools' student body activity funds, individual school activity programs and revenues and expenditures for the food dispensing programs.

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

Private-Purpose Trust Fund is used to account for scholarship resources held by the District in a fiduciary capacity for use by students. Disbursements from this fund are made in accordance with the trust and donor agreements.

Measurement Focus and Basis of Accounting

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

**BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2018**

Governmental fund financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year-end. Property taxes and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and accrued vacation which are recognized as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in the governmental funds and proceeds from general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

Cash, Cash Equivalents and Investments

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

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

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

Property Taxes Receivable

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

Uncollected property taxes are recorded on the Statement of Net Position. Uncollected taxes are deemed to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established. All property 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, claims for reimbursement of costs under various federal and state grants, and investment interest. Amounts are periodically reviewed for collectability. At June 30, 2018, no allowance for doubtful accounts is considered necessary.

Grants

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

Inventories

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

Capital Assets

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

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

Deferred Outflows/Inflows of Resources

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

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

Retirement Plans and Other Post-Employment Benefits

Substantially all of the District's employees are participants in the 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.

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

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

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

Benefit terms for the active administrators, including contribution requirements, are established in the agreement with the Association of Beaverton School Administrators and may be amended in future agreements. For each employee, the District is required to contribute \$100 per month that may be used to purchase a retirement financial product and to contribute 5% of salary to the 403(b) plan. For the year ended June 30, 2018, the total of these District contributions was \$931,292.

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 vacation pay is considered to be current as the District policy states that vacation will lapse if not taken within six months following the year end. It is accrued when earned in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only as they come due, for example, as a result of employee resignation and retirements.

Long-Term Debt

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

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2018

bond premium or discount. Savings realized from advance refunding of debt are recorded as deferred outflows of resources and amortized over the remaining life of the related defeased debt.

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

Net Position

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

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

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

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

Use of Estimates

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

Governmental Fund Balances

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

Governmental Fund type fund balances are classified as follows:

Nonspendable – Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact. Resources in nonspendable form include inventories, prepaids and deposits, and assets held for resale.

Restricted – Amounts that can be spent only for specific purposes when the constraints placed on the use of these resources are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

**BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2018**

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

Assigned - Amounts that are constrained by the District’s intent to use them for a specific purpose, but are neither restricted nor committed, are reported as assigned fund balance. Intent is expressed when the School Board approves which resources should be “reserved” during the adoption of the annual budget. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body. The Superintendent and Chief Financial Officer have been granted the authority to assign fund balances, pursuant to School Board Resolution number 13-314.

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

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

Definitions of Governmental Fund Types

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

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

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

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

Fund Balance Policy

School Board policy mandates that the District budget a minimum of five percent of its General Fund revenue as contingency, and that a five percent fund balance be maintained. An additional five percent fund balance is maintained in a sustainability fund to support long-term financial stability and can only be accessed through Board action to moderate future revenue declines.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budget

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

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

Supplemental budgets less than 10% 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. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control (major function levels) with Board approval. During the year, there were two supplemental budgets with additional appropriations that were adopted for 2017-18. Appropriations lapse at the end of each fiscal year.

3. CASH AND INVESTMENTS

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

Cash and investments are comprised of the following at June 30, 2018:

Cash with fiscal agent	\$	427,159
Petty cash		390
Deposits with banks		40,261,974
Investments		384,582,535
	\$	<u>425,272,058</u>

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

Statement of Net Position		
Cash and investments	\$	424,931,438
Statement of Net Position - Fiduciary Funds		
Equity in pooled cash and investments		340,620
	\$	<u>425,272,058</u>

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2018

At year-end, the District’s deposits with various financial institutions had a bank value of \$42,836,409 and a book value of \$40,261,974. All deposits not covered by FDIC insurance are covered by the Public Funds Collateralization Program (PFCP) of the State of Oregon. The PFCP is a shared liability structure for participating bank depositories, better protecting public funds though still not guaranteeing that all funds are 100% protected. Barring any exceptions, a bank depository is required to pledge collateral valued at 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. In the event of a participating bank failure, the entire pool of collateral pledged by all qualified Oregon public funds bank depositories is available to repay deposits of public funds of government entities.

Custodial credit risk for deposits is the risk that in the event of a bank failure, the District’s deposits may not be returned. The Federal Depository Insurance Corporation (FDIC) provides insurance for the District’s deposits with financial institutions up to \$250,000 each for the aggregate of all non-interest bearing accounts and the aggregate of all interest bearing accounts at each institution. Deposits in excess of FDIC coverage with institutions with institutions participating in the Oregon Public Funds Collateralization Program (PFCP) are collateralized with securities held by the Federal Home Loan Bank of Seattle in the name of the institution. As of June 30, 2018, \$42,336,409 of the District’s bank balances were exposed to custodial credit risk as they were collateralized with securities held by the pledging financial institution’s agent, but not in the District’s name.

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

Investment Type	Fair Value	Weighted Average Maturity in Years	Percent of Investment Portfolio
U.S. Treasury securities	\$ 36,656,128	0.722	9.5%
U.S. Agency securities	210,099,141	1.079	54.6%
State and local government obligations	1,001,250	1.173	0.3%
Corporate securities	89,213,680	0.765	23.2%
Local Government Investment Pool (LGIP)	47,612,336	0.003	12.4%
	\$ 384,582,535	0.839	100.0%

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of an asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments in U.S. Treasury securities, U.S. Agency securities, state and local government obligations, and corporate securities are valued using quoted market prices (Level 1 inputs).

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

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2018

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

Investment Type	Maximum % of Portfolio	Maximum Length to Maturity
U.S. Treasury securities	100%	18 months for operating funds, 3 years for capital project funds
U.S. Agency securities	100%	18 months for operating funds, 3 years for capital project funds
State and local government obligations	30%	18 months for operating funds, 3 years for capital project funds
Time certificates of deposits	50%	18 months
Repurchase agreements	25%	30 days
Bankers' acceptances	25%	6 months
Corporate securities	35%	18 months
Bank deposits and savings accounts	10%	N/A
Local Government Investment Pool (LGIP)	100%	N/A

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

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

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

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

<u>Highest Rating from Moody's Investors Service or Standard & Poor's Corporation</u>					
Investment Type	Total	Aaa/AAA	Aa/AA	A/A	Not Rated
U.S. Treasury securities	\$ 36,656,128	\$ 36,656,128	\$ -	\$ -	\$ -
U.S. Agency securities	210,099,141	210,099,141	-	-	-
State and local government obligations	1,001,250	-	1,001,250	-	-
Corporate securities	89,213,680	10,859,070	57,956,204	20,398,406	-
Local Government Investment Pool (LGIP)	47,612,336	-	-	-	47,612,336
	\$ 384,582,535	\$ 257,614,339	\$ 58,957,454	\$ 20,398,406	\$ 47,612,336

The Oregon State Treasurer maintains the Oregon Short-Term Fund, of which the LGIP is a part and is not registered with the U.S. Securities and Exchange Commission. Participation by local governments is voluntary.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2018

The State of Oregon investment policies are governed by statute and the Oregon Investment Council. In accordance with Oregon Statute, funds are invested as a prudent investor would do, exercising reasonable care, skill and caution. The LGIP was created to offer a short-term investment alternative to Oregon local governments. The investments are regulated by the Oregon Short-Term Fund Board and approved by the Oregon Investment Council (ORS 294.805 to 294.895). Separate financial statements for the Oregon Short-Term Fund are available from the Oregon State Treasurer. The State of Oregon LGIP is unrated for credit quality.

The District's policy for investing in individual issuers varies depending on the type of investments. No more than 35% of the total portfolio of investments may be invested in any single U.S. government agency. No more than 10% of the total portfolio may be invested in a single issuer of bankers' acceptances. At the time of purchase, investments in corporate securities of any one issuer may not exceed 5% of the investment portfolio. At June 30, 2018, more than 5% of the District's portfolio was invested in Federal Home Loan Bank Discount Notes, and Federal Home Loan Mortgage Corporation Discount Notes. These investments were 31.7%, and 17.9%, respectively, of the District's total investments.

4. RECEIVABLES

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

<u>Account</u>	<u>Amount</u>
Property taxes receivable	
General fund	\$ 5,129,275
Debt service fund	<u>1,992,348</u>
Total property taxes receivable	<u>7,121,623</u>
Grants receivable	
Other governmental funds	<u>5,112,387</u>
Total grants receivable	<u>5,112,387</u>
Interest and other receivables	
General fund	3,889,728
Debt service fund	162,803
Capital projects fund	3,383,170
Other governmental funds	320,306
Internal service funds	<u>19,781</u>
Total interest and other receivables	<u>7,775,788</u>
Total receivables	<u>\$ 20,009,798</u>

**BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2018**

5. INTERFUND RECEIVABLES AND PAYABLES

The composition of interfund balances as of June 30, 2018 is as follows:

	Due to Other Funds	Due from Other Funds
General fund	\$ 1,500,126	\$ 2,296,860
Debt service fund	-	1,348,058
Capital projects fund	3,484	-
Other governmental funds	2,406,781	-
Internal service funds	1,069	266,542
Total	<u>\$ 3,911,460</u>	<u>\$ 3,911,460</u>

There is a \$2,296,860 interfund balance in the General Fund to fund reimbursable expenditures in the Grant Fund. The remaining \$1,614,600 interfund balances between funds are the result of payroll accruals at year-end.

6. INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2018 are as follows:

	Transfer In	Transfer Out
General fund	\$ 1,919,285	\$ 2,088,979
Debt service fund	1,304,800	-
Capital projects fund	-	1,135,106
Other governmental funds	4,820	4,820
Total	<u>\$ 3,228,905</u>	<u>\$ 3,228,905</u>

Transfers were made from the Capital Projects Funds to the Debt Service Fund totaling \$1,135,106 and from the General Fund to the Debt Service Fund totaling \$169,694 to pay principal and interest payments on the full faith and credit obligations. Within the General Fund, transfers totaling \$1,919,285 were made between the sub-funds, with funds going into the Long-term Planning Fund. A transfer was made from the Food Service Fund to the Special Purpose Fund totaling \$4,820 for volunteer donations.

7. COMPENSATED ABSENCES

The General Fund is the primary fund where the compensated absences liability is liquidated. Activity for compensated absences for the year ended June 30, 2018, all of which are considered due within one year, as follows:

	Balance June 30, 2017	Additions	Reductions	Balance June 30, 2018
Compensated Absences	<u>\$ 3,327,889</u>	<u>\$ 7,384,827</u>	<u>\$ (4,979,939)</u>	<u>\$ 5,732,777</u>

**BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2018**

8. CAPITAL ASSETS

Capital assets activity for the year was as follows:

	Balance June 30, 2017	Additions	Reductions	Balance June 30, 2018
Capital assets not being depreciated:				
Land	\$ 63,208,802	\$ 8,240,944	\$ -	\$ 71,449,746
Construction in progress	232,844,377	40,552,751	(226,631,621)	46,765,507
Total capital assets not being depreciated	<u>296,053,179</u>	<u>48,793,695</u>	<u>(226,631,621)</u>	<u>118,215,253</u>
Capital assets being depreciated:				
Buildings and improvements	764,757,443	276,925,443	(4,565,522)	1,037,117,364
Vehicles and equipment	46,545,833	8,015,950	(3,311,183)	51,250,600
Total capital assets being depreciated	<u>811,303,276</u>	<u>284,941,393</u>	<u>(7,876,705)</u>	<u>1,088,367,964</u>
Less accumulated depreciation for:				
Buildings and improvements	(243,387,869)	(22,203,629)	2,607,042	(262,984,456)
Vehicles and equipment	(24,431,449)	(4,453,518)	3,050,486	(25,834,481)
Total accumulated depreciation	<u>(267,819,318)</u>	<u>(26,657,147)</u>	<u>5,657,528</u>	<u>(288,818,937)</u>
Total capital assets being depreciated, net	<u>543,483,958</u>	<u>258,284,246</u>	<u>(2,219,177)</u>	<u>799,549,027</u>
Total capital assets, net	<u>\$ 839,537,137</u>	<u>\$ 307,077,941</u>	<u>\$ (228,850,798)</u>	<u>\$ 917,764,280</u>

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

Regular programs	\$ 13,215,158
Special programs	4,255,984
Summer school programs	89,310
Student support services	2,196,315
Instructional staff support	959,854
General administration support	105,399
School administration	1,921,020
Business support services	2,358,677
Central activities support	1,115,303
Food services	440,046
Community services	81
	<u>\$ 26,657,147</u>

9. CAPITAL LEASES

The District entered into a master lease purchase agreement as lessee for financing the acquisition of teacher computers that qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the net present value of their future minimum lease payments as of the inception date. The computers had a cost of \$3.4 million with an annual payment of \$873,366. Since the computers did not reach the thresholds for

**BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2018**

capitalization, no capital assets or depreciation was recorded. The capital lease obligations were paid from the General Fund.

The District also entered into a master equity lease agreement as lessee for financing the acquisition of vehicles. The first set of vehicles were delivered in 2017-18 with a total cost of approximately \$976,000 and were capitalized over the life of the lease. The capital lease obligations were paid from the General Fund. As of June 30, 2018, the second set of vehicles had been ordered but not delivered to the District under this agreement, therefore, no accounting entries were recorded.

Future minimum lease obligations and the net present value of these minimum lease payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2019	\$ 1,007,620	\$ 63,234	\$ 1,070,854
2020	1,023,428	47,426	1,070,854
2021	166,376	31,112	197,488
2022	175,360	22,127	197,487
2023	234,408	12,025	246,433
	\$ 2,607,192	\$ 175,924	\$ 2,783,116

10. LONG-TERM DEBT

Bonds Payable

General Obligation Bonds

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. These bonds generally are issued as 20-year serial bonds with equal amounts of principal maturing each year.

On April 2, 2009, the District issued \$42,810,000 in General Obligation Bonds, Series 2009 to finance the second phase of capital construction and improvements related to the \$195 million bond measure passed by voters on November 7, 2006. Interest rates on the bonds ranged from 3.00% to 5.00%, payable semiannually in June and December. Final maturity occurred in June 2018.

On August 25, 2011, the District issued \$42,175,000 in General Obligation Bonds, Series 2011 to refund Series 2001 Bonds, Series 2002 Bonds, and Series 2003 Bonds and obtain a savings in total debt service requirement. Interest rates on the bonds range from 2.00% to 5.00%, payable semiannually in June and December. Principal is paid annually in June, with a final maturity in June 2023. The Series 2011 Bonds maturing on or after June 15, 2022 are subject to redemption prior to maturity at a price of par plus accrued interest on or after June 15, 2021.

On December 11, 2012, the District issued \$33,075,000 in General Obligation Bonds, Series 2012A and \$126,325,000 in General Obligation Bonds, Series 2012B to refund Series 2004A Bonds and Series 2007 Bonds, and obtain a savings in total debt service requirement. Interest rates on the Series 2012A Bonds range from 0.362% to 1.717%. Interest on the Series 2012B Bonds range from 1.75% to 4.00%. Interest is payable semiannually in June and December. Principal is paid annually in June, with a final maturity in June 2019 and June 2026 for the Series 2012A Bonds and Series 2012B Bonds respectively. The Series 2012B Bonds maturing on or

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2018

after June 15, 2023 are subject to redemption prior to maturity at a price of par plus accrued interest on or after June 15, 2022.

On August 7, 2014, the District issued \$20,393,784 in General Obligation Bonds, Series 2014A and \$361,755,000 in General Obligation Bonds, Series 2014B to finance the first phase of capital construction and improvements related to the \$680 million bond measure passed by voters on May 20, 2014. Interest rates on the Series 2014A Bonds range from 0.93% to 2.15%. Interest on the Series 2014B Bonds range from 2.00% to 5.00%. Interest is payable semiannually in June and December. Principal is paid annually in June, with a final maturity in June 2020 and June 2034 for the Series 2014A Bonds and Series 2014B Bonds respectively. The Series 2014B Bonds maturing on or after June 15, 2025 are subject to redemption prior to maturity at a price of par plus accrued interest on or after June 15, 2024.

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

The Series 2017A are taxable bonds with interest rates from 1.49% to 3.23%. Interest is payable semiannually in June and December for the Series 2017A Bonds. The Series 2017A Bonds maturing on June 15, 2028 are subject to redemption prior to maturity at a price of par plus accrued interest on or after June 15, 2027.

The Series 2017B are deferred interest bonds with interest rates from 3.57% to 4.13%. Interest on the Series 2017B Bonds is payable only at maturity. The Series 2017B Bonds are subject to redemption prior to maturity at a price of 100 percent of the accreted par value on the redemption date on or after June 15, 2027.

The Series 2017C are current interest bonds with an interest rate of 5.00%. Interest is payable semiannually in June and December for the Series 2017C Series Bonds. The Series 2017C Bonds maturing in 2028 and 2035 are subject to redemption prior to maturity at a price of par plus accrued interest on or after June 15, 2027.

The Series 2017D are convertible deferred interest bonds with an interest rate of 5.00%. The Series 2017D Bonds will convert into current interest bonds in June 2018, after which interest will be payable semiannually in June and December. The 2017D Series Bonds maturing in 2035 and 2036 are subject to redemption prior to maturity at a price of 100 percent of accreted par value plus accrued interest on or after June 15, 2027.

Limited Tax Pension Obligation Bonds

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

Bond proceeds were paid to the Oregon Public Employees Retirement System. An intercept agreement with the State of Oregon was required as a condition of issuance; therefore, a portion of State School Fund support is withheld on a monthly basis to repay debt. Funds are accumulated and invested by a trust officer and annual principal and interest payments are made each June 30, beginning June 2005 and ending June 2028. The bond interest rates range from 4.11% to 4.76%.

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On February 26, 2015, the District issued \$79,220,000 taxable pension obligation bonds to finance District's estimated PERS unfunded actuarial liability. The bond proceeds were paid to the Oregon Public Employees Retirement System. No intercept agreement exists for the bonds issued in 2015. Annual principal and interest payments are made each June 30, beginning in June 2015 and ending June 2034. The bond interest rates range from 0.35% to 4.06%.

Full Faith and Credit Obligation Bonds

On March 19, 2009, the District issued \$22,650,000 full faith and credit obligation bonds to provide funds for the construction of the Transportation Service Center, an option school auditorium, bus particulate traps and an option school remodel. Interest rates on the bonds range from 2.50% to 5.13% with a final maturity date of June 1, 2036.

On April 27, 2016, the District issued \$16,260,000 full faith and credit obligation bonds, placing the proceeds of new bonds in irrevocable trusts to provide for all future debt service payments on the old obligations. Interest rates on the 2016 bonds range from 2.00% to 4.00% with a final maturity date of June 1, 2036.

Debt Activity

Long-term debt activity for the year ended June 30, 2018 is as follows:

	Balance June 30, 2017	Additions	Reductions	Balance June 30, 2018	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 832,134,613	\$ -	\$ 31,164,513	\$ 800,970,100	\$ 25,534,593
Pension obligation bonds	215,470,000	-	11,730,000	203,740,000	12,500,000
Full faith & credit obligations	18,115,000	-	660,000	17,455,000	690,000
Unamortized premium	101,872,076	-	7,035,945	94,836,131	6,850,799
Total bonds payable, net	<u>\$ 1,167,591,689</u>	<u>\$ -</u>	<u>\$ 50,590,458</u>	<u>\$ 1,117,001,231</u>	

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

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2018

The following is a summary of long-term debt transactions of governmental activities for the year ended June 30, 2018:

Issue Date	Original Issue	Principal			Outstanding at June 30, 2018	Interest Rates
		Outstanding at June 30, 2017	Additions	Reductions		
<u>General Obligation Bonds:</u>						
April 2, 2009	\$ 42,810,000	\$ 12,725,000	\$ -	\$ 12,725,000	\$ -	3.0 - 5.0%
August 25, 2011	42,175,000	21,125,000	-	3,120,000	18,005,000	2.0 - 5.0%
December 11, 2012	33,075,000	3,245,000	-	1,615,000	1,630,000	0.4 - 1.7%
December 11, 2012	126,325,000	118,350,000	-	7,045,000	111,305,000	1.8 - 4.0%
August 7, 2014	20,393,784	19,069,348	-	6,659,513	12,409,835	0.9 - 2.2%
August 7, 2014	361,755,000	359,770,000	-	-	359,770,000	2.0 - 5.0%
May 11, 2017	38,990,000	38,990,000	-	-	38,990,000	1.5 - 3.2%
May 11, 2017	76,483,176	76,483,176	-	-	76,483,176	3.6 - 4.1%
May 11, 2017	32,980,000	32,980,000	-	-	32,980,000	5.0%
May 11, 2017	149,397,089	149,397,089	-	-	149,397,089	5.0%
		<u>832,134,613</u>	<u>-</u>	<u>31,164,513</u>	<u>800,970,100</u>	
<u>Limited Tax Pension Obligation Bonds:</u>						
June 21, 2005	189,935,000	144,360,000	-	8,065,000	136,295,000	4.1 - 4.8%
February 26, 2015	79,220,000	71,110,000	-	3,665,000	67,445,000	0.4 - 4.1%
		<u>215,470,000</u>	<u>-</u>	<u>11,730,000</u>	<u>203,740,000</u>	
<u>Full Faith and Credit Obligation Bonds:</u>						
March 19, 2009	22,650,000	1,905,000	-	610,000	1,295,000	2.5 - 5.1%
April 27, 2016	16,260,000	16,210,000	-	50,000	16,160,000	2.0 - 4.0%
		<u>18,115,000</u>	<u>-</u>	<u>660,000</u>	<u>17,455,000</u>	
<u>Total General Obligation and Pension Bonds:</u>		<u>1,065,719,613</u>	<u>-</u>	<u>43,554,513</u>	<u>1,022,165,100</u>	
<u>Unamortized Premium</u>		<u>101,872,076</u>	<u>-</u>	<u>7,035,945</u>	<u>94,836,131</u>	
Total		<u>\$ 1,167,591,689</u>	<u>\$ -</u>	<u>\$ 50,590,458</u>	<u>\$ 1,117,001,231</u>	

Debt Maturities

Future bond maturities are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2019	\$ 38,724,593	\$ 44,174,895	\$ 82,899,488
2020	43,160,242	42,301,557	85,461,799
2021	47,635,000	40,471,591	88,106,591
2022	52,345,000	38,427,933	90,772,933
2023	50,065,000	36,147,683	86,212,683
2024-2028	315,556,304	144,358,925	459,915,229
2029-2033	272,182,412	126,230,689	398,413,101
2034-2038	202,496,549	39,256,888	241,753,437
	<u>\$ 1,022,165,100</u>	<u>\$ 511,370,161</u>	<u>\$ 1,533,535,261</u>

Debt Defeased

In April 27, 2016, the District issued \$16,260,000 full faith and credit obligation bonds with interest rates ranging between 2.00% and 4.00%. The District issued the bonds to advance refund \$15,880,000 of the outstanding series 2009 full faith and credit obligation bonds with interest rates ranging between 4.625% and 5.125%. The District used the net proceeds along with other resources to purchase U.S. government securities. These securities were deposited in an irrevocable trust to provide for all future debt service on the refunded portion of the 2009 series bonds. As a result, the 2009 series bonds are considered defeased, and the District has removed the liability from its accounts. The trust account assets and the liabilities for the defeased obligations are not included in the District's basic financial statements. At June 30, 2018, the outstanding principal of the defeased bonds is \$15,880,000.

The advance refunding reduced total debt service payments over the life of the issue by nearly \$2.7 million. This resulted in an economic gain (the difference between the present value of the debt service payments on the old and new debt) of \$2.2 million.

11. EARLY RETIREMENT SUPPLEMENT PROGRAM

Early Retirement Plan 2004

Plan description – The District maintained a single-employer early retirement supplement program for its employees. This program covered all full-time certified, classified and eligible administrative personnel of the District who qualified prior to June 30, 2004, when the program was closed. The District does not issue a stand-alone report for this plan. This program was established under separate collective bargaining agreements and provide provisions for early retirement after 30 years of service or age 58 with at least 10 years of continuous District service immediately preceding retirement. For eligible administrators, this optional early retirement program provided the employee with medical benefits until age 62.

Summary of significant accounting policies – The plan is accounted for in the Pension Fund. The District's contributions are recognized when due and a formal commitment to provide the contributions has been made. Plan investments are a part of the District's investment pool, reported at fair value. Benefits and refunds in the Pension Fund are recognized when due and payable in accordance with the terms of the plans. The program completed in 2017-18 and remaining funds will be transferred back to the General Fund in 2018-19.

Funding policy – The benefits from this sunsetted program were fully paid by the District and, consequently, no contributions by employees were required. The District fully funded the obligation in the Pension Fund, which also accounted for the resources and payments of post-employment health care benefits for early retirees. The available committed balance of the Pension Fund at June 30, 2018 is \$61,970. All commitments and obligations have been completed, and the District's total remaining estimated liability for the plan is zero. The remaining funds will be transferred to the General Fund in 2018-19.

Contributions – Contributions were financed by a transfer from the General Fund. A transfer to the Pension Fund of \$500,000 was made in fiscal year 2014 to fully fund this program as well as an additional single-employer early retirement supplement program from 2012. There were also transfers of \$750,000 and \$1,050,000 in fiscal years 2013 and 2012, respectively, to fund both programs. Expenditures were recorded in the Pension Fund on the pay-as-you-go basis. The cost of these benefits for the Plan 2004 in fiscal years 2018, 2017, and 2016 was \$9,830, \$39,736, and \$38,011 respectively.

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Program membership for Plan 2004 consisted of 183 retirees receiving benefits at July 1, 2006, the date of the last actuarial valuation. There were two retirees receiving early retirement supplement benefits in fiscal years 2018, 2017, and 2016.

12. PENSION PLAN

Plan Overview Description

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

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

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

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

Pension Benefits – The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 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 it results in greater benefits.

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

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

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

Disability Benefits – A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length

**BEAVERTON SCHOOL DISTRICT
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JUNE 30, 2018**

of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

Benefit Changes After Retirement – Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the 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.

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

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

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

Police and fire: 1.8 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 OPSRP Pension Program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.

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

Disability Benefits – A member who has accrued 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.

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

Contributions

PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2015 actuarial valuation, which became effective July 1, 2017. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments, and their rates have been reduced.

**BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2018**

Employer contributions for the year ended June 30, 2018 were \$37,341,000 excluding amounts to fund employer specific liabilities. Approximately \$20,374,000 was charged for the year ended June 30, 2018 as PERS benefits expenditures to be used for bond payments as they become due. Approximately \$52,758,000 was recognized as employer pension expense during the reporting period.

At June 30, 2018, the District reported a net pension liability of \$328,358,025 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015, rolled forward to a measurement date of June 30, 2017. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2017, the District's proportion was 2.44 percent, which was an increase of 0.20 from its proportion measured as of June 30, 2016.

	Deferred Outflow of Resources	Deferred (Inflow) of Resources	Net
Differences between expected and actual experience	\$ 15,879,534	\$ -	
Changes of assumptions	59,853,810	-	
Net difference between projected and actual earnings on investments	3,382,857	-	
Changes in proportionate share	20,887,504	(6,237,107)	
Differences between employer contributions and employer's proportionate share of system contributions	<u>38,611,010</u>	<u>(5,778,504)</u>	
Subtotal - Amortized Deferrals	138,614,715	(12,015,611)	\$ 126,599,104
District contributions subsequent to measurement date	<u>37,341,000</u>	<u>-</u>	<u>37,341,000</u>
Total deferred outflow (inflow) of resources	<u>\$ 175,955,715</u>	<u>\$ (12,015,611)</u>	<u>\$ 163,940,104</u>

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

Fiscal year ending June 30,	Amount
2019	\$ 70,497,138
2020	59,643,515
2021	37,800,250
2022	(5,107,518)
2023	<u>1,106,719</u>
Total	<u>\$ 163,940,104</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated February 20, 2018, which can be found at:

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

Oregon PERS produces an independently audited CAFR which can be found at:

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

**BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2018**

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), and (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

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

Actuarial Methods and Assumptions:

Valuation date	December 31, 2015
Measurement date	June 30, 2017
Experience Study	2014, published September 2015
Actuarial assumptions:	
Inflation rate	2.50 percent
Long-term expected rate of return	7.50 percent
Discount rate	7.50 percent
Projected salary increases	3.50 percent
Cost of living adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25% / 0.15%) in accordance with <i>Moro</i> decision; blend based on service.
Mortality	<p>Healthy retirees and beneficiaries: RP-2000 Sex-distinct, generational per Scale BB, with collar adjustments and set-backs as described in the valuation.</p> <p>Active members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation.</p> <p>Disabled retirees: Mortality rates are a percentage (70% for males, 95% for females) of the RP-2000 Sex-distinct, generational per Scale BB, disabled mortality table.</p>

(Source: June 30, 2017 Oregon PERS CAFR; Table 28; page 65)

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2014 Experience Study which is reviewed for the four-year period ending December 31, 2014.

Discount Rate – The discount rate used to measure the total pension liability was 7.50 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from 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

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
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projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

- Oregon PERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.
- GASB 67 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan’s funded position.

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

(Source: June 30, 2017 PERS CAFR; page 66)

Assumed Asset Allocation

Asset Class / Strategy	OIC Policy Range	Current Year 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	14.0 – 21.0%	17.5%
Alternative Equity	0.0 – 12.5%	12.5%
Opportunity Portfolio	0.0 – 3.0%	0.0%
Total		100.0 %

(Source: June 30, 2017 Oregon PERS CAFR; page 92)

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
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Long-Term Expected Rate of Return

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

(Source: June 30, 2017 Oregon PERS CAFR; page 65-66)

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Core Fixed Income	8.00 %	4.10 %	4.00 %	4.68 %
Short-Term Bonds	8.00	3.65	3.61	2.74
Bank / Leveraged Loans	3.00	5.69	5.42	7.82
High Yield Bonds	1.00	6.67	6.20	10.28
Large / Mid Cap US Equities	15.75	7.96	6.70	17.07
Small Cap US Equities	1.31	8.93	6.99	21.35
Micro Cap US Equities	1.31	9.37	7.01	23.72
Developed Foreign Equities	13.13	8.34	6.73	19.40
Emerging Market Equities	4.12	10.56	7.25	28.45
Non-US Small Cap Equities	1.88	9.01	7.22	20.55
Private Equity	17.50	11.60	7.97	30.00
Real Estate (Property)	10.00	6.48	5.84	12.00
Real Estate (REITS)	2.50	8.74	6.69	22.02
Hedge Fund of Funds - Diversified	2.50	4.94	4.64	8.09
Hedge Fund - Event-Driven	0.63	7.07	6.72	8.90
Timber	1.88	6.60	5.85	13.00
Farmland	1.88	7.11	6.37	13.00
Infrastructure	3.75	8.31	7.13	16.50
Commodities	1.88	6.07	4.58	18.40
Assumed Inflation - Mean			2.50 %	1.85 %

(Source: June 30, 2017 Oregon PERS CAFR; Table 34; page 69)

Sensitivity – Sensitivity of the District’s proportionate share of the net pension liability to changes in the discount rate. The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 7.50 percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

	Decrease 1% 6.50%	Current Rate 7.50%	Increase 1% 8.50%
District's proportionate share of the net pension liability / (asset)	<u>\$ 559,582,028</u>	<u>\$ 328,358,025</u>	<u>\$ 135,011,939</u>

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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
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Additional disclosures related to Oregon PERS not applicable to specific employers are available online at the below website, or by contacting Oregon PERS at the following address: P.O. Box 23700, Tigard, OR, 97281-3700,

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

OPSRP Individual Account Program (OPSRP IAP)

Plan Description – ORS Chapter 238A created the 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 Oregon PERS, and is administered by the Oregon PERS Board.

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

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

Contributions – Employees of the District pay 6 percent of their covered payroll. The District did not make any optional contributions to member IAP accounts for the year ended June 30, 2018.

13. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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

	Postemployment Health Insurance Subsidy	Postemployment Health Insurance Account	Net
Total OPEB Liability	\$ 29,531,275	\$ -	\$ 29,531,275
Total OPEB Asset	-	1,017,705	1,017,705
OPEB Deferred Outflows of Resources	1,447,274	1,234,837	2,682,111
OPEB Deferred Inflows of Resources	1,757,494	471,344	2,228,838

Postemployment Health Insurance Subsidy (PHIS)

Plan description – The District operates a single-employer defined benefit plan that provides postemployment health, dental, vision and life insurance benefits to eligible employees and their spouses. Benefits and eligibility

**BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
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for members are established through the collective bargaining agreements and Oregon State law. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75. The District’s post-retirement healthcare plan was established in accordance with Oregon Revised Statutes (ORS) 243.303. ORS stipulate that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees.

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

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

Employees covered by benefit terms – As of June 30, 2018, there are 4,823 active and 189 retired members in the plan.

Total OPEB Liability

The District’s total OPEB liability of \$29,531,275 was determined by an actuarial valuation as of July 1, 2017, adjusted to a measurement date of June 30, 2017.

Actuarial assumptions and other inputs

The total OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Valuation date	July 1, 2017
Measurement date	June 30, 2017
Inflation	2.50%
Projected salary growth	2.75%
Discount rate	3.58%
Withdrawal, retirement, and mortality rates	December 31, 2016 Oregon PERS valuation
Election and lapse rates	50% of eligible employees 42.5% spouse coverage 4% annual lapse rate
Actuarial cost method	Entry Age Normal Level Percent of Pay

**BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2018**

Demographic Assumptions:	
Mortality	RP-2014 sex-distinct base tables, as specified below. Mortality improvement is projected on a generational basis with the Unisex Social Security Data scale. Healthy members: RP-2014 Employee and Healthy Annuitant tables, white collar with a one year setback Disabled Retirees: RP-2014 Disabled Annuitant tables, no collar adjustment or setback Male Dependents: RP-2014 Healthy Annuitant male table 50% blue collar / 50% white collar, set back 12 months Female Dependents: RP-2014 Healthy Annuitant female table 50% blue collar / 50% white collar, no set back
Disability	Percentage of the 1985 Class 1 Rates: 35% with a 0.18% cap; Ordinary Disability only; no duty disability assumed
Retirement	Based on Oregon PERS assumptions. Annual rates are based on age, Tier / ORSRP, and duration of service

Discount Rate – Under GASB 75, unfunded plans must use a discount rate that reflects a 20-year tax-exempt municipal bond yield or index rate. The discount rate in effect for the June 30, 2018 reporting date is 3.58%, reflecting the Bond Buyer 20-Year General Obligation Bond Index.

Health Care Cost Trend – The actuarial calculations used an assumption that medical costs will increase 5.90% in the first year, 5.80% in the second year, 6.10% in the third year, and varying from 6.50% to 4.30% over the remainder of the projection period. These trends are based on a model circulated by the Society of Actuaries that considers current trends in health care costs, the potential impacts of certain well-defined aspects of the Affordable Care Act, and long-term constraints on trend such as growth in per capita income. It also assumes that dental costs will increase by 4.80% in the first year and 4.00% in each future year. First year medical and dental trends were based on actual changes to July 1, 2018 premiums compare with July 1, 2017 premiums.

Changes in the Total OPEB Liability

	Increase (Decrease) Total OPEB Liability
Balance as of June 30, 2017	\$ 29,993,282
Changes for the year:	
Service cost	2,102,068
Interest on total OPEB liability	894,060
Effect of changes to benefit terms	-
Effect of economic/demographic gains or losses	-
Effect of assumptions changes or inputs	(1,998,247)
Benefit payments	(1,459,888)
Balance as of June 30, 2018	<u>\$ 29,531,275</u>

The effects of assumptions changes or inputs reflect a change in the discount rate from 2.85% in 2017 to 3.58% in 2018.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2018

Sensitivity

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the District for the Postemployment Health Insurance Subsidy, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.58%) or 1-percentage-point higher (4.58%) than the current discount rate:

	1% Decrease 2.58%	Current Discount Rate	1% Increase 4.58%
Total OPEB liability	<u>\$ 32,301,356</u>	<u>\$ 29,531,275</u>	<u>\$ 27,003,231</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the District for the Postemployment Health Insurance Subsidy, as well as what the total OPEB liability would be if it were calculated using a health care cost trend rates that are 1-percentage-point lower (4.90% decreasing to 3.30%) or 1-percentage-point higher (6.90% decreasing to 5.30%) than the current trend rates:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	<u>\$ 26,106,053</u>	<u>\$ 29,531,275</u>	<u>\$ 33,623,169</u>

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

For the year ended June 30, 2018, the District recognized an OPEB expense of \$1,308,101 related to the PHIS OPEB. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflow of Resources	Deferred (Inflow) of Resources	Net
Differences between expected and actual experience	\$ -	\$ -	
Changes of assumptions or inputs	-	(1,757,494)	
Subtotal - Amortized Deferrals	-	(1,757,494)	\$ (1,757,494)
District contributions subsequent to measurement date	1,447,274	-	1,447,274
Total deferred outflow (inflow) of resources	<u>\$ 1,447,274</u>	<u>\$ (1,757,494)</u>	<u>\$ (310,220)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the PHIS OPEB will be recognized in OPEB expense as follows:

Fiscal year ended June 30:	Amount
2019	\$ 1,206,521
2020	(240,753)
2021	(240,753)
2022	(240,753)
2023	(240,753)
Thereafter	<u>(553,729)</u>
Total	<u>\$ (310,220)</u>

Retirement Health Insurance Account (RHIA)

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

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

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

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by OPERS, currently 0.50% of Tier 1 and Tier 2 payroll and 0.43% of OPSRP of annual covered payroll. The OPERS Board of Trustees sets the employer contribution rate based on the annual required contribution (ARC) of the employers, an amount actuarially determined. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The District's contributions to RHIA for the years ended June 30, 2018, 2017, and 2016, were approximately \$1,225,000, \$1,216,000, and \$1,162,000 which equaled the required contributions each year.

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

At June 30, 2018, the District reported an asset of \$1,017,705 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2015, rolled forward to the measurement date. The District's proportion of the net OPEB liability was based on the District's actual, legally required contributions made during the fiscal year being compared to the total actual contributions made in the fiscal year by all employers. The District's proportionate share as of the measurement date is 2.43854589%, changed from 2.38890380% for the prior measurement date.

For the year ended June 30, 2018, the District recognized OPEB expense reduction of (\$1,213,935) related to the RHIA OPEB. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to the RHIA OPEB from the following sources:

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2018

	Deferred Outflow of Resources	Deferred (Inflow) of Resources	Net
Differences between expected and actual experience	\$ -	\$ -	
Changes of assumptions	-	-	
Net difference between projected and actual earnings on investments	-	(471,344)	
Changes in proportionate share	9,837	-	
Differences between employer contributions and employer's proportionate share of system contributions	-	-	
Subtotal - Amortized Deferrals	9,837	(471,344)	\$ (461,507)
District contributions subsequent to measurement date	1,225,000	-	1,225,000
Total deferred outflow (inflow) of resources	<u>\$ 1,234,837</u>	<u>\$ (471,344)</u>	<u>\$ 763,493</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the RHIA OPEB will be recognized in OPEB expense as follows:

Fiscal year ending June 30,	Amount
2018	\$ 1,110,808
2019	(114,192)
2020	(115,287)
2021	(117,836)
Total	<u>\$ 763,493</u>

Actuarial assumptions and other inputs

The total OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Valuation date	December 31, 2015
Measurement date	June 30, 2017
Experience Study	2014, published September 23, 2015
Actuarial assumptions:	
Actuarial cost method	Entry Age Normal
Inflation rate	2.50%
Long-term expected rate of return	7.50%
Discount rate	7.50%
Projected salary increases	3.50%
Retiree healthcare participation	Healthy retirees: 38% Disabled retirees: 20%
Healthcare cost trend rate	Not applicable. Statute stipulates \$60 monthly payment for healthcare insurance.

(Source: June 30, 2017 Oregon PERS CAFR; Table 31; page 68)

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 NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
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Mortality	<p>Healthy retirees and beneficiaries: RP-2000 Sex-distinct, generational per Scale BB, with collar adjustments and set-backs as described in the valuation.</p> <p>Active members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation.</p> <p>Disabled retirees: Mortality rates are a percentage (70% for males, 95% for females) of the RP-2000 Sex-distinct, generational per Scale BB, disabled mortality table.</p>
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(Source: June 30, 2017 Oregon PERS CAFR; Table 31; page 68)

Discount Rate

The discount rate used to measure the total OPEB liability at June 30, 2017 was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2015 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. For more information on the long-term expected rate of return for each major asset class, calculated using both the arithmetic and geometric means, see the breakdown in Footnote 12.

(Source: June 30, 2017 Oregon PERS CAFR; page 67)

Sensitivity Analysis

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the District for the Retirement Health Insurance Account, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current discount rate:

	Decrease 1% 6.50%	Current Rate 7.50%	Increase 1% 8.50%
District's net OPEB liability (asset)	<u>\$ 141,866</u>	<u>\$ (1,017,705)</u>	<u>\$ (2,003,990)</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The total OPEB liability of the District for the Postemployment Health Insurance Subsidy is (\$1,017,705). The ORS stipulates a \$60 monthly payment, so there would be no change to the total OPEB liability if it were calculated using health care cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rates.

**BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2018**

Changes Subsequent to Measurement Date

The PERS Board lowered the Assumed Rate of Return from 7.50% to 7.20% on July 28, 2017. This change is effective January 1, 2018 and will change the net OPEB liability (asset) in future periods.

14. RISK MANAGEMENT

Self-Insurance

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

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

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

- General Liability and School Board errors and omissions – \$500,000 per occurrence
- Fire loss, property damage, all risk (theft, vandalism, etc.) – \$500,000 per occurrence
- Workers' compensation claims – \$400,000 per claim
- Long-term disability claims – payment of all claims for the first fifty-one months of disability for eligible administrator and classified staff. Eligible certified staff are fully insured for disability claims.

The District is exposed to various risks of loss related to torts, theft or damage to and destruction of assets, errors and omissions, and natural disasters for which the District carries commercial insurance. The District does not engage in risk financing activities where the risk is greater than the self-insurance amounts. Settlements have not exceeded insurance coverage for the years ended June 30, 2018, 2017, and 2016. The District has one settlement in 2018-19 that will exceed the insurance coverage and has accrued an expenditure up to the policy deductible limit in association with it. There have also been no reductions to the District's insurance coverage during the year. The District anticipates that all accrued claims losses will be paid within twelve months.

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Accrued claims losses, July 1	\$ 2,631,000	\$ 2,520,000	\$ 1,942,000
Incurred claims, including an estimate of claims incurred but not reported (IBNR)	2,308,199	1,610,516	2,473,543
Claims payments	<u>(2,249,199)</u>	<u>(1,499,516)</u>	<u>(1,895,543)</u>
Accrued claim losses, June 30	<u>\$ 2,690,000</u>	<u>\$ 2,631,000</u>	<u>\$ 2,520,000</u>

15. SCHOOL FUNDING

The District is dependent on the State of Oregon for a substantial portion of its operating funds. Due to funding fluctuations at the State level, future funding for school districts is impacted by the economic growth statewide. The ultimate effect of this on the District's future operations is not yet determinable.

**BEAVERTON SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2018**

The largest segment is determined by the State School Fund formula, with the majority of funding provided by the State to the District based on the District’s average daily membership of students (ADM_r). The State gives additional weightings for certain categories of individuals including students in poverty, students in ESL programs, and students on Individual Education Plans. The State then proportions the State School Fund based on the resulting weighted average daily membership (ADM_w) of the District compared that of the State. For 2017-18, the District had an estimated ADM_w of 48,419.61 within the State estimated ADM_w of 706,126. For 2016-17, these were 48,743.17 and 707,042, respectively.

16. TAX ABATEMENTS

Washington County Tax Abatements

The District’s property tax revenues were reduced by approximately \$317,000 under agreements entered into by Washington County for the fiscal year ended June 30, 2018.

17. COMMITMENTS AND CONTINGENCIES

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

The District is committed under various accepted bid agreements and contracts for approximately \$75.4 million for goods, services, and construction of facilities, as follows:

General fund	\$	3,347,014
Capital projects fund		70,854,545
Other governmental funds		1,000,538
Internal service funds		224,167
Total	\$	<u>75,426,264</u>

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.

18. NEW ACCOUNTING STANDARDS IMPLEMENTED

For the fiscal year ended June 30, 2018, the District implemented the following new accounting standards:

GASB Statement No. 75 “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.” The statement establishes accounting and financial reporting requirements related to other postemployment benefits (OPEB), replacing GASB Statements No. 45 and No. 57. The statement is effective for fiscal years beginning after June 15, 2017. The District restated the prior year net position to reduce net position by \$9,793,177 as a result of implementing this statement. Additional details are shown in Footnote 19.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2018

GASB Statement No. 81 *“Irrevocable Split-Interest Agreements.”* This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. The statement is effective for fiscal years beginning after December 15, 2016. The District anticipates no financial impact as a result of implementing this statement.

GASB Statement No. 85 *“Omnibus 2017.”* This Statement addresses practice issues identified during implementation of other GASB Statements, including blending component units, goodwill, fair value measurement and application, and postemployment benefits. The statement is effective for fiscal years beginning after June 15, 2017. The District anticipates no financial impact as a result of implementing this statement.

GASB Statement No. 86 *“Certain Debt Extinguishment Issues.”* This Statement addresses the accounting and financial reporting for in-substance defeasement of debt where existing resources are placed in an irrevocable trust for the sole purpose of extinguishing debt. The statement is effective for fiscal years beginning after June 15, 2017. The District anticipates no financial impact as a result of implementing this statement.

19. RESTATEMENT OF PRIOR YEAR NET POSITION

Due to the implementation of GASB 75 a restatement of the prior year net position was required to remove the other postemployment benefit obligation liability, record the total OPEB liability, and record the deferred outflows associated with contributions.

The total restatement is as follows:

Net Position - July 1, 2017 as originally reported		\$ 11,636,534
Removal of Other postemployment benefit obligation	\$ 18,172,954	
Addition of Total OPEB liability	(30,642,019)	
Addition of OPEB deferred outflows	<u>2,675,888</u>	
Total restatement		<u>(9,793,177)</u>
Net Position - July 1, 2017 as restated		<u>\$ 1,843,357</u>

The breakdown of the total OPEB liability and the OPEB deferred outflows is as follows:

	<u>PHIS</u>	<u>RHIA</u>	<u>Total</u>
Total OPEB liability	\$ 29,993,282	\$ 648,737	\$ 30,642,019
OPEB deferred outflows	1,459,888	1,216,000	2,675,888

20. NEW PRONOUNCEMENTS

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

GASB Statement No. 83 *“Certain Asset Retirement Obligations.”* This Statement establishes criteria for determining the timing and pattern or recognition of a liability and a corresponding deferred outflow of

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2018

resources for asset retirement obligations. The statement is effective for fiscal years beginning after June 15, 2018.

GASB Statement No. 84 *"Fiduciary Activities."* This Statement establishes criteria and guidance for identifying fiduciary activities of all state and local governments for accounting and financial reporting purposes, as well as the reporting requirements for these fiduciary funds. The statement is effective for fiscal years beginning after December 15, 2018.

GASB Statement No. 87 *"Leases."* This Statement addresses the accounting and financial reporting for leases by governments, requiring recognition of certain lease assets and liabilities for leases that were previously classified as operating leases. The statement is effective for fiscal years beginning after December 15, 2019.

GASB Statement No. 88 *"Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements."* This Statement addresses the definition of debt and specifies required essential information related to debt for disclosure in the notes to the financial statements. The statement is effective for fiscal years beginning after June 15, 2018.

GASB Statement No. 89 *"Accounting for Interest Cost Incurred before the End of a Construction Period."* This Statement establishes the accounting requirements for interest costs incurred before the end of a construction period, which previously were included in the historical cost of a capital asset. The statement is effective for fiscal years beginning after December 15, 2019.

GASB Statement No. 90 *"Majority Equity Interest – An Amendment of GASB Statements No. 14 and No. 61."* This Statement defines the majority equity interest and specifies the treatment of majority equity interest in a legally separate organization, either as an investment or as a component unit based on the factors. The statement is effective for fiscal years beginning after December 15, 2018.

REQUIRED SUPPLEMENTARY INFORMATION



BEAVERTON SCHOOL DISTRICT
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY FOR PERS
JUNE 30, 2018

Year Ended June 30,	Employer's proportion of the net pension liability (NPL)	Employer's proportionate share of the net pension liability (NPL) ¹	Covered payroll ²	NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2018	2.44%	\$ 328,358,025	\$ 266,160,397	123.4%	83.1%
2017 ⁵	2.24%	336,425,374	243,813,517	138.0%	80.5%
2016 ⁴	2.05%	117,982,257	219,944,988	53.6%	91.9%
2015 ³	2.72%	(61,675,451)	200,544,298	-30.8%	103.6%
2014	2.72%	138,852,440	187,686,710	74.0%	92.0%

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF CONTRIBUTIONS FOR PERS
JUNE 30, 2018

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percent of covered payroll
2018	\$ 37,341,000	\$ 37,341,000	\$ -	\$ 281,109,676	13.3%
2017	21,355,242	21,355,242	-	266,160,397	8.0%
2016	20,427,165	20,427,165	-	243,813,517	8.4%
2015	29,448,081	29,448,081	-	219,944,988	13.4%
2014	28,332,951	28,332,951	-	200,544,298	14.1%

Notes:

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

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

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

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

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

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

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY FOR RHIA
JUNE 30, 2018

Year Ended June 30,	District's proportion of the net OPEB liability	District's proportionate share of the net OPEB liability (NOL) ¹	District's covered-employee payroll ²	NOL as a percentage of covered-employee payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2018	2.44%	\$ (1,017,705)	\$ 266,160,397	-0.4%	108.9%
2017	2.39%	648,737	243,813,517	0.3%	94.1%

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF CONTRIBUTIONS FOR RHIA
JUNE 30, 2018

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percent of covered payroll
2018	\$ 1,225,000	\$ 1,225,000	\$ -	\$ 281,109,676	0.4%
2017	1,216,000	1,216,000	-	266,160,397	0.5%

Notes:

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

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

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

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY - PHIS
 JUNE 30, 2018
 (DOLLAR AMOUNTS IN THOUSANDS)

Year Ended June 30,	Service Cost	Interest	Change of Benefit Terms	Difference between expected and actual results	Changes of assumptions or other inputs	Benefit payments	Net change in total OPEB liability
2018	\$ 2,102	\$ 894	\$ -	\$ -	\$ (1,998)	\$ (1,460)	\$ (462)

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF TOTAL OPEB LIABILITY AND RELATED RATIOS - PHIS
 JUNE 30, 2018
 (DOLLAR AMOUNTS IN THOUSANDS)

Year Ended June 30,	Total OPEB liability beginning	Net change in total OPEB liability	Total OPEB liability ending	Covered payroll ²	Total OPEB liability as percentage of covered payroll	Discount Rate
2018	\$ 29,993	\$ (462)	\$ 29,531	\$ 266,160	11.1%	3.58%
2017	-	-	29,993	243,814	12.3%	2.85%

Notes:

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

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

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

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

BEAVERTON SCHOOL DISTRICT
RECONCILIATION OF BUDGETARY TO REPORTING FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (GAAP BASIS)
GENERAL FUND
YEAR ENDED JUNE 30, 2018

	Budgetary Funds			Total (reported as General Fund)
	General Fund	Pension	Long-Term Planning	
REVENUES:				
Property taxes	\$ 130,772,599	\$ -	\$ -	\$ 130,772,599
Local option levy	31,005,163	-	-	31,005,163
State and local sources	277,208,985	-	-	277,208,985
Charges for services	2,636,964	-	348,175	2,985,139
Rentals	904,652	-	-	904,652
Investment earnings	1,455,919	763	29,657	1,486,339
Contributions and donations	38,813	-	-	38,813
Recovery of prior years' expenditures	229,367	-	-	229,367
Other	1,128,550	-	-	1,128,550
TOTAL REVENUES	445,381,012	763	377,832	445,759,607
EXPENDITURES:				
Current:				
Instruction	290,977,430	-	-	290,977,430
Support services	160,523,013	9,830	1,211,886	161,744,729
Facilities acquisition and construction	76,818	-	7,972	84,790
Debt service:				
Principal	942,547	-	-	942,547
Interest	75,842	-	-	75,842
TOTAL EXPENDITURES	452,595,650	9,830	1,219,858	453,825,338
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(7,214,638)	(9,067)	(842,026)	(8,065,731)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	1,919,285	1,919,285
Transfers out	(2,088,979)	-	-	(2,088,979)
Proceeds from capital leases	976,104	-	-	976,104
TOTAL OTHER FINANCING SOURCES (USES)	(1,112,875)	-	1,919,285	806,410
NET CHANGE IN FUND BALANCES	(8,327,513)	(9,067)	1,077,259	(7,259,321)
FUND BALANCE, July 1, 2017	37,945,300	71,037	21,755,010	59,771,347
FUND BALANCE, June 30, 2018	\$ 29,617,787	\$ 61,970	\$ 22,832,269	\$ 52,512,026

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2018

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
REVENUES:				
Property taxes	\$ 130,460,000	\$ 130,460,000	\$ 130,772,599	\$ 312,599
Local option levy	30,000,000	30,600,000	31,005,163	405,163
State and local sources	267,183,157	278,383,157	277,208,985	(1,174,172)
Charges for services	3,055,000	3,055,000	2,636,964	(418,036)
Rentals	722,000	722,000	904,652	182,652
Investment earnings	600,000	1,000,000	1,455,919	455,919
Contributions and donations	-	-	38,813	38,813
Recovery of prior years' expenditures	50,000	50,000	229,367	179,367
Other	1,100,000	1,100,000	1,128,550	28,550
Total revenues	433,170,157	445,370,157	445,381,012	10,855
EXPENDITURES:				
Instruction	282,746,091	291,466,091	290,977,430	488,661
Support services	158,712,718	163,712,718	160,523,013	3,189,705
Facilities acquisition and construction	2,800,000	2,800,000	76,818	2,723,182
Debt service:				
Principal	-	1,250,000	942,547	307,453
Interest	-	250,000	75,842	174,158
Contingencies	23,564,237	23,944,237	-	23,944,237
Total expenditures	467,823,046	483,423,046	452,595,650	30,827,396
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(34,652,889)	(38,052,889)	(7,214,638)	30,838,251
OTHER FINANCING SOURCES (USES):				
Transfers out	(3,461,694)	(2,161,694)	(2,088,979)	72,715
Proceeds from capital leases	-	1,500,000	976,104	(523,896)
TOTAL OTHER FINANCING SOURCES (USES)	(3,461,694)	(661,694)	(1,112,875)	(451,181)
NET CHANGE IN FUND BALANCE	(38,114,583)	(38,714,583)	(8,327,513)	30,387,070
FUND BALANCE, July 1, 2017	38,114,583	38,714,583	37,945,300	(769,283)
FUND BALANCE, June 30, 2018	\$ -	\$ -	\$ 29,617,787	\$ 29,617,787

Note: GAAP serves as the basis of budgeting.



OTHER SUPPLEMENTARY INFORMATION



BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2018

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
REVENUES:				
Property taxes	\$ 58,558,709	\$ 58,558,709	\$ 58,897,201	\$ 338,492
Investment earnings	70,000	70,000	470,989	400,989
Services to other funds	19,494,964	19,494,964	20,374,626	879,662
Total revenues	78,123,673	78,123,673	79,742,816	1,619,143
EXPENDITURES:				
Debt service:				
Principal	43,554,513	43,554,513	43,554,513	-
Interest	37,453,960	37,453,960	37,450,611	3,349
Total expenditures	81,008,473	81,008,473	81,005,124	3,349
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,884,800)	(2,884,800)	(1,262,308)	1,622,492
OTHER FINANCING SOURCES (USES):				
Transfers in	1,304,800	1,304,800	1,304,800	-
TOTAL OTHER FINANCING SOURCES (USES)	1,304,800	1,304,800	1,304,800	-
NET CHANGE IN FUND BALANCE	(1,580,000)	(1,580,000)	42,492	1,622,492
FUND BALANCE, July 1, 2017	1,580,000	1,580,000	2,157,097	577,097
FUND BALANCE, June 30, 2018	\$ -	\$ -	\$ 2,199,589	\$ 2,199,589

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2018

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
REVENUES:				
Construction excise tax	\$ 3,690,000	\$ 3,690,000	\$ 3,217,459	\$ (472,541)
Rentals	35,000	35,000	26,730	(8,270)
Investment earnings	3,526,000	3,526,000	2,801,327	(724,673)
Contributions and donations	2,500,000	2,500,000	2,149,002	(350,998)
Recovery of prior years' expenditures	-	-	4,773,963	4,773,963
Other	2,500,000	2,500,000	472,169	(2,027,831)
Total revenues	12,251,000	12,251,000	13,440,650	1,189,650
EXPENDITURES:				
Support services	5,531,686	5,531,686	2,243,151	3,288,535
Facilities acquisition and construction	346,259,690	346,259,690	100,690,912	245,568,778
Contingencies	52,129,518	52,129,518	-	52,129,518
Total expenditures	403,920,894	403,920,894	102,934,063	300,986,831
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(391,669,894)	(391,669,894)	(89,493,413)	302,176,481
OTHER FINANCING SOURCES (USES):				
Sale of or compensation for loss of capital assets	-	-	277,750	277,750
Transfers out	(1,135,106)	(1,135,106)	(1,135,106)	-
TOTAL OTHER FINANCING SOURCES (USES)	(1,135,106)	(1,135,106)	(857,356)	277,750
NET CHANGE IN FUND BALANCE	(392,805,000)	(392,805,000)	(90,350,769)	302,454,231
FUND BALANCE, July 1, 2017	392,805,000	392,805,000	386,914,587	(5,890,413)
FUND BALANCE, June 30, 2018	\$ -	\$ -	\$ 296,563,818	\$ 296,563,818

GENERAL FUND

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

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

Pension Fund – accounts for the accumulation of resources to be used for payments to employees who earned supplemental early retirement stipends and post-employment health care benefits. Resources are contributed by the District's General Fund at actuarially determined amounts. These are special revenue funds in control of the District and not held in trust.

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



BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
PENSION FUND
YEAR ENDED JUNE 30, 2018

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
REVENUES:				
Investment earnings	\$ -	\$ -	\$ 763	\$ 763
Total revenues	-	-	763	763
EXPENDITURES:				
Support services	25,000	25,000	9,830	15,170
Contingencies	50,000	50,000	-	50,000
Total expenditures	75,000	75,000	9,830	65,170
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(75,000)	(75,000)	(9,067)	65,933
NET CHANGE IN FUND BALANCE	(75,000)	(75,000)	(9,067)	65,933
FUND BALANCE, July 1, 2017	75,000	75,000	71,037	(3,963)
FUND BALANCE, June 30, 2018	\$ -	\$ -	\$ 61,970	\$ 61,970

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
LONG-TERM PLANNING FUND
YEAR ENDED JUNE 30, 2018

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
REVENUES:				
Charges for services	\$ -	\$ -	\$ 348,175	\$ 348,175
Investment earnings	5,000	5,000	29,657	24,657
Contributions and donations	250,000	250,000	-	(250,000)
Total revenues	255,000	255,000	377,832	122,832
EXPENDITURES:				
Instruction	56,000	56,000	-	56,000
Support services	3,581,000	3,356,000	1,211,886	2,144,114
Facilities acquisition and construction	75,000	300,000	7,972	292,028
Contingencies	20,677,827	20,677,827	-	20,677,827
Total expenditures	24,389,827	24,389,827	1,219,858	23,169,969
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(24,134,827)	(24,134,827)	(842,026)	23,292,801
OTHER FINANCING SOURCES (USES):				
Transfers in	2,157,000	2,157,000	1,919,285	(237,715)
TOTAL OTHER FINANCING SOURCES (USES)	2,157,000	2,157,000	1,919,285	(237,715)
NET CHANGE IN FUND BALANCE	(21,977,827)	(21,977,827)	1,077,259	23,055,086
FUND BALANCE, July 1, 2017	21,977,827	21,977,827	21,755,010	(222,817)
FUND BALANCE, June 30, 2018	\$ -	\$ -	\$ 22,832,269	\$ 22,832,269

BEAVERTON SCHOOL DISTRICT
RECONCILIATION OF BUDGETARY TO REPORTING FUNDS
COMBINING BALANCE SHEET
GENERAL FUND
JUNE 30, 2018

	Budgetary Funds			Total (reported as General Fund)
	General Fund	Pension	Long-Term Planning	
ASSETS				
Equity in pooled cash and investments	\$ 66,849,865	\$ 61,970	\$ 22,869,809	\$ 89,781,644
Cash with fiscal agent	2,035	-	-	2,035
Receivables	3,885,053	-	4,675	3,889,728
Property taxes receivable	5,129,275	-	-	5,129,275
Due from other funds	2,296,860	-	-	2,296,860
TOTAL ASSETS	\$ 78,163,088	\$ 61,970	\$ 22,874,484	\$ 101,099,542
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 4,993,225	\$ -	\$ 42,215	\$ 5,035,440
Accrued salaries and benefits	37,558,925	-	-	37,558,925
Due to other funds	1,500,126	-	-	1,500,126
Other liabilities	6,098	-	-	6,098
TOTAL LIABILITIES	44,058,374	-	42,215	44,100,589
Deferred Inflows of Resources:				
Property tax revenue	4,486,927	-	-	4,486,927
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	48,545,301	-	42,215	48,587,516
Fund Balances:				
Committed	-	61,970	22,790,054	22,852,024
Unassigned	29,617,787	-	42,215	29,660,002
TOTAL FUND BALANCES	29,617,787	61,970	22,832,269	52,512,026
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 78,163,088	\$ 61,970	\$ 22,874,484	\$ 101,099,542



NONMAJOR GOVERNMENTAL FUNDS

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

Student Body Fund – accounts for the receipts, disbursements and cash balances of the various schools' student body activity funds.

Special Purpose Fund – accounts for the District's individual school activity programs. The major sources of revenue are contributions and miscellaneous revenue.

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

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

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



**BEAVERTON SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018**

	Special Revenue Funds					Total
	Student Body	Special Purpose	Categorical	Grant	Nutrition Services	
ASSETS						
Equity in pooled cash and investments	\$ 3,557,544	\$ 998,218	\$ 5,236,168	\$ -	\$ 4,032,194	\$ 13,824,124
Receivables	-	309,917	-	4,503,096	619,680	5,432,693
Inventories	-	-	-	-	515,050	515,050
TOTAL ASSETS	\$ 3,557,544	\$ 1,308,135	\$ 5,236,168	\$ 4,503,096	\$ 5,166,924	\$ 19,771,867
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 21,497	\$ 80,533	\$ 158,299	\$ 316,367	\$ 77,309	\$ 654,005
Accrued salaries and benefits	2,539	112,731	-	1,310,878	902,004	2,328,152
Due to other funds	156	4,866	-	2,361,066	40,693	2,406,781
Unearned revenue	-	-	2,372,770	514,785	-	2,887,555
Other liabilities	1,233	-	-	-	384,821	386,054
TOTAL LIABILITIES	25,425	198,130	2,531,069	4,503,096	1,404,827	8,662,547
Fund Balances:						
Nonspendable	-	-	-	-	515,050	515,050
Restricted	3,532,119	-	-	-	-	3,532,119
Committed	-	1,110,005	2,705,099	-	3,247,047	7,062,151
TOTAL FUND BALANCES	3,532,119	1,110,005	2,705,099	-	3,762,097	11,109,320
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,557,544	\$ 1,308,135	\$ 5,236,168	\$ 4,503,096	\$ 5,166,924	\$ 19,771,867

BEAVERTON SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018

	Special Revenue Funds					Total
	Student Body	Special Purpose	Categorical	Grant	Nutrition Services	
REVENUES:						
State and local sources	\$ -	\$ -	\$ 2,280,917	\$ 6,099,466	\$ 269,558	\$ 8,649,941
Federal sources	-	-	-	15,435,149	8,735,018	24,170,167
Charges for services	3,542,955	-	-	-	4,879,170	8,422,125
Rentals	-	-	-	-	4,976	4,976
Investment earnings	-	-	54,998	-	30,177	85,175
Contributions and donations	850,972	1,563,783	108,982	500,658	50	3,024,445
Recovery of prior years' expenditures	25	1,125	-	-	-	1,150
Other	49,028	1,336,207	1,916	-	4,714	1,391,865
Total revenues	4,442,980	2,901,115	2,446,813	22,035,273	13,923,663	45,749,844
EXPENDITURES:						
Instruction	4,089,469	1,930,131	77,034	13,419,475	-	19,516,109
Support services	-	539,952	-	6,237,887	13,545	6,791,384
Enterprise and community services	-	1,321	-	231,918	13,812,241	14,045,480
Facilities, acquisition and construction	-	571,897	2,199,634	2,145,993	-	4,917,524
Total expenditures	4,089,469	3,043,301	2,276,668	22,035,273	13,825,786	45,270,497
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	353,511	(142,186)	170,145	-	97,877	479,347
OTHER FINANCING SOURCES (USES):						
Transfers in	-	4,820	-	-	-	4,820
Transfers out	-	-	-	-	(4,820)	(4,820)
TOTAL OTHER FINANCING SOURCES (USES)	-	4,820	-	-	(4,820)	-
NET CHANGE IN FUND BALANCES	353,511	(137,366)	170,145	-	93,057	479,347
FUND BALANCE, July 1, 2017	3,178,608	1,247,371	2,534,954	-	3,669,040	10,629,973
FUND BALANCE, June 30, 2018	\$ 3,532,119	\$ 1,110,005	\$ 2,705,099	\$ -	\$ 3,762,097	\$ 11,109,320

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
STUDENT BODY FUND
YEAR ENDED JUNE 30, 2018

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
REVENUES:				
Charges for services	\$ -	\$ -	\$ 3,542,955	\$ 3,542,955
Extracurricular activities	7,700,000	7,700,000	-	(7,700,000)
Contributions and donations	-	-	850,972	850,972
Recovery of prior years' expenditures	-	-	25	25
Other	-	-	49,028	49,028
Total revenues	7,700,000	7,700,000	4,442,980	(3,257,020)
EXPENDITURES:				
Instruction	10,700,000	10,700,000	4,089,469	6,610,531
Total expenditures	10,700,000	10,700,000	4,089,469	6,610,531
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,000,000)	(3,000,000)	353,511	3,353,511
NET CHANGE IN FUND BALANCE	(3,000,000)	(3,000,000)	353,511	3,353,511
FUND BALANCE, July 1, 2017	3,000,000	3,000,000	3,178,608	178,608
FUND BALANCE, June 30, 2018	\$ -	\$ -	\$ 3,532,119	\$ 3,532,119

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
SPECIAL PURPOSE FUND
YEAR ENDED JUNE 30, 2018

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
REVENUES:				
Contributions and donations	\$ 8,539,089	\$ 8,539,089	\$ 1,563,783	\$ (6,975,306)
Recovery of prior years' expenditures	-	-	1,125	1,125
Other	2,100,000	2,100,000	1,336,207	(763,793)
Total revenues	10,639,089	10,639,089	2,901,115	(7,737,974)
EXPENDITURES:				
Instruction	4,318,760	4,318,760	1,930,131	2,388,629
Support services	740,329	740,329	539,952	200,377
Enterprise and community services	200,000	200,000	1,321	198,679
Facilities acquisition and construction	6,750,000	6,750,000	571,897	6,178,103
Total expenditures	12,009,089	12,009,089	3,043,301	8,965,788
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,370,000)	(1,370,000)	(142,186)	1,227,814
OTHER FINANCING SOURCES (USES):				
Transfers in	120,000	120,000	4,820	(115,180)
TOTAL OTHER FINANCING SOURCES (USES)	120,000	120,000	4,820	(115,180)
NET CHANGE IN FUND BALANCE	(1,250,000)	(1,250,000)	(137,366)	1,112,634
FUND BALANCE, July 1, 2017	1,250,000	1,250,000	1,247,371	(2,629)
FUND BALANCE, June 30, 2018	\$ -	\$ -	\$ 1,110,005	\$ 1,110,005

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
CATEGORICAL FUND
YEAR ENDED JUNE 30, 2018

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
REVENUES:				
State and local sources	\$ 7,000,000	\$ 7,000,000	\$ 2,280,917	\$ (4,719,083)
Investment earnings	25,000	25,000	54,998	29,998
Contributions and donations	400,000	400,000	108,982	(291,018)
Other	-	-	1,916	1,916
Total revenues	7,425,000	7,425,000	2,446,813	(4,978,187)
EXPENDITURES:				
Instruction	-	500,000	77,034	422,966
Support services	125,000	125,000	-	125,000
Facilities acquisition and construction	10,600,000	10,100,000	2,199,634	7,900,366
Total expenditures	10,725,000	10,725,000	2,276,668	8,448,332
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,300,000)	(3,300,000)	170,145	3,470,145
NET CHANGE IN FUND BALANCE	(3,300,000)	(3,300,000)	170,145	3,470,145
FUND BALANCE, July 1, 2017	3,300,000	3,300,000	2,534,954	(765,046)
FUND BALANCE, June 30, 2018	\$ -	\$ -	\$ 2,705,099	\$ 2,705,099

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
GRANT FUND
YEAR ENDED JUNE 30, 2018

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
REVENUES:				
State and local sources	\$ 7,601,866	\$ 10,101,866	\$ 6,099,466	\$ (4,002,400)
Federal sources	24,027,147	25,527,147	15,435,149	(10,091,998)
Contributions and donations	1,381,252	1,381,252	500,658	(880,594)
Total revenues	33,010,265	37,010,265	22,035,273	(14,974,992)
EXPENDITURES:				
Instruction	19,092,674	21,992,674	13,419,475	8,573,199
Support services	10,055,901	11,155,901	6,237,887	4,918,014
Enterprise and community services	546,690	546,690	231,918	314,772
Facilities acquisition and construction	3,315,000	3,315,000	2,145,993	1,169,007
Total expenditures	33,010,265	37,010,265	22,035,273	14,974,992
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE, July 1, 2017	-	-	-	-
FUND BALANCE, June 30, 2018	\$ -	\$ -	\$ -	\$ -

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
NUTRITION SERVICES FUND
YEAR ENDED JUNE 30, 2018

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
REVENUES:				
State and local sources	\$ 180,000	\$ 180,000	\$ 269,558	\$ 89,558
Federal sources	9,950,319	9,950,319	8,735,018	(1,215,301)
Charges for services	6,242,917	6,242,917	4,879,170	(1,363,747)
Rentals	-	-	4,976	4,976
Investment earnings	20,000	20,000	30,177	10,177
Contributions and donations	-	-	50	50
Recovery of prior years' expenditures	200	200	-	(200)
Other	-	-	4,714	4,714
Total revenues	16,393,436	16,393,436	13,923,663	(2,469,773)
EXPENDITURES:				
Support services	13,783	13,783	13,545	238
Enterprise and community services	16,902,198	16,902,198	13,812,241	3,089,957
Contingencies	2,606,320	2,606,320	-	2,606,320
Total expenditures	19,522,301	19,522,301	13,825,786	5,696,515
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,128,865)	(3,128,865)	97,877	3,226,742
OTHER FINANCING SOURCES (USES):				
Transfers out	(120,000)	(120,000)	(4,820)	115,180
TOTAL OTHER FINANCING SOURCES (USES)	(120,000)	(120,000)	(4,820)	115,180
NET CHANGE IN FUND BALANCE	(3,248,865)	(3,248,865)	93,057	3,341,922
FUND BALANCE, July 1, 2017	3,248,865	3,248,865	3,669,040	420,175
FUND BALANCE, June 30, 2018	\$ -	\$ -	\$ 3,762,097	\$ 3,762,097



INTERNAL SERVICE FUNDS

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

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

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



BEAVERTON SCHOOL DISTRICT
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2018

	Insurance Reserve	Workers' Compensation	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 4,326,086	\$ 4,765,616	\$ 9,091,702
Receivables	2,003	17,778	19,781
Due from other funds	141,517	125,025	266,542
TOTAL ASSETS	<u>4,469,606</u>	<u>4,908,419</u>	<u>9,378,025</u>
LIABILITIES			
Current liabilities:			
Accounts payable	704,481	49,487	753,968
Accrued claims losses	875,000	1,815,000	2,690,000
Accrued salaries and benefits	7,370	26,283	33,653
Due to other funds	447	622	1,069
TOTAL LIABILITIES	<u>1,587,298</u>	<u>1,891,392</u>	<u>3,478,690</u>
NET POSITION			
Unrestricted	<u>2,882,308</u>	<u>3,017,027</u>	<u>5,899,335</u>
TOTAL NET POSITION	<u>\$ 2,882,308</u>	<u>\$ 3,017,027</u>	<u>\$ 5,899,335</u>

BEAVERTON SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2018

	Insurance Reserve	Workers' Compensation	Total
OPERATING REVENUES:			
Services to other funds	\$ 2,034,829	\$ 1,686,137	\$ 3,720,966
Recovery of prior years' expenditures	332,119	67,238	399,357
Other	63,515	-	63,515
TOTAL OPERATING REVENUES	2,430,463	1,753,375	4,183,838
OPERATING EXPENSES:			
Losses and claims	966,598	1,282,601	2,249,199
Insurance premiums and assessments	1,865,896	122,447	1,988,343
Salaries and benefits	681,637	442,448	1,124,085
Services, supplies and materials	360,927	161,910	522,837
Facilities acquisition and construction	156,256	-	156,256
TOTAL OPERATING EXPENSES	4,031,314	2,009,406	6,040,720
OPERATING INCOME (LOSS)	(1,600,851)	(256,031)	(1,856,882)
NONOPERATING REVENUE:			
Investment earnings	46,933	52,812	99,745
TOTAL NONOPERATING REVENUES	46,933	52,812	99,745
CHANGE IN NET POSITION	(1,553,918)	(203,219)	(1,757,137)
NET POSITION, July 1, 2017	4,436,226	3,220,246	7,656,472
NET POSITION, June 30, 2018	\$ 2,882,308	\$ 3,017,027	\$ 5,899,335

BEAVERTON SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2018

	Insurance Reserve	Workers' Compensation	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Received from interfund services provided	\$ 2,094,540	\$ 1,664,541	\$ 3,759,081
Received from recovery of prior years' expenditures	332,119	67,238	399,357
Paid for goods and services	(1,948,612)	(234,870)	(2,183,482)
Paid to claimants	(960,610)	(1,262,859)	(2,223,469)
Paid to employees	(603,637)	(461,448)	(1,065,085)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(1,086,200)	(227,398)	(1,313,598)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received	46,933	52,812	99,745
NET CASH FLOWS FROM INVESTING ACTIVITIES	46,933	52,812	99,745
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,039,267)	(174,586)	(1,213,853)
CASH AND CASH EQUIVALENTS, July 1, 2017	5,365,353	4,940,202	10,305,555
CASH AND CASH EQUIVALENTS, June 30, 2018	\$ 4,326,086	\$ 4,765,616	\$ 9,091,702
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ (1,600,851)	\$ (256,031)	\$ (1,856,882)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Changes in assets and liabilities			
Receivables	2,911	(17,759)	(14,848)
Due from other funds	(7,091)	(4,244)	(11,335)
Accounts payable	434,467	49,487	483,954
Accrued claims losses	78,000	(19,000)	59,000
Accrued salaries and benefits	5,988	19,742	25,730
Due to other funds	376	407	783
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (1,086,200)	\$ (227,398)	\$ (1,313,598)

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
INSURANCE RESERVE FUND
YEAR ENDED JUNE 30, 2018

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
REVENUES:				
Investment earnings	\$ 18,000	\$ 18,000	\$ 46,933	\$ 28,933
Services to other funds	1,931,971	1,931,971	2,034,829	102,858
Recovery of prior years' expenditures	120,000	120,000	332,119	212,119
Other	35,000	35,000	63,515	28,515
Total revenues	2,104,971	2,104,971	2,477,396	372,425
EXPENDITURES:				
Support services	5,010,835	5,010,835	3,875,058	1,135,777
Facilities acquisition and construction	260,308	560,308	156,256	404,052
Contingencies	1,568,828	1,268,828	-	1,268,828
Total expenditures	6,839,971	6,839,971	4,031,314	2,808,657
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(4,735,000)	(4,735,000)	(1,553,918)	3,181,082
OTHER FINANCING SOURCES (USES):				
Transfers in	1,135,000	1,135,000	-	(1,135,000)
TOTAL OTHER FINANCING SOURCES (USES)	1,135,000	1,135,000	-	(1,135,000)
NET CHANGE IN FUND BALANCE	(3,600,000)	(3,600,000)	(1,553,918)	2,046,082
FUND BALANCE, July 1, 2017	3,600,000	3,600,000	4,436,226	836,226
FUND BALANCE, June 30, 2018	\$ -	\$ -	\$ 2,882,308	\$ 2,882,308

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
WORKERS' COMPENSATION FUND
YEAR ENDED JUNE 30, 2018

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
REVENUES:				
Investment earnings	\$ 21,000	\$ 21,000	\$ 52,812	\$ 31,812
Services to other funds	1,635,532	1,635,532	1,686,137	50,605
Recovery of prior years' expenditures	80,000	80,000	67,238	(12,762)
	<u>1,736,532</u>	<u>1,736,532</u>	<u>1,806,187</u>	<u>69,655</u>
EXPENDITURES:				
Support services	2,516,942	2,516,942	2,009,406	507,536
Contingencies	1,219,590	1,219,590	-	1,219,590
	<u>3,736,532</u>	<u>3,736,532</u>	<u>2,009,406</u>	<u>1,727,126</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>(203,219)</u>	<u>1,796,781</u>
NET CHANGE IN FUND BALANCE	(2,000,000)	(2,000,000)	(203,219)	1,796,781
FUND BALANCE, July 1, 2017	<u>2,000,000</u>	<u>2,000,000</u>	<u>3,220,246</u>	<u>1,220,246</u>
FUND BALANCE, June 30, 2018	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,017,027</u>	<u>\$ 3,017,027</u>



FIDUCIARY FUND

This fund accounts for the District's scholarship program provided by bequests and donations. Included is:

Private Purpose Trust Fund – accounts for fund-raising and scholarship resources received and held by the District in a fiduciary capacity. Disbursements from this fund are made in accordance with the trust and fund-raising agreements.



BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL
 PRIVATE PURPOSE TRUST FUND
 YEAR ENDED JUNE 30, 2018

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
REVENUES:				
Investment earnings	\$ -	\$ -	\$ 3,152	\$ 3,152
Contributions and donations	75,000	75,000	88,933	13,933
Recovery of prior years' expenditures	-	-	1,745	1,745
Total revenues	75,000	75,000	93,830	18,830
EXPENDITURES:				
Enterprise and community services	400,000	400,000	61,755	338,245
Total expenditures	400,000	400,000	61,755	338,245
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(325,000)	(325,000)	32,075	357,075
NET CHANGE IN FUND BALANCE	(325,000)	(325,000)	32,075	357,075
FUND BALANCE, July 1, 2017	325,000	325,000	307,545	(17,455)
FUND BALANCE, June 30, 2018	\$ -	\$ -	\$ 339,620	\$ 339,620

RECONCILIATION TO GAAP BASIS:

FUND BALANCE, June 30, 2018	\$ 339,620
Scholarships payable	(34,000)
NET POSITION, June 30, 2018	\$ 305,620



OTHER FINANCIAL SCHEDULES



**BEAVERTON SCHOOL DISTRICT
REVENUE SUMMARY - ALL FUNDS
YEAR ENDED JUNE 30, 2018**

	Fund 100	Fund 200	Fund 300	Fund 400	Fund 600	Fund 700	Total
Local Sources							
1111 Current year taxes	\$ 129,703,595	-	\$ 58,437,246	-	-	-	\$ 188,140,841
1112 Prior year taxes	1,042,347	-	450,526	-	-	-	1,492,873
1114 Payments in lieu of property taxes	26,657	-	9,429	-	-	-	36,086
1121 Current year local option levy	30,779,372	-	-	-	-	-	30,779,372
1122 Prior year local option levy	225,791	-	-	-	-	-	225,791
1130 Construction excise tax	-	-	-	3,217,459	-	-	3,217,459
1300 Tuition	480,735	-	-	-	-	-	480,735
1410 Fees - transportation	282,489	-	-	-	-	-	282,489
1500 Earnings on investments	1,455,919	115,594	470,989	2,801,327	99,745	3,152	4,946,726
1600 Food service sales	-	4,879,170	-	-	-	-	4,879,170
1710 Admissions	193,222	284,807	-	-	-	-	478,029
1740 Fees - district events	1,680,518	2,967,537	-	-	-	-	4,648,055
1750 Commissions	-	11,805	-	-	-	-	11,805
1760 Fund raising	-	1,659,941	-	-	-	-	1,659,941
1910 Rentals	904,652	4,976	-	26,730	-	-	936,358
1920 Contributions	38,813	3,024,445	-	2,149,002	-	88,932	5,301,192
1950 Textbook sales	-	41,661	-	-	-	-	41,661
1960 Recovery of prior years' expenditures	229,367	1,150	-	4,773,963	399,357	1,745	5,405,582
1970 Services to other funds	-	-	20,374,626	-	3,720,966	-	24,095,592
1980 Fees charged to grants	497,184	-	-	-	-	-	497,184
1990 Miscellaneous	611,100	317,246	-	472,169	63,516	-	1,464,031
1995 Proceeds from the sale of capital assets	20,266	-	-	-	-	-	20,266
Total local sources	168,172,027	13,308,332	79,742,816	13,440,650	4,283,584	93,829	279,041,238
Intermediate Sources							
2101 County school fund	1,048,201	-	-	-	-	-	1,048,201
2102 ESD apportionment	10,757,572	-	-	-	-	-	10,757,572
2104 ESD apportionment - preschool	20,435	-	-	-	-	-	20,435
2200 Restricted revenue	-	288,275	-	-	-	-	288,275
Total intermediate sources	11,826,208	288,275	-	-	-	-	12,114,483
State Sources							
3101 State school fund	258,157,569	-	-	-	-	-	258,157,569
3102 State school fund match	-	119,725	-	-	-	-	119,725
3103 Common school fund	4,191,413	-	-	-	-	-	4,191,413
3199 Other unrestricted grants-in-aid	3,033,795	2,280,917	-	-	-	-	5,314,712
3299 Other restricted grants-in-aid	-	5,961,023	-	-	-	-	5,961,023
Total state sources	265,382,777	8,361,665	-	-	-	-	273,744,442

**BEAVERTON SCHOOL DISTRICT
REVENUE SUMMARY - ALL FUNDS (Continued)
YEAR ENDED JUNE 30, 2018**

	Fund 100	Fund 200	Fund 300	Fund 400	Fund 600	Fund 700	Total
Federal Sources							
4300 Restricted direct from federal	\$ -	\$ 232,485	\$ -	\$ -	\$ -	\$ -	\$ 232,485
4500 Restricted through state	-	22,969,631	-	-	-	-	22,969,631
4700 Federal grants	-	48,521	-	-	-	-	48,521
4910 Commodities	-	919,530	-	-	-	-	919,530
Total federal sources	-	24,170,167	-	-	-	-	24,170,167
Other Sources							
5160 Proceeds from capital leases	976,104	-	-	-	-	-	976,104
5200 Transfers in	-	1,924,105	1,304,800	-	-	-	3,228,905
5300 Sale/compensation for loss of capital assets	-	-	-	277,750	-	-	277,750
Total other sources	976,104	1,924,105	1,304,800	277,750	-	-	4,482,759
TOTAL REVENUES	\$ 446,357,116	\$ 48,052,544	\$ 81,047,616	\$ 13,718,400	\$ 4,283,584	\$ 93,829	\$ 593,553,089

**BEAVERTON SCHOOL DISTRICT
GENERAL FUND (100) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2018**

Instruction	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700	Total
1110 Elementary programs	\$ 67,535,800	\$ 36,165,202	\$ 179,052	\$ 3,451,989	\$ 7,673	\$ 887	\$ -	\$ 107,340,603
1120 Middle school programs	29,158,708	15,158,913	125,742	1,241,431	-	5,328	-	45,684,122
1130 High school programs	41,585,300	20,753,627	1,125,889	2,942,909	23,788	71,004	-	66,502,517
1140 Pre-kindergarten programs	78,288	35,022	65	2,523	-	-	-	115,898
1210 Talented and gifted programs	199,554	65,775	1,752	135,565	-	6,188	-	408,834
1220 Restrictive programs	13,363,663	9,424,264	1,854,388	115,031	5,095	-	-	24,762,441
1250 Resource rooms	7,200,142	3,801,423	-	589	-	-	-	11,002,154
1280 Alternative education	1,957,020	1,071,007	5,569,828	237,153	-	2,002	-	8,837,010
1290 Designated programs	15,951,359	8,474,129	652,214	133,997	-	192,693	-	25,404,392
1410 Summer school - elementary school	22,694	6,992	3,240	6,657	-	-	-	39,583
1420 Summer school - middle school	109,136	33,879	28,101	15,961	-	-	-	187,077
1430 Summer school - high school	365,627	111,288	1,397	25,121	-	-	-	503,433
1460 Summer school programs	129,358	36,985	20,964	2,059	-	-	-	189,366
Total instruction	177,650,649	95,138,506	9,562,632	8,310,985	36,556	278,102	-	290,977,430
Support services								
2110 Attendance and social work services	2,777,798	2,077,754	320,531	101,699	-	1,299	-	5,279,081
2120 Guidance services	8,636,045	4,696,688	293,925	66,023	-	754	-	13,693,435
2130 Health services	1,357,731	802,013	31,227	24,554	-	-	-	2,215,525
2140 Psychological services	1,959,162	960,241	5,033	50,606	-	-	-	2,975,042
2150 Speech pathology and audiology services	3,845,162	1,946,454	41,807	35,104	-	1,828	-	5,870,355
2190 Service direction - student support services	2,657,151	1,323,804	230,592	369,764	-	82,433	-	4,663,744
2210 Improvement of instruction services	1,972,106	921,720	49,808	34,615	-	83,195	-	3,061,444
2220 Educational media services	4,318,354	2,721,806	15,377	721,525	-	414	-	7,777,476
2230 Assessment and testing	95,649	58,098	17,129	283,004	-	-	-	453,880
2240 Instructional staff development	2,836,933	1,696,228	965,986	645,200	-	84,564	-	6,228,911
2310 Board of education services	-	-	106,842	8,201	-	22,140	-	137,183
2320 Executive administration services	1,048,385	544,670	74,608	22,554	-	56,239	-	1,746,456
2410 Office of the principal services	18,551,835	10,767,688	102,616	351,604	2,241	17,037	-	29,793,021
2490 Other support services - school administration	1,706,574	862,218	104,058	76,428	-	622	-	2,749,900
2510 Direction of business support services	205,694	115,104	11,714	11,243	-	757	-	344,512
2520 Fiscal services	1,221,233	648,592	138,470	28,337	-	37,682	-	2,074,314
2540 Operation and maintenance of plant services	13,159,213	8,020,642	9,791,204	2,050,469	1,590,012	23,477	-	34,635,017
2550 Student transportation services	9,716,372	7,641,375	295,604	1,824,189	-	4,123	-	19,481,663
2570 Internal services	562,056	341,959	522,755	60,517	5,950	2,299	-	1,495,536
2620 Planning and development services	326,787	164,541	13,539	12,669	-	95	-	517,631
2630 Information services	525,085	290,550	62,191	29,891	-	1,693	-	909,410
2640 Staff services	2,038,652	1,061,042	180,151	129,421	-	92,211	-	3,501,477
2660 Technology services	4,872,884	2,750,338	1,510,023	1,778,222	-	6,533	-	10,918,000
Total support services	84,390,861	50,413,525	14,885,190	8,715,839	1,598,203	519,395	-	160,523,013

**BEAVERTON SCHOOL DISTRICT
GENERAL FUND (100) EXPENDITURE SUMMARY (Continued)
YEAR ENDED JUNE 30, 2018**

	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700	Total
Facilities acquisition and construction								
4150 Building acquisition, construction and improvement services	\$ -	\$ -	\$ 7,473	\$ -	\$ 69,095	\$ 250	\$ -	\$ 76,818
Total facilities acquisition and construction	-	-	7,473	-	69,095	250	-	76,818
Other uses								
5110 Debt Service	-	-	-	-	-	1,018,389	-	1,018,389
5200 Transfers of funds	-	-	-	-	-	-	2,088,979	2,088,979
Total other uses	-	-	-	-	-	1,018,389	2,088,979	3,107,368
TOTAL EXPENDITURES	\$ 262,041,510	\$ 145,552,031	\$ 24,455,295	\$ 17,026,824	\$ 1,703,854	\$ 1,816,136	\$ 2,088,979	\$ 454,684,629

**BEAVERTON SCHOOL DISTRICT
SPECIAL REVENUE FUNDS (200) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2018**

Instruction	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700	Total
1110 Elementary programs	\$ 60,267	\$ 15,250	\$ 216,451	\$ 772,556	\$ 24,366	\$ 3,301	\$ -	\$ 1,092,191
1120 Middle school programs	105,087	26,354	584,051	452,096	-	870	-	1,168,458
1130 High school programs	844,995	328,496	395,852	3,877,762	84,095	38,843	-	5,570,043
1210 Programs for talented & gifted	2,014	697	-	-	-	-	-	2,711
1220 Restrictive programs	1,696,830	1,117,761	550	25,287	-	2,000	-	2,842,428
1250 Resource rooms	823,360	434,941	-	-	-	-	-	1,258,301
1270 Educationally disadvantaged	3,262,951	1,873,720	307,017	538,114	-	-	-	5,981,802
1280 Alternative education	20,969	5,701	11,958	2,609	-	-	-	41,237
1290 Designated programs	404,264	193,899	266,152	180,360	24,817	3,573	-	1,073,065
1410 Summer school - elementary school	67,717	20,508	1,775	-	-	-	-	90,000
1460 Special programs summer school	-	-	4,750	-	-	-	-	4,750
1490 Other summer school	247,304	73,086	46,132	24,602	-	-	-	391,124
Total instruction	7,535,758	4,090,413	1,834,688	5,873,386	133,278	48,587	-	19,516,110
Support services								
2110 Attendance and social work services	517,081	356,309	140,165	24,169	-	-	-	1,037,724
2120 Guidance services	69,876	40,253	271	8,991	-	-	-	119,391
2130 Health services	213,042	104,855	2,760	-	-	-	-	320,657
2140 Psychological services	529,740	312,188	-	-	-	-	-	841,928
2150 Speech pathology and audiology services	170,950	92,321	-	-	-	-	-	263,271
2190 Service direction - student support services	427,832	219,578	549,429	5,263	-	-	-	1,202,102
2210 Improvement of instruction services	448,640	194,610	72,604	111,154	-	781	-	827,789
2220 Educational media services	2,000	171	3,873	37,714	6,434	-	-	50,192
2230 Assessment and testing	-	-	15,575	30,660	-	-	-	46,235
2240 Instructional staff development	448,604	172,212	376,467	35,931	-	24,290	-	1,057,504
2410 Office of the principal services	-	-	2,348	6,422	-	99	-	8,869
2490 Other support services - school administration	9,224	4,321	-	500	-	-	-	500
2520 Fiscal services	-	-	-	-	-	497,184	-	510,729
2540 Operation and maintenance of plant services	-	-	34,404	50,763	64,195	-	-	149,362
2550 Student transportation services	-	-	6,701	-	942,080	-	-	948,781
2570 Internal services	-	-	73,157	245	-	-	-	73,402
2630 Information services	-	-	-	9,869	-	-	-	9,869
2640 Staff services	207,045	91,770	-	-	-	-	-	298,815
2660 Technology services	8,351	2,459	11,772	149,142	64,424	-	-	236,148
2700 Supplemental retirement program	-	9,830	-	-	-	-	-	9,830
Total support services	3,052,385	1,600,877	1,289,526	470,823	1,077,133	522,354	-	8,013,098
Enterprise and community services								
3110 Service area direction	938,204	512,414	65,489	929,576	50,845	1,606	-	2,498,134
3120 Food preparation and dispensing services	3,587,360	2,674,744	87,119	4,853,373	47,147	-	-	11,249,743
3140 Food services - summer school	115,013	34,563	6,855	125,895	-	-	-	282,326
3390 Other community services	849	218	11,158	3,052	-	-	-	15,277
Total enterprise and community services	4,641,426	3,221,939	170,621	5,911,896	97,992	1,606	-	14,045,480

**BEAVERTON SCHOOL DISTRICT
SPECIAL REVENUE FUNDS (200) EXPENDITURE SUMMARY (Continued)
YEAR ENDED JUNE 30, 2018**

	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700	Total
Facilities acquisition and construction								
4150 Building acquisition, construction and improvement services	\$ 36,317	\$ -	\$ 411,681	\$ 1,940,747	\$ 2,529,233	\$ 7,517	\$ -	\$ 4,925,495
Total facilities acquisition and construction	36,317	-	411,681	1,940,747	2,529,233	7,517	-	4,925,495
Other uses								
5200 Transfers of funds	-	-	-	-	-	-	4,820	4,820
Total other uses	-	-	-	-	-	-	4,820	4,820
TOTAL EXPENDITURES	\$ 15,265,886	\$ 8,913,229	\$ 3,706,516	\$ 14,196,852	\$ 3,837,636	\$ 580,064	\$ 4,820	\$ 46,505,003

**BEAVERTON SCHOOL DISTRICT
DEBT SERVICE FUND (300) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2018**

	Object 600	Total
Other uses		
5110 Debt Service	\$ 81,005,124	\$ 81,005,124
Total other uses	<u>81,005,124</u>	<u>81,005,124</u>
TOTAL EXPENDITURES	<u>\$ 81,005,124</u>	<u>\$ 81,005,124</u>

**BEAVERTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND (400) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2018**

	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700	Total
Support services								
2510 Direction of business support services	\$ -	\$ -	\$ 1,900	\$ -	\$ -	\$ -	\$ -	\$ 1,900
2520 Fiscal services	-	-	-	5,586	-	-	-	5,586
2550 Student transportation services	-	-	-	1,795	1,997,961	-	-	1,999,756
2620 Planning and development services	147,660	76,651	11,598	-	-	-	-	235,909
Total support services	147,660	76,651	13,498	7,381	1,997,961	-	-	2,243,151
Facilities acquisition and construction								
4110 Service area direction	2,895,247	1,414,303	80,878	138,385	-	1,210,001	-	5,738,814
4150 Building acquisition, construction and improvement services	10,134	-	6,872,001	3,870,251	80,969,452	1,171,269	-	92,893,107
4180 Other capital items	-	-	6,564	1,393,671	656,459	2,297	-	2,058,991
Total facilities acquisition and construction	2,905,381	1,414,303	6,959,443	5,402,307	81,625,911	2,383,567	-	100,690,912
Other uses								
5200 Transfers of funds	-	-	-	-	-	-	1,135,106	1,135,106
Total other uses	-	-	-	-	-	-	1,135,106	1,135,106
TOTAL EXPENDITURES	\$ 3,053,041	\$ 1,490,954	\$ 6,972,941	\$ 5,409,688	\$ 83,623,872	\$ 2,383,567	\$ 1,135,106	\$ 104,069,169

**BEAVERTON SCHOOL DISTRICT
INTERNAL SERVICE FUND (600) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2018**

	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Total
Support services							
2320 Executive administration services	\$ 63,117	\$ 27,508	\$ 30,548	\$ -	\$ -	\$ -	\$ 121,173
2640 Staff services	195,027	113,797	61,175	-	-	-	369,999
2690 Other support services	498,406	226,232	302,762	124,435	3,916	4,237,542	5,393,293
Total support services	756,550	367,537	394,485	124,435	3,916	4,237,542	5,884,465
Facilities acquisition and construction							
4150 Building acquisition, construction and improvement services	-	-	-	-	156,256	-	156,256
Total facilities acquisition and construction	-	-	-	-	156,256	-	156,256
TOTAL EXPENDITURES	\$ 756,550	\$ 367,537	\$ 394,485	\$ 124,435	\$ 160,172	\$ 4,237,542	\$ 6,040,721

**BEAVERTON SCHOOL DISTRICT
 FIDUCIARY FUND (700) EXPENDITURE SUMMARY (NON-GAAP BASIS)
 YEAR ENDED JUNE 30, 2018**

	Object 300	Object 400	Total
Enterprise and community services			
3390 Other community services	\$ 27,142	\$ 34,613	\$ 61,755
Total enterprise and community services	<u>27,142</u>	<u>34,613</u>	<u>61,755</u>
TOTAL EXPENDITURES	<u>\$ 27,142</u>	<u>\$ 34,613</u>	<u>\$ 61,755</u>

BEAVERTON SCHOOL DISTRICT
SUPPLEMENTAL INFORMATION AS REQUIRED BY THE OREGON DEPARTMENT OF EDUCATION
 YEAR ENDED JUNE 30, 2018

A Energy Bill for Heating - **All Funds:**
 Please enter your expenditures for electricity,
 heating fuel, and water & sewage for these
 Functions & Objects.

	Objects 325, 326, & 327	
Function 2540	\$	7,164,072
Function 2550		-

B Replacement of Equipment - **General Fund:**
 Include all General Fund expenditures in Object 542, except for the following exclusions:
 Exclude these functions:

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

Exclude these functions: \$ 8,756

BEAVERTON SCHOOL DISTRICT
SUPPLEMENTAL INFORMATION AS REQUIRED BY BOND DISCLOSURE AGREEMENTS
GENERAL FUND ADOPTED BUDGETS
FOR FISCAL YEARS 2017-18 AND 2018-19

	Fiscal Years	
	<u>2017-18</u>	<u>2018-19</u>
<u>Resources</u>		
Local Sources	\$ 166,987,000	\$ 174,699,500
Intermediate Sources	12,193,180	12,455,000
State Sources	266,189,977	267,108,769
Miscellaneous	40,214,583	34,065,000
Total Resources	<u>\$ 485,584,740</u>	<u>\$ 488,328,269</u>
<u>Expenditures</u>		
Salaries	\$ 263,696,772	\$ 263,647,996
Associated Payroll Costs	148,490,821	149,144,093
Purchased Services	24,139,287	25,775,991
Supplies and Materials	18,049,716	17,925,924
Capital Outlay	3,100,125	1,018,000
Other Objects	2,002,088	2,319,158
Transfers	2,161,694	4,080,694
Other Uses of Funds	23,944,237	24,416,413
Total Expenditures	<u>\$ 485,584,740</u>	<u>\$ 488,328,269</u>

STATISTICAL SECTION



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INNOVATE



Statistical Section

STATISTICAL SECTION OVERVIEW

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

<u>Contents</u>	<u>Page</u>
<i>Financial Trends</i> These schedules contain trend information to help the reader understand how financial performance has changed over time.	123
<i>Revenue Capacity</i> These schedules contain information to help the reader assess the Beaverton School District's most significant local revenue sources, state school fund and property taxes.	130
<i>Debt Capacity</i> These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the ability to issue additional debt in the future.	134
<i>Demographic and Economic Information</i> These schedules offer demographic and economic indicators to help the reader understand the environment within which the School District's financial activities take place.	137
<i>Operating Information</i> These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	139

Sources: The information in these schedules is derived from the comprehensive annual financial reports for fiscal years ended June 30, 2009-18, unless otherwise noted. Beaverton School District implemented GASB Statement 75 in Fiscal Year 2018.



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

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Governmental activities										
Net investment in capital assets	\$ 290,846,498	\$ 268,188,162	\$ 262,579,965	\$ 263,555,013	\$ 251,817,765	\$ 218,858,636	\$ 210,353,998	\$ 188,502,503	\$ 168,112,175	\$ 152,810,342
Restricted	3,532,119	3,748,594	5,261,017	4,930,638	5,266,089	5,322,870	6,435,958	5,433,174	7,007,695	2,403,428
Unrestricted	(324,030,095)	(270,093,399)	(215,261,216)	(119,174,972)	1,484,312	(20,953,952)	(12,888,743)	5,544,039	17,131,784	15,908,625
Total primary government net position	\$ (29,651,478)	\$ 1,843,357	\$ 52,579,766	\$ 149,310,679	\$ 258,568,166	\$ 203,227,554	\$ 203,901,213	\$ 199,479,716	\$ 192,251,654	\$ 171,122,395

Note:
 Fiscal year 2017 was restated due to GASB 75.
 Fiscal year 2015 was restated due to GASB 68.
 Fiscal year 2013 was restated due to GASB 65.

**BEAVERTON SCHOOL DISTRICT
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**

LAST TEN FISCAL YEARS

(accrual basis of accounting)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Expenses										
Governmental activities:										
Regular programs	\$ 261,781,198	\$ 251,640,423	\$ 278,194,402	\$ 151,695,815	\$ 171,453,815	\$ 155,558,206	\$ 165,967,152	\$ 155,823,545	\$ 147,327,559	\$ 140,652,507
Special programs	90,816,316	81,559,619	85,436,319	52,710,940	62,155,870	61,313,169	58,727,067	58,135,083	55,074,926	52,117,226
Summer school programs	1,599,044	1,202,441	1,446,450	823,881	746,800	361,380	424,405	462,055	321,879	779,413
Students support services	43,245,977	38,745,667	39,284,776	21,318,056	25,864,345	24,276,743	25,290,719	24,318,965	23,424,865	22,610,312
Instructional staff support	21,579,054	20,507,887	20,225,200	10,122,238	10,435,278	9,523,879	14,046,573	16,324,138	15,908,765	20,347,527
General administration support	2,233,419	2,144,094	2,325,564	1,453,617	1,560,440	1,452,533	1,453,474	1,527,173	1,563,192	1,832,985
School administration	36,716,727	33,442,147	34,893,849	19,465,092	24,474,041	23,328,668	22,895,754	22,373,286	22,098,423	23,114,665
Business support services	62,356,966	56,468,112	55,384,931	41,631,222	46,057,995	44,054,090	43,878,022	44,761,271	45,919,247	45,243,492
Central activities support	24,743,049	21,562,471	22,841,783	13,373,047	16,829,201	15,898,939	15,304,425	16,137,172	14,583,749	14,509,009
Supplemental retirement	9,830	39,736	38,011	100,893	796,395	1,364,077	712,529	85,307	82,494	179,037
Nutrition services	14,889,225	14,006,876	15,413,542	11,736,797	12,763,646	12,801,512	12,620,976	12,590,877	12,178,818	11,898,361
Community services	15,453	4,571	12,273	47,469	138,592	128,385	67,660	140,908	120,909	130,491
Custody and care of children services	-	-	-	-	-	-	37,544	37,083	90,857	86,772
Facilities Services	-	-	-	-	-	-	-	1,332,465	1,100,757	585,880
Interest on long-term debt	34,095,456	30,307,560	36,159,370	34,413,599	16,163,540	35,719,584	24,764,671	24,552,195	26,185,245	24,991,499
Total primary government expenses	594,021,714	551,631,604	591,656,470	358,892,397	389,439,958	385,781,165	386,190,971	378,601,523	365,981,685	359,079,176
Program Revenues										
Governmental activities:										
Charges for services										
Instruction	5,270,449	6,031,333	6,964,291	10,217,286	10,098,793	10,003,939	9,571,654	9,341,231	8,222,022	1,014,574
Support services	1,562,046	1,428,741	860,873	877,606	904,645	878,076	821,016	841,385	1,405,269	1,791,522
Enterprise and community services	4,884,146	4,431,211	4,426,767	4,190,202	4,137,738	4,335,594	4,690,877	4,736,978	4,894,440	5,054,123
Operating grants and contributions	37,291,667	30,565,670	28,805,495	28,314,126	29,592,463	26,430,911	28,815,557	45,694,904	41,722,109	30,898,351
Capital grants and contributions	472,169	361,917	1,226,334	-	-	-	-	560,751	1,384,570	5,933,674
Total primary government program revenues	49,480,477	42,818,872	42,283,760	43,599,220	44,733,639	41,648,520	43,899,104	61,175,249	57,628,410	44,692,244
Net (Expense)/Revenue										
Total primary government net expense	\$ (544,541,237)	\$ (508,812,732)	\$ (549,372,710)	\$ (315,293,177)	\$ (344,706,319)	\$ (344,132,645)	\$ (342,291,867)	\$ (317,426,274)	\$ (308,353,275)	\$ (314,386,932)

Note: Fiscal year 2017 was restated due to GASB 75.
Fiscal year 2015 was restated due to GASB 68.
Fiscal year 2013 was restated due to GASB 65.

**BEAVERTON SCHOOL DISTRICT
GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION**
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Net (Expense) / Revenue										
Total primary government net expense	\$ (544,541,237)	\$ (508,812,732)	\$ (549,372,710)	\$ (315,293,177)	\$ (344,706,319)	\$ (344,132,645)	\$ (342,291,867)	\$ (317,426,274)	\$ (308,353,275)	\$ (314,386,932)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes levied for general purposes	128,140,820	125,870,990	120,530,968	114,933,952	110,583,679	106,074,191	104,258,668	100,540,188	97,635,238	94,730,145
Local option taxes levied for general purposes	31,005,163	28,882,071	26,192,500	24,213,931	19,060,210	-	-	32	10,757	39,316
Property taxes levied for debt service	58,897,201	52,900,525	51,502,850	51,440,929	49,732,072	47,152,740	48,141,562	44,848,328	45,541,764	37,766,753
Construction excise tax	3,217,459	3,829,430	3,069,069	2,997,116	2,407,510	1,863,969	1,157,042	1,180,614	1,343,893	1,113,898
State school fund	258,157,569	231,739,269	228,865,870	216,460,563	199,569,316	172,475,674	167,737,344	157,658,272	164,168,392	171,866,019
Common school fund	4,191,413	5,011,850	4,691,786	3,796,074	3,537,242	3,655,130	3,262,020	3,419,944	3,487,822	2,833,379
Unrestricted state and local sources	17,260,645	14,767,326	13,006,206	15,770,697	12,110,552	8,490,373	17,833,330	11,638,640	9,902,461	12,158,536
Earnings on investments	4,943,574	2,351,393	3,198,636	2,541,728	517,574	503,144	617,642	790,559	614,622	3,444,218
Gain on sale of capital asset	298,016	139,540	15,250	200	767,803	-	-	-	-	-
Miscellaneous	6,934,542	2,377,106	1,568,662	4,114,307	1,760,973	3,243,765	3,705,756	4,577,759	4,737,257	1,848,896
Total primary government	513,046,402	467,869,500	452,641,797	436,269,497	400,046,931	343,458,986	346,713,364	324,654,336	327,442,206	325,801,160
Change in Net Position										
Total primary government	\$ (31,494,835)	\$ (40,943,232)	\$ (96,730,913)	\$ 120,976,320	\$ 55,340,612	\$ (673,659)	\$ 4,421,497	\$ 7,228,062	\$ 19,088,931	\$ 11,414,228

Note: Fiscal year 2017 was restated due to GASB 75.
Fiscal year 2015 was restated due to GASB 68.
Fiscal year 2013 was restated due to GASB 65.

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

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General Fund										
Unreserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,182,975
Committed	22,852,024	21,717,173	20,852,418	1,599,028	789,822	969,517	1,612,745	1,362,113	1,688,104	-
Unassigned	29,660,002	38,054,174	42,979,287	55,398,731	31,344,339	7,550,548	7,969,481	20,156,857	26,486,138	-
Total general fund	\$ 52,512,026	\$ 59,771,347	\$ 63,831,705	\$ 56,997,759	\$ 32,134,161	\$ 8,520,065	\$ 9,582,226	\$ 21,518,970	\$ 28,174,242	\$ 17,182,975
All Other Governmental Funds										
Unreserved, reported in:										
Debt service fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,403,428
Capital projects funds	-	-	-	-	-	-	-	-	-	72,864,172
Special revenue funds	-	-	-	-	-	-	-	-	-	13,812,287
Non-spendable	515,050	287,514	287,230	290,613	391,594	346,922	363,240	395,505	383,175	-
Restricted	297,398,364	385,241,999	265,786,893	411,190,925	4,679,163	15,246,617	21,458,042	23,776,761	36,964,939	-
Committed	16,959,313	14,172,144	10,873,961	9,990,147	9,507,482	8,485,568	8,130,111	11,417,612	10,165,139	-
Total all other governmental funds	\$ 309,872,727	\$ 399,701,657	\$ 276,548,084	\$ 420,871,685	\$ 14,578,239	\$ 24,079,107	\$ 29,951,393	\$ 35,589,878	\$ 47,513,253	\$ 89,079,887

Note: Fiscal year 2010 balances were restated due to GASB 54.

**BEAVERTON SCHOOL DISTRICT
GOVERNMENTAL FUNDS REVENUES**

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Federal sources:										
Federal grants	\$ 15,435,149	\$ 15,698,266	\$ 14,962,424	\$ 15,797,793	\$ 14,572,186	\$ 15,786,503	\$ 18,209,732	\$ 36,055,519	\$ 32,479,021	\$ 22,966,422
Food services	8,735,018	8,708,590	8,924,874	8,534,126	8,307,010	8,253,743	7,890,362	7,890,362	7,315,965	6,476,041
Total federal sources	24,170,167	24,406,856	23,887,298	24,331,919	22,879,196	23,887,026	26,463,475	43,945,881	39,794,986	29,442,463
State and intermediate sources:										
State school support	269,283,471	238,165,429	232,618,495	218,446,776	201,133,195	174,134,811	178,776,160	164,851,674	170,175,911	182,178,041
Common school fund	4,191,413	5,011,850	4,691,786	3,796,074	3,537,242	3,655,130	3,262,020	126,639	124,261	2,833,379
Nutrition services	269,558	239,864	263,666	156,832	158,702	163,368	150,503	150,503	152,866	126,938
Other	12,114,483	10,102,679	10,454,984	14,746,576	10,387,971	6,687,868	6,644,011	8,148,791	8,490,207	7,653,250
Total state and intermediate sources	285,858,925	253,519,822	248,028,931	237,146,238	215,217,110	184,641,177	188,832,694	173,277,607	178,943,245	192,791,608
Local sources:										
Ad valorem taxes	189,669,800	177,968,234	171,027,470	166,521,730	159,534,598	153,682,815	150,618,996	145,659,724	142,849,247	131,218,334
Local option levy	31,005,163	28,882,071	26,192,500	24,213,931	19,060,210	989	1,233	32	10,757	39,316
Food service sales	4,879,170	4,429,825	4,425,669	4,188,510	4,137,738	4,335,594	4,642,615	4,690,790	4,804,659	4,952,460
Interest and other income	42,133,781	37,522,902	37,754,679	35,445,125	33,485,753	27,556,044	26,936,013	25,942,763	25,114,830	9,510,706
Other revenues	6,975,911	2,477,371	2,628,817	3,892,912	1,151,631	2,071,823	3,179,995	4,100,831	4,136,871	11,021,749
Total local sources	274,663,825	251,280,403	242,029,135	234,262,208	217,369,930	187,647,265	185,378,852	180,394,140	176,916,364	156,742,565
Total revenues	\$ 584,692,917	\$ 529,207,081	\$ 513,945,364	\$ 495,740,385	\$ 455,466,236	\$ 396,175,468	\$ 400,675,021	\$ 397,617,628	\$ 395,654,595	\$ 378,976,636

**BEAVERTON SCHOOL DISTRICT
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Instruction	\$ 310,493,539	\$ 287,283,072	\$ 272,408,774	\$ 252,459,576	\$ 227,532,904	\$ 207,207,837	\$ 218,652,203	\$ 209,144,733	\$ 196,896,644	\$ 188,542,067
Student personnel services	38,482,256	34,603,010	31,090,493	27,894,246	25,123,920	23,332,596	24,593,504	23,722,270	22,768,827	22,134,153
Instructional media services	7,827,668	7,337,588	6,009,525	4,233,576	3,428,633	3,403,331	6,737,873	7,052,598	7,046,696	7,172,032
Instruction and curriculum development services	4,389,348	4,315,206	4,568,815	4,180,073	4,122,174	3,280,985	3,060,568	4,933,657	4,825,938	7,567,589
Instructional staff training	7,286,415	6,853,937	6,082,223	4,116,070	2,642,056	2,475,496	3,787,847	3,934,336	3,630,603	5,125,872
Board of education	137,183	188,592	174,222	184,223	104,179	166,447	131,476	177,570	105,529	275,864
General administration	1,746,456	1,647,132	1,606,548	1,473,662	1,423,055	1,236,521	1,284,038	1,317,619	1,420,229	1,522,419
School administration	32,552,290	29,703,235	27,598,638	25,589,396	23,727,536	22,394,165	22,225,585	21,808,208	21,439,584	22,682,452
Fiscal services	2,937,041	4,335,365	2,600,984	4,641,006	2,257,450	2,057,740	2,276,466	2,499,882	2,631,837	2,948,368
Central services	18,196,198	16,508,280	15,508,597	13,450,587	13,445,566	12,643,189	12,684,917	12,809,288	14,755,944	15,294,568
Student transportation services	22,430,200	20,085,388	20,201,661	19,809,756	16,701,748	15,830,750	15,648,651	17,251,379	15,049,227	17,079,625
Operation and maintenance of plant	34,784,379	30,174,482	26,972,370	26,274,101	24,441,755	23,399,588	23,506,371	22,836,444	23,201,941	23,507,619
Supplemental retirement	9,830	39,736	38,011	145,163	764,112	1,291,171	704,595	85,019	81,193	-
Community services	-	13,160,253	13,664,440	13,341,409	12,714,904	12,715,302	12,554,327	12,572,108	12,235,486	12,010,508
Capital outlay	105,693,226	208,045,840	147,718,421	42,591,476	16,608,797	6,889,659	5,679,030	15,507,726	42,237,995	82,949,169
Facilities acquisition/construction	-	-	-	-	-	-	-	-	-	-
Other capital outlay	-	-	-	-	-	-	-	-	-	-
Debt service	44,497,060	41,157,802	36,742,349	33,850,765	45,375,306	41,348,283	38,323,249	33,994,798	29,744,444	27,335,773
Principal	37,526,453	35,381,003	36,726,785	33,567,947	19,620,481	22,468,382	24,746,840	26,637,751	28,548,173	26,076,306
Interest	-	-	158,054	544,615	-	1,013,347	281,899	-	-	-
Bond issuance costs	-	-	-	-	-	-	-	-	-	-
Total expenditures	\$ 668,989,542	\$ 740,819,921	\$ 649,870,910	\$ 508,347,647	\$ 440,034,576	\$ 403,154,785	\$ 416,879,439	\$ 416,285,386	\$ 426,620,290	\$ 462,224,384
Expenditures for capital assets	\$ (20,999,619)	\$ 196,991,781	\$ 126,008,956	\$ 32,779,553	\$ 15,481,603	\$ 7,199,924	\$ 6,305,864	\$ 14,370,060	\$ 41,748,748	\$ 86,305,084
Debt service as a percentage of noncapital expenditures	11.89%	14.07%	14.02%	14.18%	15.31%	16.12%	15.36%	15.09%	15.15%	14.21%

**BEAVERTON SCHOOL DISTRICT
OTHER FINANCING SOURCES AND USES AND NET CHANGE IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)**

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Excess of revenues over / (under) expenditures	\$ (98,342,105)	\$ (211,612,841)	\$ (135,925,546)	\$ (12,607,262)	\$ 15,431,660	\$ (6,979,321)	\$ (16,204,418)	\$ (18,667,758)	\$ (30,965,695)	\$ (83,247,748)
Other Financing Sources / (Uses)										
Sale of or compensation for loss of capital assets	277,750	138,684	8,325	200	767,803	6,312	-	-	-	-
Transfers in	3,228,905	3,427,609	22,002,909	3,121,052	2,373,991	3,177,796	6,929,535	4,377,445	6,412,278	18,422,773
Transfers out	(3,228,905)	(4,427,609)	(23,737,909)	(5,351,052)	(4,460,226)	(4,177,796)	(8,564,535)	(6,132,445)	(8,062,278)	(19,622,773)
Capital leases	976,104	3,447,000	-	-	-	-	-	1,844,111	-	2,837,449
Issuance of debt	-	297,850,265	-	461,368,784	-	-	-	-	-	65,460,000
Premium on long-term debt issued	-	30,270,107	-	63,295,961	-	-	-	-	-	3,355,265
PERS UAL lump sum payment	-	-	16,260,000	(78,670,639)	-	-	42,175,000	-	-	-
Refunding bonds issued	-	-	1,766,329	-	-	20,961,752	5,668,811	-	-	-
Refunding bonds premium	-	-	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	(17,863,763)	-	-	(179,342,751)	(47,560,061)	-	-	-
Total other financing sources / (uses)	1,253,854	330,706,056	(1,564,109)	443,764,306	(1,318,432)	25,313	(1,351,250)	89,111	(1,650,000)	70,452,714
Net change in fund balances	\$ (97,088,251)	\$ 119,093,215	\$ (137,489,655)	\$ 431,157,044	\$ 14,113,228	\$ (6,954,008)	\$ (17,555,668)	\$ (18,578,647)	\$ (32,615,695)	\$ (12,795,034)

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

Fiscal Year	Assessed Value		Total Taxable Value	Total Direct Rate ^a	Real Market Value ^b		Total Real Market Value	Assessed Value as a percentage of RMV
	Residential Property	Personal Property			Residential Property	Personal Property		
2018	\$ 27,980,980,946	\$ 892,997,589	\$ 28,873,978,535	\$ 8.053	\$ 45,500,522,954	\$ 892,997,589	\$ 46,393,520,543	62.24 %
2017	26,724,297,636	852,885,982	27,577,183,618	7.921	40,875,891,989	852,885,982	41,728,777,971	66.09
2016	25,474,574,888	827,083,328	26,301,658,216	7.957	36,434,229,379	827,083,328	37,261,312,707	70.59
2015	24,377,039,678	766,409,601	25,143,449,279	8.037	33,933,616,189	766,409,601	34,700,025,790	72.46
2014	23,358,556,710	756,361,921	24,114,918,631	8.054	30,645,539,168	756,361,921	31,401,901,089	76.79
2013	22,579,021,200	742,141,580	23,321,162,780	6.775	28,888,144,155	742,141,580	29,630,285,735	78.71
2012	21,897,521,030	719,492,406	22,617,013,436	6.860	29,322,657,487	719,492,406	30,042,149,893	75.28
2011	21,269,293,890	698,324,971	21,967,618,861	6.784	30,622,355,726	698,324,971	31,320,680,697	70.14
2010	20,647,926,140	694,175,279	21,342,101,419	6.879	32,405,737,871	694,175,279	33,099,913,150	64.48
2009	19,879,698,122	756,844,311	20,636,542,433	6.564	34,596,844,797	756,844,311	35,353,689,108	58.37

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

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

Source: Washington County Dept. of Assessment & Taxation

**BEAVERTON SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS**
CURRENT YEAR AND NINE YEARS PRIOR

Taxpayer	June 2018						June 2009					
	Beaverton School District			Washington County			Beaverton School District			Washington County		
	Taxable Assessed Value	Rank	% of Total Taxable Value	Taxable Assessed Value	Rank	% of Total Taxable Value	Taxable Assessed Value	Rank	% of Total Taxable Value	Taxable Assessed Value	Rank	% of Total Taxable Value
Nike, Inc.	\$ 712,925,575	1	2.5 %	\$ 876,938,579	2	1.4 %	\$ 357,685,359	1	1.7 %	\$ 411,842,849	3	0.9 %
PPR Washington Square LLC	129,924,920	5	0.4	151,425,390	10	0.2	94,023,547	9	0.5			
Maxim Integrated Products, Inc.	121,840,480	6	0.4				128,905,510	6	0.6	171,437,490	7	0.4
Nike, IHM Inc.	115,554,910	7	0.4									
Harsch Investment Properties, LLC	77,720,253	8	0.3									
Beaverton LLC	94,221,900	10	0.3									
Intel				2,387,794,178	1	3.8				1,101,356,820	1	2.5
Pacific Realty Associates				379,444,724	5	0.6				283,366,710	5	0.6
Genentech Inc.				189,956,570	8	0.3						
Tektronix Inc							134,978,001	3	0.7	135,299,503	8	0.3
ERP Operating Ltd Partnership							115,412,910	5	0.6	115,412,910	9	0.3
PS Business Parks LP							102,805,926	7	0.5	102,805,926	10	0.2
Ambergler, LLC							67,501,900	10	0.3			
<u>Public Utilities</u>							234,531,388	2	1.1	438,548,983	2	1.0
Comcast Corporation	274,351,700	2	1.0	462,371,700	4	0.7						
Portland General Electric Co.	151,515,371	3	0.5	521,188,116	3	0.8	125,139,980	4	0.6	343,427,950	4	0.8
Northwest Natural Gas	151,073,000	4	0.5	355,967,210	6	0.6	99,965,200	8	0.5	286,150,490	6	0.7
Frontier Communications	91,060,000	9	0.3	191,382,000	9	0.3						
Verizon Communications				214,438,000	7	0.3	234,531,388	2	1.1			
Subtotal of Ten Largest Taxpayers	1,920,188,109		6.7	5,730,906,467		9.2	1,460,949,721		7.1	3,389,649,631		7.7
All Other Taxpayers	26,953,790,426		93.3	56,609,740,920		90.8	19,175,592,712		92.9	40,473,472,218		92.3
Total Assessed Value of Tax District	\$28,873,978,535		100.0 %	\$62,340,647,387		100.0 %	\$20,636,542,433		100.0 %	\$43,863,121,849		100.0 %

Note: Ranked based on taxes levied.

Source: Washington County Department of Assessment & Taxation

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

Fiscal Year	Taxes Levied for the Fiscal Year ⁽¹⁾	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years ⁽²⁾	Total Collections to Date	
	Amount	Amount	Percentage of Levy		Amount	Percentage of Levy
2018	\$ 227,729,017	\$ 217,437,442	95.48 %	\$ -	\$ 217,437,442	95.48 %
2017	213,119,699	203,451,291	95.46	1,343,763	204,795,054	96.09
2016	202,813,119	193,825,317	95.57	1,970,584	195,795,901	96.54
2015	195,294,087	186,692,754	95.60	2,398,402	189,091,156	96.82
2014	183,560,233	174,630,884	95.14	3,060,116	177,691,000	96.80
2013	157,726,841	150,601,309	95.48	2,785,663	153,386,972	97.25
2012	155,139,570	147,593,679	95.14	2,367,570	149,961,249	96.66
2011	148,921,305	140,983,744	94.67	2,675,641	143,659,385	96.47
2010	146,696,578	138,507,814	94.42	3,904,135	142,411,949	97.08
2009	135,514,754	127,776,537	94.29	4,307,410	132,083,947	97.47

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

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

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

**BEAVERTON SCHOOL DISTRICT
OUTSTANDING DEBT BY TYPE**

LAST TEN FISCAL YEARS

(dollars in thousands, except per capita)

Fiscal Year	Net General Bonded Debt					Total Debt							
	General Obligation Bonds	Un-amortized Premium	Less Amount Available for Repayment	General Bonded Debt	As Percentage of Actual Value of Property	Per Capita ^a	Pension Obligation Bonds ^b	FFC Obligation Bonds	Capital Leases	Primary Government	As Percentage of Taxable Value	As Percentage of Personal Income ^a	Per Capita ^a
2018	\$ 800,970	\$ 94,836	\$ -	895,806	1.931 %	3,132	\$ 203,740	\$ 17,455	\$ 2,607	1,119,608	3.878 %	n/a	\$ 3,915
2017	832,135	101,044	(570)	932,609	2.235	3,329	215,470	18,115	2,574	1,169,338	4.240	n/a	4,174
2016	563,109	78,037	(1,881)	639,265	1.716	2,334	226,295	18,750	-	886,191	3.369	2.805 %	3,236
2015	589,344	82,057	(2,064)	669,337	1.929	2,488	236,040	18,935	197	926,573	3.685	3.108	3,444
2014	233,560	24,782	(2,323)	256,019	0.815	971	163,375	19,480	583	441,780	1.832	1.680	1,675
2013	272,895	28,192	(2,591)	298,496	1.007	1,156	168,195	20,175	1,108	490,565	2.104	1.975	1,900
2012	307,620	13,948	(3,939)	317,629	1.057	1,233	172,345	21,030	2,212	517,155	2.287	2.127	2,008
2011	341,575	11,186	(3,030)	349,731	1.117	1,372	175,870	22,040	4,080	554,751	2.525	2.407	2,176
2010	370,250	13,007	(3,371)	379,886	1.148	1,506	178,815	22,595	4,056	588,722	2.800	2.727	2,333
2009	395,935	14,828	(2,403)	408,360	1.162	1,645	181,225	22,650	5,650	620,288	3.000	2.925	2,499

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

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

n/a - Information not available as of printing.

**BEAVERTON SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**
AS OF JUNE 30, 2018

Governmental Unit	Net Property-tax Backed Debt Outstanding ^a	Percent Within School District	Estimated Share of Direct and Overlapping Debt ^b
	\$	%	\$
Beaverton School District	1,035,618,531	100.00	1,136,662,831 ^c
Washington County	219,115,761	47.88	104,922,925
Portland Community College	461,071,466	19.02	87,708,242
Tualatin Hills Park and Recreation District	77,707,133	96.96	75,342,893
City of Beaverton	34,217,534	98.30	33,637,513
Metro	205,735,000	15.18	31,230,367
Tualatin Valley Fire and Rescue	30,635,000	50.63	15,509,122
City of Hillsboro	42,280,000	11.96	5,054,574
City of Tigard	20,088,506	16.70	3,355,544
Multnomah County	369,970,117	0.11	399,938
City of Portland	176,992,106	0.09	165,134
Hillsboro School District	479,215,000	0.01	67,569
Northwest Regional ESD	35,000	38.94	13,628
Hillsboro School District - Bond	2,862,570	0.01	404
Subtotal, overlapping debt			357,407,853
Total direct and overlapping debt			\$ 1,494,070,684

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

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

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

^c Includes unamortized premium of \$101,044,300

Source: State of Oregon - Office of the Treasurer

BEAVERTON SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS

Legal Debt Margin Calculation for Fiscal Year 2018

Real Market Value	\$ 46,393,520,543
Debt Limit (7.95% of Real Market Value ¹)	3,688,284,883
Debt Applicable to Limit	800,970,000
Legal Debt Margin	<u>\$ 2,887,314,883</u>

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
2018	\$ 3,688,284,883	\$ 800,970,000	\$ 2,887,314,883	21.72 %
2017	3,317,437,849	832,135,000	2,485,302,849	25.08
2016	2,962,274,360	563,109,000	2,399,165,360	19.01
2015	2,758,652,050	589,344,000	2,169,308,050	21.36
2014	2,496,451,137	233,560,000	2,262,891,137	9.36
2013	2,355,607,716	272,895,000	2,082,712,716	11.58
2012	2,388,350,916	307,620,000	2,080,730,916	12.88
2011	2,489,994,115	341,575,000	2,148,419,115	13.72
2010	2,631,443,095	370,250,000	2,261,193,095	14.07
2009	2,810,618,284	395,935,000	2,414,683,284	14.09

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

For each grade from kindergarten to eighth for which the District operates schools, fifty-five one-hundredths of one percent (.0055) of the real market value.^A
 For each grade from ninth to twelfth for which the District operates schools, seventy-five one-hundredths of one percent (.0075) of the real market value.^B

Allowable Percentage of Real Market Value:

^A Kindergarten through eighth grade, 9 x .0055

^B Ninth through twelfth grade, 4 x .0075

Allowable Percentage

4.95%
<u>3.00%</u>
<u>7.95%</u>

**BEAVERTON SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS**
LAST TEN CALENDAR YEARS

Calendar Year	Population ^a Estimated	Personal Income ^b (In Thousands)		Per Capita Personal Income	Unemployment Rate ^c (Washington County)
2018	286,013	n/a		n/a	n/a
2017	280,126	n/a		n/a	3.5 %
2016	273,845	\$	31,588,397	\$ 54,203	4.2
2015	269,023		29,812,561	51,909	4.8
2014	263,778		26,299,466	46,713	5.7
2013	258,199		24,839,911	44,757	6.3
2012	257,562		24,314,346	44,396	7.1
2011	254,914		23,042,656	42,639	7.7
2010	252,293		21,586,715	40,606	9.1
2009	248,264		21,205,286	39,465	9.1

Notes:
n/a - Information not available as of printing.
^a Bureau of Economic and Business Research and BSD estimates based on PSU Population Research Center data.
^b U.S. Department of Commerce, Bureau of Economic Analysis.
^c Oregon Labor Market, Labor Force Data for Washington County. Not seasonally adjusted.

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

<u>Employer</u>	<u>December 31, 2017</u>			<u>December 31, 2008</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
Ten Largest Employers						
Intel Corp.	19,300	1	1.53 %	16,740	1	1.52 %
Providence Health System	17,543	2	1.39	14,639	2	1.33
Oregon Health & Science University	16,200	3	1.29	11,500	3	1.05
Legacy Health System	12,955	4	1.03	8,196	6	0.75
Nike Inc.	12,000	5	0.95	7,648	7	0.70
Fred Meyer Stores	10,637	6	0.84	8,500	4	0.77
City of Portland	7,043	7	0.56			
Portland Public Schools	6,780	8	0.54			
Multnomah County	6,266	9	0.50			
Beaverton School District	5,207	10	0.41			
Kaiser Permanente Northwest				8,221	5	0.75
Wells Fargo				4,873	8	0.44
Greenbriar Cos. Inc.				3,972	9	0.36
Freightliner Corp				3,500	10	0.32
Subtotal of Ten Largest Employers	113,931		9.05	87,789		7.99
All Other Employers	1,145,244		90.95	1,011,430		92.01
Total Portland PMSA¹ Employment	1,259,175		100.00 %	1,099,219		100.00 %

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

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

BEAVERTON SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
 LAST TEN FISCAL YEARS

	Full-time Equivalent Employees as of June 30										% Change 2017 to 2018	
	2018 Salary Range	2018	2017	2016	2015	2014	2013	2012	2011	2010		2009
<u>Instruction</u>												
Certified	\$ 42,967	\$ 88,172	1,767.53	1,763.45	1,730.90	1,569.59	1,319.92	1,578.05	1,582.68	1,572.87	1,590.00	0.23 %
Support	28,182	58,447	136.08	131.70	127.28	103.02	98.51	77.65	76.30	78.03	85.60	3.32
<u>Special Programs</u>												
Certified	42,967	88,172	456.18	442.90	420.91	413.00	393.41	397.72	436.59	435.50	420.10	3.00
Support	28,182	73,691	258.87	260.78	236.11	228.23	225.06	259.69	256.25	278.56	263.54	(0.73)
Administration	108,186	272,950	-	-	-	-	-	1.00	1.00	1.00	3.00	-
<u>Student Support Services</u>												
Certified	42,967	88,172	222.68	219.85	213.77	192.58	170.80	183.67	188.86	196.46	192.22	1.29
Support	25,878	127,931	112.60	98.23	85.94	73.55	64.44	76.72	76.00	69.22	70.96	14.62
Administration	108,186	272,950	7.00	6.00	5.00	4.00	3.89	2.97	3.47	5.00	3.88	16.67
<u>Instructional Staff Support</u>												
Certified	42,967	88,172	62.25	67.78	52.11	31.99	16.27	71.82	101.09	99.01	146.59	(8.16)
Support	28,182	67,527	45.94	47.03	47.76	45.51	43.58	32.82	32.80	36.36	36.74	(2.31)
Administration	108,186	272,950	4.00	3.81	2.94	3.00	2.96	2.00	2.00	3.00	3.00	5.05
<u>General Administration Support</u>												
Support	28,182	157,815	5.27	5.72	5.31	5.30	1.53	5.03	5.00	5.17	6.00	(7.87)
Administration	108,186	272,950	3.54	3.63	3.71	2.75	2.75	3.00	3.00	3.00	3.00	(2.46)
<u>School Administration</u>												
Certified	42,967	88,172	11.67	11.30	9.37	9.20	15.20	12.93	10.86	10.38	15.05	3.27
Support	28,182	67,527	122.35	120.25	110.15	103.84	103.10	104.35	106.86	104.61	106.25	1.74
Administration	108,186	272,950	112.35	109.54	103.65	97.35	83.75	89.30	91.40	91.38	96.73	2.56
<u>Business Support Services</u>												
General Business												
Support	28,182	99,346	17.70	16.82	16.90	16.36	12.31	16.34	18.09	18.45	18.34	5.20
Administration	108,186	272,950	2.00	2.00	2.00	2.00	1.41	1.00	1.00	1.43	2.00	-
Facilities												
Support	30,265	99,346	257.32	228.80	214.54	208.91	190.54	206.19	212.52	213.67	209.38	12.46
Administration	108,186	272,950	1.94	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00	(3.14)
Transportation												
Support	28,182	99,346	185.14	173.13	165.56	167.57	169.00	176.72	180.72	179.98	194.33	6.94
Administration	108,186	272,950	1.25	1.23	1.25	1.25	1.25	1.00	1.00	1.00	1.00	1.84

**BEAVERTON SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE (Continued)**
LAST TEN FISCAL YEARS

	2018 Salary Range	Full-time Equivalent Employees as of June 30										% Change 2017 to 2018
		2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	
Business Support Services (Continued)												
Other Administration Support												
Support	28,182 - 85,519	10.57	9.79	8.40	7.70	8.78	8.00	9.67	10.00	9.75	10.52	7.96 %
Central Support Services												
Certified	42,967 - 88,172	4.85	4.55	5.00	4.50	4.20	4.52	5.29	5.30	4.49	5.50	6.48
Support	28,182 - 103,317	101.70	99.14	87.69	69.50	67.09	60.00	60.87	66.87	68.44	69.80	2.59
Administration	108,186 - 272,950	9.88	9.00	8.13	7.82	7.00	7.00	6.51	7.00	7.90	8.00	9.80
Food Services												
Support	\$ 23,573 - \$ 58,919	107.85	101.54	101.15	100.46	102.07	97.83	103.01	103.55	103.19	99.15	6.21
Administration	108,186 - 272,950	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-
Community Services & Custody and Care of Children Services												
Certified	-	-	-	-	0.38	0.37	0.52	0.53	0.54	0.53	0.54	-
Support	25,878 - 103,317	-	-	-	-	1.35	1.11	1.69	1.55	2.49	1.25	-
Facilities Acquisition and Construction												
Certified	-	5.00	5.00	4.19	1.00	-	-	-	-	-	-	-
Support	66,527 - 99,346	29.41	33.55	29.48	17.05	4.50	3.57	3.14	10.49	14.20	15.62	(12.34)
Administration	108,186 - 272,950	1.00	1.00	0.99	1.00	1.91	1.16	1.00	1.81	2.00	2.00	-
Total		4,064.93	3,980.55	3,803.21	3,491.42	3,268.75	3,105.39	3,493.68	3,596.78	3,619.24	3,682.25	

	2018 Salary Range	Number of Teachers
Bachelor's Range	\$ 42,967 - \$ 81,235	303
Master's Range	\$ 46,648 - \$ 88,172	2,227
Average Teacher Salary	\$ 67,569	

Notes: Full-time certified employees of the district are employed for 193 days, at eight hours per day or 1,544 hours per year. Total work hours by certified employees are divided by 1,544 to obtain full-time-equivalent employment. Full-time-equivalent employment for all other positions is determined based on 2,080 hours per year (260 days at eight hours).

The data presented has been updated to reflect actuals. In prior years, the data presented was budgeted information.

Source: Beaverton School District records.

**BEAVERTON SCHOOL DISTRICT
OPERATING STATISTICS**

LAST TEN FISCAL YEARS

Fiscal Year	Enrollment	ADMw	Operating Expenditures ^a		Cost per Student	Percentage Change	Expenses ^b	Cost per Student	Percentage Change	Certified Staff ^c	Student-Certified Staff Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
			Operating Expenditures ^a	ADMw								
2018	41,016	48,419.61	\$ 481,272,803	\$ 11,734	5.22 %	\$ 668,989,542	\$ 16,310	(9.93) %	2,530	16.21	35.7 %	
2017	40,912	48,743.18	456,235,276	11,152	5.98	740,819,921	18,108	13.47	2,515	16.27	34.5	
2016	40,725	48,668.62	428,525,301	10,522	5.57	649,870,910	15,958	25.28	2,436	16.72	37.3	
2015	39,910	45,797.19	397,792,844	9,967	9.87	508,347,647	12,737	14.36	2,222	17.96	39.3	
2014	39,509	45,087.84	358,429,992	9,072	7.92	440,034,576	11,138	8.93	2,044	19.33	38.7	
2013	39,427	44,796.05	331,435,118	8,406	(5.62)	403,154,789	10,225	(4.21)	1,921	20.53	39.4	
2012	39,054	44,823.44	347,848,421	8,907	1.64	416,879,439	10,674	(0.47)	2,250	17.36	40.6	
2011	38,814	44,647.62	340,145,111	8,763	2.36	416,285,386	10,725	(4.24)	2,326	16.69	39.8	
2010	38,090	43,933.45	326,089,678	8,561	(1.13)	426,620,290	11,200	(8.86)	2,319	16.43	38.8	
2009	37,613	43,471.30	325,688,733	8,659	1.55	462,224,384	12,289	2.74	2,370	16.44	35.8	

Notes:

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

^b Expenses include capital projects and debt service activity.

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

n/a - Information not available as of printing.

Source: Beaverton School District records.

**BEAVERTON SCHOOL DISTRICT
CAPITAL ASSET INFORMATION**
LAST TEN FISCAL YEARS

	Fiscal Year										Average Age of Buildings (in years)	
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009		
SCHOOLS												
Elementary												
Buildings	34	33	33	33	33	33	33	33	33	32	32	47
Square feet	2,173,164	2,039,682	2,012,047	2,012,047	2,012,047	2,012,047	2,012,047	2,012,047	2,012,047	1,865,333	1,865,333	
Capacity	22,609	21,417	21,377	21,312	21,189	21,207	21,207	21,225	21,140	19,849	19,849	
Enrollment	17,802	18,073	18,345	17,919	17,987	17,952	17,917	17,818	17,445	17,801	17,801	
Percent used	79%	84%	86%	84%	85%	85%	84%	84%	83%	90%	90%	
Middle												
Buildings	9	8	8	8	8	8	8	8	8	8	8	38
Square feet	1,182,538	1,016,538	1,016,538	1,016,538	1,016,538	1,016,538	1,016,538	1,016,538	1,016,538	1,016,538	1,016,538	
Capacity	8,366	8,394	8,520	8,394	8,254	8,254	8,254	8,247	8,225	8,190	8,190	
Enrollment	9,354	9,356	9,200	9,067	8,870	8,842	8,734	8,567	8,405	8,124	8,124	
Percent used	112%	111%	108%	108%	107%	107%	106%	104%	102%	99%	99%	
High												
Buildings	10	9	9	9	9	9	9	9	9	9	9	50
Square feet	1,999,292	1,669,292	1,653,308	1,653,308	1,653,308	1,665,108	1,665,108	1,665,108	1,664,726	1,544,724	1,544,724	
Capacity	15,508	12,428	12,322	12,306	12,302	12,374	12,374	12,354	12,351	11,823	11,823	
Enrollment	11,998	11,801	11,588	11,405	11,262	11,227	11,340	11,311	11,055	11,688	11,688	
Percent used	77%	95%	94%	93%	92%	91%	92%	92%	90%	99%	99%	
Other												
Buildings	2	2	2	2	2	2	2	2	2	2	3	34
Square feet	40,607	40,607	40,607	40,607	40,607	40,607	40,607	40,607	40,607	40,607	50,607	
ADMINISTRATIVE												
Buildings	1	1	1	1	1	1	1	1	1	1	1	47
Square feet	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	
TRANSPORTATION												
Garages/Buildings	4	4	4	4	4	4	4	4	4	4	4	42
Buses	299	310	311	357	318	317	317	317	300	320	320	

Source: Beaverton School District Annual District Statistics.

SINGLE AUDIT SECTION



WE
EMBRACE
EQUITY



Single Audit Section



GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS
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(503) 581-7788

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

School Board
Beaverton School District
Beaverton, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Beaverton School District, Washington County, Oregon, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 26, 2018.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

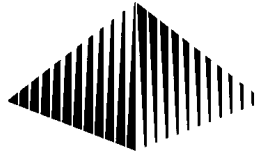
As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material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

Purpose of this Report

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


CERTIFIED PUBLIC ACCOUNTANTS

November 26, 2018



GROVE, MUELLER & SWANK, P.C.

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

School Board
Beaverton School District
Beaverton, Oregon

Report on Compliance for Each Major Federal Program

We have audited Beaverton 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 District's major federal programs for the year ended June 30, 2018. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) 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 the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Beaverton School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are

appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with 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 the District's internal control over compliance.

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

Purpose of this Report

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.


CERTIFIED PUBLIC ACCOUNTANTS

November 26, 2018

**BEAVERTON SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL, STATE, AND LOCAL AWARDS
YEAR ENDED JUNE 30, 2018**

Program Title	Federal CFDA Number	Pass Through Entity Number	Period Covered	Grant Amount	2017-18 Revenue and Expenditures
U.S. Department of Education					
Direct:					
Indian Education Grants to Local Education Agencies	84.060	S060A172500	07/01/17 - 06/30/18	\$ 34,622	\$ 29,604
					<u>29,604</u>
Beaverton Active Students Succeed (PEP)	84.215	S215F160097	10/01/16 - 09/30/19	669,484	202,881
					<u>202,881</u>
Total Direct					<u><u>232,485</u></u>
Passed through Oregon Department of Education:					
Title I					
Title I Grants to Local Educational Agencies	84.010	41009	07/01/16 - 09/30/18	6,348,852	1,180,987
Title I Grants to Local Educational Agencies	84.010	45546	07/01/17 - 09/30/18	6,345,329	5,002,685
Total Title I					<u>6,183,672</u>
Migrant Education					
Migrant Education - State Grant Program	84.011	41212	07/01/16 - 09/30/17	208,108	1,554
Migrant Education - State Grant Program	84.011	41231	07/01/16 - 09/30/17	11,531	3,782
Migrant Education - State Grant Program	84.011	44977	07/01/17 - 09/30/18	434,439	307,347
Migrant Education - State Grant Program	84.011	44894	07/01/17 - 09/30/18	22,074	10,717
Migrant Education - State Grant Program	84.011	48586	04/01/18 - 09/30/18	13,364	13,364
Migrant Education - State Grant Program	84.011	48622	04/01/18 - 09/30/18	67,700	4,002
Migrant Education - State Grant Program	84.011	43674	04/01/17 - 09/30/17	48,512	39,846
Total Migrant Education Program					<u>380,612</u>
Migrant Education - Consortium Incentive Grants	84.144	44029	06/01/17 - 09/30/17	2,400	2,301
Total Migrant Education Consortium Incentive					<u>2,301</u>
Supporting Effective Instruction					
Supporting Effective Instruction State Grants	84.367	41264	07/01/16 - 09/30/18	797,875	128,875
Supporting Effective Instruction State Grants	84.367	45760	07/01/17 - 09/30/18	978,788	338,341
Supporting Effective Instruction State Grants	84.367	36122	07/01/15 - 09/30/17	801,127	8,479
Total Supporting Effective Instruction					<u>475,695</u>
English Language Acquisition					
English Language Acquisition State Grants	84.365	41741	07/01/16 - 09/30/17	657,274	460,344
English Language Acquisition State Grants	84.365	44197	07/01/17 - 09/30/18	655,029	286,141
English Language Acquisition State Grants	84.365	41731	07/01/16 - 09/30/17	14,720	229
English Language Acquisition State Grants	84.365	36305	07/01/15 - 09/30/17	628,902	708
Total English Language Acquisition					<u>747,422</u>
Career and Technical Education					
Career and Technical Education - Basic Grants to States	84.048	44279	07/01/17 - 09/30/18	285,400	254,439
Career and Technical Education - Basic Grants to States	84.048	40305	07/01/16 - 09/30/17	311,796	5,826
Total Career and Technical Education					<u>260,265</u>
Special Education Cluster (IDEA)					
Special Education Grants to States	84.027	41469	07/01/16 - 09/30/18	6,876,494	257,543
Special Education Grants to States	84.027	45134	07/01/17 - 09/30/19	6,793,364	6,593,324
Special Education Grants to States	84.027	36811	07/01/15 - 09/30/17	6,522,240	8,217
Special Education Grants to States	84.027	45022	07/01/17 - 06/30/18	13,187	12,169
Special Education Grants to States	84.027	44334	07/01/17 - 06/30/18	29,043	24,636
Special Education Grants to States	84.027	48385	06/01/17 - 09/30/17	4,800	4,800
Total Special Education					<u>6,900,689</u>
Special Education Preschool Grants	84.173	45342	07/01/17 - 09/30/19	25,712	25,712
Total Special Education Preschool					<u>25,712</u>
Total Special Education Cluster (IDEA)					<u>6,926,401</u>
Student Support and Academic Enrichment	84.424	47674	07/01/17 - 06/30/18	114,004	732
Total Student Support and Academic Enrichment					<u>732</u>
Total Passed through Oregon Department of Education:					<u><u>14,977,100</u></u>
Total U.S. Department of Education					<u><u>15,209,585</u></u>

**BEAVERTON SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL, STATE, AND LOCAL AWARDS (Continued)
YEAR ENDED JUNE 30, 2018**

Program Title	Federal CFDA Number	Pass Through Entity Number	Period Covered	Grant Amount	2017-18 Revenue and Expenditures
U.S. Department of Health & Human Services					
Passed through Administration for Children and Families					
CCDF Cluster					
Child Care and Development Block Grant	93.575	10955	07/01/17 - 12/31/17	\$ 50,000	\$ 39,664
Child Care and Development Block Grant	93.575	156140	01/01/18 - 06/30/19	338,760	47,541
					<u>87,205</u>
Child Care Development Matching	93.596	10955	07/01/17 - 12/31/17	10,000	10,000
					<u>10,000</u>
Total CCDF Cluster					<u>97,205</u>
Passed through Oregon Department of Education					
Foster Care Transportation Reimbursement	93.658	47364	07/01/17 - 06/30/19	6,701	6,701
Total Foster Care Transportation Reimbursement					<u>6,701</u>
Total U.S. Department of Health & Human Services					<u><u>103,906</u></u>
U.S. Department of Agriculture					
Passed through Oregon Department of Education:					
Child Nutrition Cluster:					
School Breakfast Program	10.553	N/A	07/01/17 - 06/30/18	1,381,453	1,381,453
National School Lunch Program	10.555	N/A	07/01/17 - 06/30/18	5,788,728	5,788,728
National School Lunch Program Commodities	10.555	N/A	07/01/17 - 06/30/18	918,178	918,178
Summer Food Service Program for Children	10.559	N/A	07/01/17 - 06/30/18	334,007	334,007
Summer Food Service Program Commodities	10.559	N/A	07/01/17 - 06/30/18	1,353	1,353
Total Child Nutrition Cluster					<u>8,423,719</u>
Child and Adult Food Care Program	10.558	34-02006	07/01/17 - open	17,418	15,569
Child and Adult Food Care Program	10.558	N/A	07/01/17 - 06/30/18	291,633	291,633
					<u>307,202</u>
Fresh Fruits and Vegetable - Vose	10.582	46309	10/01/17 - 09/30/18	30,950	28,471
Fresh Fruits and Vegetable - Vose	10.582	42984	10/01/16 - 09/30/17	3,635	3,635
Fresh Fruits and Vegetable - William Walker	10.582	46352	10/01/17 - 09/30/18	24,650	22,969
Fresh Fruits and Vegetable - William Walker	10.582	43025	10/01/16 - 09/30/17	2,537	2,492
					<u>57,567</u>
Reallocation SAE	10.560	N/A	07/01/17 - 06/30/18	19,667	19,667
					<u>19,667</u>
Total U.S. Department of Agriculture					<u><u>8,808,155</u></u>
U.S. Department of Transportation					
Passed through Metro					
Federal Transit Cluster					
Federal Transit - Formula Grants (Urbanized Area)	20.507	933347	07/01/15 - 10/31/17	158,000	21,479
Federal Transit - Formula Grants (Urbanized Area)	20.507	934625	10/01/17 - 07/31/19	75,000	27,042
Total Federal Transit Cluster					<u>48,521</u>
Total U.S. Department of Transportation					<u><u>48,521</u></u>
Total Federal Awards				\$	<u><u>24,170,167</u></u>
State and local awards:					
U of O CTL Fusion	N/A	N/A	07/01/17 - open	\$ 3,000	\$ 1,000
MACC Resilient Border Router	N/A	N/A	01/01/09 - open	46,698	2,776
AHS Nike Innovation	N/A	N/A	07/01/17 - open	20,000	8,492
ORPATS Autism Workshop	N/A	N/A	10/05/17 - 10/06/17	1,462	1,462
Confucius Classroom	N/A	N/A	03/01/14 - open	49,940	14,308
BEF: Innovation Expo iX18	N/A	N/A	01/29/18 - open	11,000	10,976
AHS Building Construction Tech CTE	N/A	46909	07/01/17 - 09/30/18	7,829	4,606
HS2 Health Professionals CTE	N/A	46915	07/01/17 - 09/30/18	8,185	7,510
SHS Pre-Engineering CTE	N/A	46918	07/01/17 - 09/30/18	2,000	2,000
Marathon Kids	N/A	N/A	04/01/17 - 06/30/18	6,062	423
Washington County Kindergarten Partnership Innovation	N/A	BCC17-1148	07/01/17 - 06/30/18	131,780	75,007
Intel Science Fair	N/A	N/A	07/01/17 - open	12,960	6,080

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL, STATE, AND LOCAL AWARDS (Continued)
YEAR ENDED JUNE 30, 2018

Program Title	Federal CFDA Number	Pass Through Entity Number	Period Covered	Grant Amount	2017-18 Revenue and Expenditures
State and local awards (continued):					
ELWC Washington County Early Learning Community Hub	N/A	BCC17-1148	07/01/17 - 06/30/18	\$ 134,516	\$ 134,516
Nike School Innovation fund	N/A	N/A	02/05/18 - 06/30/19	124,830	46,946
SRHS Marketing	N/A	46917	07/01/17 - 09/30/18	10,320	10,159
AHS Automotive Mechanics	N/A	46911	07/01/17 - 09/30/18	40,569	14,126
Farm to School	N/A	45952	07/01/17 - 06/30/19	69,836	69,836
AHS Marketing CTE	N/A	N/A	07/01/17 - 09/30/18	3,559	1,548
BEF: Mt. View Extended Day	N/A	N/A	07/01/17 - 06/30/18	12,000	12,000
SRHS Nike Engineering Digital Filmmaking	N/A	N/A	11/17/16 - open	12,055	6,956
BEF: Stoller Extended Day	N/A	N/A	07/01/17 - 06/30/18	7,500	5,147
BEF: Cedar Park Extended Day	N/A	N/A	07/01/17 - 06/30/18	10,000	8,087
BEF: Meadow Park Extended Day	N/A	N/A	07/01/17 - 06/30/18	10,000	10,000
BEF: Five Oaks Extended Day	N/A	N/A	07/01/17 - 06/30/18	10,000	9,813
BEF: Sunset Summer School	N/A	N/A	04/14/17 - 09/30/17	10,000	8,252
High School Success (Measure 98)	N/A	44610	07/01/17 - 06/30/19	5,463,054	4,370,470
Kaiser: Child Healthcare Program	N/A	N/A	01/01/18 - 12/31/18	12,500	12,500
CEYP "Tax Credit" Donations	N/A	N/A	10/01/02 - open	114,300	4,745
State Dyslexia Training	N/A	47872	07/01/17 - 06/30/19	90,086	13,340
Outdoor School OSU (Measure 99)	N/A	TQQ32243	09/06/17 - 06/30/23	610,003	522,534
MACC	N/A	N/A	02/01/14 - open	39,267	36,295
City of Beaverton Safe Routes to School	N/A	N/A	07/01/18 - 06/30/19	70,125	26,561
WHS Restaurant/Food Services	N/A	46924	07/01/17 - 09/30/18	27,758	8,718
Mentor Grant	N/A	46167	09/01/17 - 06/30/19	1,190,000	515,733
SHS Nike Innovation	N/A	N/A	12/08/15 - 12/31/16	20,000	461
Gray Family Foundation Outdoor School	N/A	N/A	07/01/16 - open	57,800	11,136
Child Care 3 Star Rating	N/A	N/A	04/01/16 - open	1,500	548
BHS Marketing CTE	N/A	46913	07/01/17 - 09/30/18	27,402	20,026
SRHS Design Technology Curriculum, Murdock	N/A	N/A	05/31/16 - 04/01/18	7,000	2,547
BEF: Future Bus	N/A	N/A	05/14/16 - open	62,980	32,975
BHS Health Diagnostic CTE	N/A	46912	07/01/17 - 09/30/18	36,655	22,084
Marathon Kids Carol M White PEP	N/A	N/A	01/01/18 - 09/30/19	100,000	3,571
ACT 10th grade Testing	N/A	N/A	05/01/18 - 05/31/18	30,660	30,660
Farm to School	N/A	48125	07/01/17 - 06/30/19	146,796	70,559
McKinney Vento Consortium	N/A	N/A	07/01/17 - 06/30/18	20,639	14,905
WHS CAD Drafting CTE	N/A	46922	07/01/17 - 09/30/18	8,541	6,280
MACC	N/A	N/A	01/01/14 - open	44,772	25,353
BEF: Conestoga Extended Day	N/A	N/A	07/01/17 - 06/30/18	10,000	8,440
BEF: Whitford Extended Day	N/A	N/A	07/01/17 - 06/30/18	11,000	10,311
SRHS CTE Revitalization	N/A	46803	01/01/18 - 06/30/19	317,286	30,412
WHS Digital Communication	N/A	46921	07/01/17 - 09/30/18	2,000	1,669
WHS Child Development CTE	N/A	46923	07/01/17 - 09/30/18	2,847	2,727
After School Meals Start Up Expansion	N/A	48115	01/03/18 - 05/31/18	20,000	20,000
Vose Verizon STEM	N/A	N/A	01/11/16 - 06/30/18	20,000	7,456
PAX Training	N/A	N/A	10/10/17 - 06/30/19	10,000	991
HS2 PreEngineering CTE	N/A	46914	07/01/17 - 09/30/18	29,537	24,620
SHS Computer Engineering CTE	N/A	46919	07/01/17 - 09/30/18	13,523	12,362
SRHS Computer Engineering CTE	N/A	46916	07/01/17 - 09/30/18	2,000	780
SHS Marketing CTE	N/A	46920	07/01/17 - 09/30/18	43,416	16,921
NWRESF FAFSA	N/A	N/A	03/22/17 - 06/30/18	11,100	10,511
NSIF Nike School Innovation Fund	N/A	N/A	03/01/17 - open	247,680	132,422
BEF: Bethany, Rock Creek, Terra Linda Summer School	N/A	N/A	04/14/17 - 09/30/17	30,000	30,000
BEF: Highland Park Extended Day	N/A	N/A	07/01/17 - 06/30/18	10,000	6,476
BEF: Cedar Mill, Ridgewood, West TV Summer School	N/A	N/A	04/14/17 - 09/30/17	30,000	30,000
BEF: McKay, Raleigh Hills, Raleigh Park Summer School	N/A	N/A	04/14/17 - 09/30/17	30,000	30,000
Total State and Local Awards				\$ 6,600,125	
Total Federal, State, and Local Awards				\$ 30,770,292	

**BEAVERTON SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL, STATE, AND LOCAL AWARDS
YEAR ENDED JUNE 30, 2018**

PURPOSE OF THE SCHEDULE

The accompanying Schedule of Expenditures of Federal, State and Local Awards (the "Schedule") includes the federal award activity of the District under programs of the federal government for the year ended June 30, 2017. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and OMB Circular A-87 *Cost Principles for State, Local and Indian Tribal Governments*, where applicable, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Indirect Cost Rate

The District has not elected to use the 10 percent de minimis indirect cost rate as allowed under Uniform Guidance.

Federal Financial Assistance

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

Major Programs

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

Reporting Entity

The reporting entity is fully described in notes to the financial statements. The Schedule includes all federal programs administered by the District for the year ended June 30, 2018.

**BEAVERTON SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL, STATE, AND LOCAL AWARDS (Continued)
YEAR ENDED JUNE 30, 2018**

Revenue and Expenditure Recognition

The receipt and expenditure of federal awards are accounted for under the modified accrual basis of accounting. Revenues are recorded when measurable and available. Expenditures are recorded when the liability is incurred. Donated commodities are valued at their estimated fair value.

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2018

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

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

Federal Awards

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

Identification of major federal programs:

CFDA Number(s)

Name of Federal Program or Cluster

10.553, 10.555 & 10.559
84.011

Child Nutrition Cluster
Migrant Education - State Grant Program (Title I, Part C of ESEA)

Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

FINANCIAL STATEMENT FINDINGS

None.

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

PRIOR YEAR FINANCIAL STATEMENT FINDINGS

None.

PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

COMPLIANCE SECTION



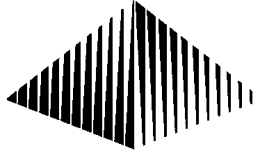
WE
COLLABORATE



INDEPENDENT AUDITOR'S REPORT
REQUIRED BY OREGON STATE REGULATIONS

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





GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS
475 Cottage Street NE, Suite 200, Salem, Oregon 97301
(503) 581-7788

INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

School Board
Beaverton School District
Beaverton, Oregon

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the basic financial statements of Beaverton School District, Washington County, Oregon (the District) as of and for the year ended June 30, 2018, and have issued our report thereon dated November 26, 2018.

Compliance and Other Matters

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

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

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

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


Internal Control

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

Restriction on Use

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

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

By: 
Larry E. Grant, A Shareholder
November 26, 2018

**Beaverton School District
Year-To-Date Activity and Forecast
General Fund
For the Period Ended November 30, 2018**

(\$ in millions)

	Budget		Activity			
	Adopted Budget 2018-19	Final Budget 2018-19	YTD Actuals Through Current Month	Encumbrances Through Current Month	Actuals Including Encumbrances	Forecast Through 6/30/2018
REVENUES:						
Beginning Fund Balance	\$ 33.0	\$ 33.0	\$ 29.6	\$ -	\$ 29.6	\$ 29.6
State School Fund:						
State School Fund	263.1	263.1	127.1	-	127.1	260.1
Property Taxes	136.1	136.1	115.7	-	115.7	139.1
Local Option Levy	32.5	32.5	27.5	-	27.5	32.9
Common School Fund	4.1	4.1	-	-	-	4.1
County School Fund	0.6	0.6	0.2	-	0.2	0.6
Investment earnings	1.0	1.0	-	-	-	1.5
Other	17.9	17.9	1.7	-	1.7	17.9
Total	\$ 488.3	\$ 488.3	\$ 301.8	\$ -	\$ 301.8	\$ 485.8
EXPENDITURES:						
Salaries	\$ 263.6	\$ 263.6	\$ 91.6	\$ -	\$ 91.6	\$ 267.0
Benefits	149.1	149.1	51.7	-	51.7	150.1
Purchased services	25.8	25.8	9.3	12.8	22.1	23.2
Supplies & materials	17.9	17.9	6.5	2.0	8.5	16.9
Capital outlay	1.0	1.0	0.3	0.2	0.5	1.0
Other	2.4	2.4	1.3	0.1	1.4	2.4
Transfers out	4.1	4.1	3.2	-	3.2	4.1
Subtotal	\$ 463.9	\$ 463.9	\$ 163.9	\$ 15.1	\$ 179.0	\$ 464.7
CONTINGENCY:	24.4	24.4	-	-	-	-
Total	\$ 488.3	\$ 488.3	\$ 163.9	\$ 15.1	\$ 179.0	\$ 464.7
Projected ending fund balance						21.1
Projected ending fund balance percentage of actual (forecast) revenue at 6/30/2018 *						4.3%

*Projected ending fund balance breakdown:	Projected EFB	
General Operating Fund	\$ 21.0	4.2%
Local Option Levy Fund	0.1	0.1%

Beaverton School District
Comparison of Year-To-Date Revenue and Expenditures to the Prior Year
General Fund
For the Period Ended November 30, 2018

	2017-18			2018-19			Variance	
	Audited Fiscal Year 2017-18	YTD Through 11/30/17	Percentage of Total Fiscal Year 2017-18	Budget Fiscal Year 2018-19	YTD Through 11/30/18	Percentage of Total Budget 2018-19	Increase (Decrease) From Prior Year	
							\$	%
REVENUES:								
Beginning fund balance	\$ 37,945,300	\$ 37,945,300	100.00%	\$ 33,000,000	\$ 29,617,787	89.75%	\$ (8,327,513)	-21.95%
Property taxes	130,772,599	117,450,822	89.81%	136,100,000	115,695,801	85.01%	(1,755,021)	-1.49%
Local Option Levy	31,005,163	27,859,745	89.86%	32,482,500	27,454,816	84.52%	(404,929)	-1.45%
State School Fund	258,157,569	129,352,173	50.11%	263,010,769	127,138,105	48.34%	(2,214,068)	-1.71%
Common School Fund	4,191,413	-	0.00%	4,098,000	-	0.00%	-	0.00%
County School Fund	1,048,201	-	0.00%	570,000	172,491	30.26%	172,491	0.00%
ESD apportionment	10,778,007	5,329,268	49.45%	11,885,000	-	0.00%	(5,329,268)	-100.00%
Charges for services	763,224	125,689	16.47%	800,000	277,667	34.71%	151,978	120.92%
Investment earnings	1,455,919	-	0.00%	990,000	-	0.00%	-	0.00%
Rentals	904,652	209,019	23.10%	902,000	258,525	28.66%	49,507	23.69%
Fees charged to grants	497,184	153,645	30.90%	540,000	180,284	33.39%	26,640	17.34%
Extra Curricular Activities	1,873,740	802,071	42.81%	2,000,000	831,898	41.59%	29,827	3.72%
Other	4,909,445	666,442	13.57%	1,950,000	177,932	9.12%	(488,510)	-73.30%
Total	\$ 484,302,416	\$ 319,894,173	66.05%	\$ 488,328,269	\$ 301,805,307	61.80%	\$ (18,088,866)	-5.65%
EXPENDITURES:								
Salaries	\$ 262,041,509	\$ 87,092,601	33.24%	\$ 262,399,703	\$ 91,630,690	34.92%	\$ 4,538,089	5.21%
Benefits	145,552,031	49,849,795	34.25%	148,809,686	51,709,837	34.75%	1,860,042	3.73%
Purchased services	24,455,295	8,509,427	34.80%	29,125,853	9,272,841	31.84%	763,414	8.97%
Supplies & materials	17,026,824	8,564,964	50.30%	15,853,078	6,527,249	41.17%	(2,037,715)	-23.79%
Capital outlay	1,703,854	335,236	19.68%	1,289,752	340,623	26.41%	5,387	1.61%
Other	1,816,136	413,042	22.74%	2,326,180	1,289,191	55.42%	876,149	212.12%
Transfers out	2,088,979	1,239,833	59.35%	4,080,694	3,150,245	77.20%	1,910,412	154.09%
Contingency and budget savings	-	-	-	24,416,413	-	-	-	0.00%
Total	\$ 454,684,629	\$ 156,004,899	34.31%	\$ 488,301,358	\$ 163,920,676	33.57%	\$ 7,915,777	5.07%

Beaverton School District
Comparison of Year-To-Date Revenue and Expenditures to the Prior Year - Variance Analysis
General Fund
For the Period Ended November 30, 2018

	Variance		Explanation of Variance
	Increase (Decrease) From Prior Year		
	\$	%	
REVENUES:			
Beginning fund balance	(8,327,513)	-21.95%	Decrease is due to use of fund balance in 2017-18.
Property taxes	(1,755,021)	-1.49%	Variance is due to property taxes received from settlement payment in 2018-19.
State School Fund	(2,214,068)	-1.71%	Variance is due to higher initial payments in 2017-18.
County School Fund	172,491	0.00%	Variance is due to timing of the County School Fund.
ESD apportionment	(5,329,268)	-100.00%	Variance is due to timing of ESD appointment payments.
Charges for services *	151,978	120.92%	Variance is due to timing of charges for services.
Other	(488,510)	-73.30%	Variance is due to timing of other additional revenues.
EXPENDITURES:			
Salaries	4,538,089	5.21%	Increase is expected as budgeted for in 2018-19.
Benefits	1,860,042	3.73%	Increase is expected as budgeted for in 2018-19.
Purchased services	763,414	8.97%	Variance is due to timing of expenditures.
Supplies & materials	(2,037,715)	-23.79%	Variance is due to recognition timing of a lease payment initially treated a supplies & materials in 2017-18.
Other	876,149	212.12%	Variance is due to recognition timing of a lease payment initially treated a supplies & materials in 2017-18.
Transfers out	1,910,412	154.09%	Variance is due to increase in transfer for Sustainability Fund due to increase revenues in 2017-18.

* New variance explanation for current month

Beaverton School District
Summary of Revenue, Expenditures and Encumbrances
All Funds Except General Fund
For the Period Ended November 30, 2018

Funds	Revenue				Expenditures						Fund Balance
	Final Budget <i>(Incl Beg Fund Bal)</i>	YTD Revenue <i>(Incl Beg Fund Bal)</i>	Budget Variance		Final Budget	YTD Expenditures <i>(Inc transfers out)</i>	Encumbrances	YTD Expenditures & Encumbrances	Budget Variance		
			\$	%					\$	%	
Student Body Fund	\$ 10,700,000	\$ 7,068,163	\$ (3,631,837)	66.06%	\$ 10,700,000	\$ 154,380	\$ 109,674	\$ 264,054	\$ (10,435,946)	2.47%	\$ 6,804,109
Special Purpose Fund	12,160,000	2,022,882	(10,137,118)	16.64%	12,160,000	957,435	299,034	1,256,469	(10,903,531)	10.33%	766,413
Categorical	6,525,000	2,762,517	(3,762,483)	42.34%	6,525,000	676,071	351,402	1,027,473	(5,497,527)	15.75%	1,735,044
Grant Fund	42,497,719	5,492,211	(37,005,508)	12.92%	42,497,719	7,258,855	1,949,937	9,208,792	(33,288,927)	21.67%	(3,716,581)
Equipment Replacement Fund	4,080,000	3,833,458	(246,542)	93.96%	4,080,000	351,700	1,296,966	1,648,666	(2,431,334)	40.41%	2,184,792
Sustainability Fund	22,201,279	22,236,279	35,000	100.16%	22,201,279	-	-	-	(22,201,279)	0.00%	22,236,279
Nutrition Services Fund	19,477,834	7,293,272	(12,184,562)	37.44%	19,477,834	4,695,114	3,489,021	8,184,135	(11,293,699)	42.02%	(890,863)
Debt Service Fund	82,899,491	61,464,695	(21,434,796)	74.14%	82,899,491	324,430	-	324,430	(82,575,061)	0.39%	61,140,265
Capital Projects Fund	316,314,000	300,928,270	(15,385,730)	95.14%	316,314,000	34,105,237	69,575,404	103,680,641	(212,633,359)	32.78%	197,247,629
Insurance Reserve Fund	6,362,430	3,613,215	(2,749,215)	56.79%	6,362,430	2,193,258	1,123,157	3,316,415	(3,046,015)	52.12%	296,800
Workers' Compensation Fund	3,786,436	3,633,731	(152,705)	95.97%	3,786,436	1,045,129	92,638	1,137,767	(2,648,669)	30.05%	2,495,964
Scholarship Fund	400,000	383,725	(16,275)	95.93%	400,000	18,020	11,500	29,520	(370,480)	7.38%	354,205
Pension Fund	65,000	61,970	(3,030)	95.34%	65,000	61,970	-	61,970	(3,030)	95.34%	-
Total	\$ 527,469,189	\$ 420,794,388	\$ (106,674,801)		\$ 527,469,189	\$ 51,841,599	\$ 78,298,733	\$ 130,140,332	\$ (397,328,857)		\$ 290,654,056



BEAVERTON SCHOOL DISTRICT CLASSROOM TEACHER ALLOCATION 2018-19
As of 11/30/18

School				Budget		Actual		Increase
	Budgeted Enrollment	9/30/18 Enrollment	Enrollment Change	Without Levy APU	With Levy APU	Without Levy APU	With Levy APU	
Aloha Huber (K-8)	891	926	35	34.0	39.0	34.8	39.8	
Barnes	617	634	17	26.0	30.0	25.5	29.5	
Beaver Acres	672	623	(49)	29.0	34.0	24.1	29.1	
Bethany	517	534	17	21.0	23.0	22.0	24.0	
Bonny Slope	646	650	4	25.0	29.0	26.0	30.0	
Cedar Mill	422	428	6	15.0	21.0	15.0	21.0	
Chehalem	454	471	17	19.0	24.0	19.0	24.0	
Cooper Mountain	503	469	(34)	22.0	25.0	21.9	24.9	
Elmonica	737	757	20	29.0	34.0	29.7	34.7	
Errol Hassell	462	441	(21)	19.0	22.0	19.0	22.0	
Findley	680	685	5	28.5	32.5	28.5	32.5	
Fir Grove	421	385	(36)	15.0	21.0	14.9	20.9	
Greenway	324	332	8	15.0	17.0	15.7	17.7	
Hazeldale	426	440	14	17.0	23.0	16.9	22.9	
Hiteon	650	638	(12)	25.0	31.0	25.6	31.8	
Jacob Wismer	763	725	(38)	29.0	35.0	28.0	34.0	
Kinnaman	640	630	(10)	25.0	31.0	25.0	31.0	
McKay	243	283	40	11.0	14.0	12.8	15.8	
McKinley	606	575	(31)	26.0	31.0	25.9	30.9	
Montclair	304	307	3	13.0	15.0	13.0	15.0	
Nancy Ryles	575	642	67	22.0	27.0	21.0	26.0	
Oak Hills	522	552	30	22.0	25.0	22.9	26.9	
Raleigh Hills (K-8)	559	532	(27)	23.0	30.0	21.9	28.9	
Raleigh Park	361	353	(8)	16.0	21.0	16.0	21.0	
Ridgewood	387	399	12	17.0	22.0	17.0	22.0	
Rock Creek	575	578	3	23.0	28.0	23.0	28.0	
Sato	555	596	41	23.0	28.0	23.0	28.0	
Scholls Heights	520	521	1	21.0	26.0	21.0	26.0	
Sexton Mountain	512	526	14	21.0	24.0	21.0	24.0	
Springville (K-8)	818	821	3	32.0	38.0	32.0	38.0	
Terra Linda	348	332	(16)	15.0	18.0	15.9	18.9	
Vose	622	647	25	33.5	39.5	24.6	30.6	
West TV	354	331	(23)	16.0	20.0	15.1	19.1	
William Walker	425	431	6	17.0	22.0	16.8	21.8	
Elementary School Total	18,111	18,194	83	745.0	900.0	734.5	890.8	156.3



BEAVERTON SCHOOL DISTRICT CLASSROOM TEACHER ALLOCATION 2018-19
As of 11/30/18

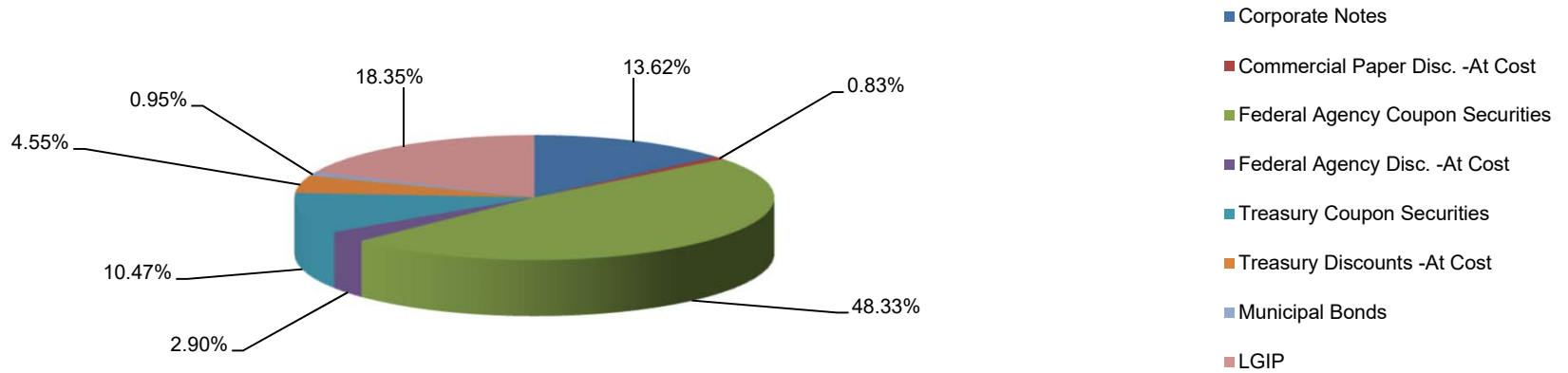
School	Budget			Actual		Increase		
	Budgeted Enrollment	9/30/18 Enrollment	Enrollment Change	Without Levy APU	With Levy APU		Without Levy APU	With Levy APU
Cedar Park	979	996	17	33.1	39.6	33.0	39.5	
Conestoga	992	964	(28)	32.6	39.1	32.6	39.1	
Five Oaks	976	967	(9)	36.5	43.0	34.6	41.1	
Highland Park	838	848	10	27.1	33.6	27.0	33.5	
Meadow Park	826	794	(32)	32.6	38.6	32.6	38.6	
Mountain View	853	888	35	29.6	36.6	28.9	35.9	
Stoller	1,497	1,514	17	48.1	58.1	47.6	58.6	
Whitford	687	692	5	27.1	32.6	27.1	33.0	
Middle School Total	7,648	7,663	15	266.7	321.2	263.4	319.3	55.87
Aloha	1,701	1,773	72	65.0	75.4	62.5	74.1	
Beaverton	1,558	1,513	(45)	62.7	72.3	61.5	71.1	
Mountainside	1,285	1,350	65	44.1	52.1	43.9	52.4	
Southridge	1,405	1,401	(4)	50.8	59.4	49.8	58.4	
Sunset	2,038	2,019	(19)	69.3	82.1	69.1	81.9	
Westview	2,353	2,364	11	80.4	95.0	79.4	94.0	
High School Total	10,340	10,420	80	372.4	436.4	366.1	431.8	65.71
Arts & Communication Magnet Academy (ACMA)	736	699	(37)	28.4	32.8	27.7	32.1	
Community School	160	151	(9)	10.6	11.8	11.0	12.2	
Health & Science High School	726	740	14	27.5	32.2	27.0	31.7	
International School of Beaverton	887	862	(25)	34.8	40.4	33.6	39.2	
School of Science & Technology	179	163	(16)	7.6	8.6	7.8	8.8	
Options Schools Total	2,688	2,615	(73)	108.9	125.8	107.0	123.9	16.90
Address Extreme Class Size K-12	-	-	-	-	4.5	-	0.0	
District Total	38,787	38,892	105	1,493.0	1,787.9	1,471.1	1,765.9	294.8

	Adopted Budget	Current Projection	Year-to-Date Actual
Beginning Fund Balance 7/1/18	\$ -	\$ 121,798	\$ 121,798
Projected Revenue:	32,482,500	32,482,500	18,767,835
Projected Expense:	32,482,500	32,482,500	11,149,898
Projected Fund Balance 6/30/19:	\$ -	\$ 121,798	\$ 7,739,735



**Beaverton School District
Portfolio Management
Portfolio Summary
November 30, 2018**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	YTM	YTM 365 Equiv.	Maximum % of Portfolio allowed per Board policy
Corporate Notes	64,890,000.00	64,324,124.19	64,725,402.51	13.62%	582	2.165	2.165	35%
Commercial Paper Disc. -At Cost	4,000,000.00	3,944,266.68	3,944,266.68	0.83%	209	2.481	2.515	35%
Federal Agency Coupon Securities	229,500,000.00	227,270,226.00	229,621,232.74	48.33%	711	1.558	1.558	100%
Federal Agency Disc. -At Cost	14,200,000.00	13,811,050.00	13,797,568.00	2.90%	396	2.693	2.73	100%
Treasury Coupon Securities	50,000,000.00	49,680,370.00	49,729,071.88	10.47%	282	2.111	2.111	100%
Treasury Discounts -At Cost	22,073,000.00	21,702,547.81	21,628,872.15	4.55%	463	1.812	1.838	100%
Municipal Bonds	4,500,000.00	4,498,380.00	4,497,130.00	0.95%	328	2.420	2.420	30%
LGIP	87,183,130.80	87,183,130.80	87,183,130.80	18.35%	1	2.100	2.100	100%
	476,346,130.80	472,414,095.48	475,126,674.76	100.00%	490	1.858	1.861	
Accrued Interest at Purchase		228,578.46	228,578.46					
Total Cash and Investments	476,346,130.80	472,642,673.94	475,355,253.22		490	1.858	1.861	



**Beaverton School District
Portfolio Management
Portfolio Details - Investments
November 30, 2018**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	YTM	YTM 365	Maturity Date
Corporate Notes												
037833CZ1	11054	Apple Corp		03/13/2018	2,000,000.00	1,975,160.00	1,976,580.00	1.500	548	2.300	2.300	09/12/2019
06367VHL2	11020	BANK OF MONTREAL		06/20/2017	5,000,000.00	4,993,680.00	5,057,725.60	2.375	584	1.639	1.639	01/25/2019
06416CAB4	11007	BANK OF NOVA SCOTIA		05/24/2017	5,000,000.00	4,910,070.00	5,006,950.00	1.850	1,056	1.800	1.800	04/14/2020
084664CK5	11055	BERKSHIRE HATHAWAY FIN		03/13/2018	1,500,000.00	1,477,429.50	1,479,075.00	1.300	520	2.302	2.302	08/15/2019
17275RAX0	11057	Cisco Corp		05/14/2018	5,000,000.00	4,968,790.00	4,973,250.00	2.450	763	2.715	2.715	06/15/2020
48127HAA7	11078	BANK ONE CORP J P MORGAN		11/26/2018	5,000,000.00	4,969,400.00	4,969,400.00	2.200	330	2.888	2.888	10/22/2019
46625HJR2	11035	JP MORGAN CHASE		12/08/2017	6,500,000.00	6,489,704.00	6,536,400.00	2.350	416	1.850	1.850	01/28/2019
594918BV5	11056	Microsoft Corp		05/03/2018	6,026,000.00	5,948,999.77	5,954,290.60	1.850	644	2.545	2.545	02/06/2020
594918BN3	11080	Microsoft Corp		11/26/2018	4,084,000.00	4,038,259.20	4,038,259.20	1.100	255	2.725	2.725	08/08/2019
63254AAQ1	11015	National Australian Bank/NY		06/01/2017	4,780,000.00	4,709,131.72	4,738,022.11	1.375	771	1.800	1.800	07/12/2019
63254AAM0	11053	National Australian Bank/NY		02/01/2018	5,000,000.00	4,981,180.00	4,997,650.00	2.000	347	2.050	2.050	01/14/2019
89236TCF0	11008	Toyota Cap Corp		05/24/2017	5,000,000.00	4,939,800.00	5,054,350.00	2.150	1,023	1.750	1.750	03/12/2020
90331HMY6	11043	US BANK		12/18/2017	5,000,000.00	4,950,920.00	4,971,850.00	1.400	494	1.822	1.822	04/26/2019
45905UVE1	11077	World Bank		11/26/2018	5,000,000.00	4,971,600.00	4,971,600.00	1.750	307	2.435	2.435	09/29/2019
Subtotal and Average			53,076,019.84		64,890,000.00	64,324,124.19	64,725,402.51		582	2.165	2.165	
Commercial Paper Disc. -At Cost												
46640QML2	11061	JP MORGAN CHASE		05/25/2018	4,000,000.00	3,944,266.68	3,944,266.68	2.400	209	2.481	2.515	12/20/2018
Subtotal and Average			9,212,532.04		4,000,000.00	3,944,266.68	3,944,266.68		209	2.481	2.515	
Federal Agency Coupon Securities												
3132X0BF7	11081	FARMER MAC		11/29/2018	11,500,000.00	11,430,080.00	11,430,080.00	1.500	197	2.637	2.637	06/14/2019
3133EG3X1	11000	Federal Farm Credit Bank		05/18/2017	10,000,000.00	9,949,010.00	9,995,032.74	1.250	609	1.280	1.280	01/17/2019
3130AAYV4	11002	Federal Home Loan Bank		05/19/2017	30,000,000.00	29,841,690.00	30,125,400.00	1.450	650	1.211	1.211	02/28/2019
3130ABAN6	11003	Federal Home Loan Bank		05/19/2017	20,000,000.00	19,835,220.00	20,000,000.00	1.300	705	1.300	1.300	04/24/2019
3130AAYV4	11012	Federal Home Loan Bank		05/30/2017	20,000,000.00	19,894,460.00	20,047,200.00	1.450	639	1.312	1.312	02/28/2019
313383HU8	11022	Federal Home Loan Bank		06/26/2017	18,000,000.00	17,707,086.00	18,125,820.00	1.750	1,082	1.508	1.508	06/12/2020
313379EE5	11023	Federal Home Loan Bank		06/26/2017	20,000,000.00	19,854,840.00	20,111,000.00	1.625	718	1.338	1.338	06/14/2019
3130AAE46	11052	Federal Home Loan Bank		02/01/2018	10,000,000.00	9,947,940.00	9,945,200.00	1.250	349	1.829	1.829	01/16/2019
3134GBQZ8	11004	Federal Home Loan Mtg Corp		05/22/2017	20,000,000.00	19,660,100.00	20,000,000.00	1.550	1,096	1.550	1.550	05/22/2020
3134GBRN4	11005	Federal Home Loan Mtg Corp		05/25/2017	25,000,000.00	24,637,225.00	25,000,000.00	1.450	914	1.450	1.450	11/25/2019
3134GBRP9	11006	Federal Home Loan Mtg Corp		05/30/2017	25,000,000.00	24,671,075.00	25,000,000.00	1.375	820	1.375	1.375	08/28/2019
3137EAEH8	11079	Federal Home Loan Mtg Corp		11/26/2018	10,000,000.00	9,911,500.00	9,911,500.00	1.375	262	2.623	2.623	08/15/2019
3135G0ZG1	11074	Federal National Mtg Assn		11/16/2018	10,000,000.00	9,930,000.00	9,930,000.00	1.750	300	2.614	2.614	09/12/2019
Subtotal and Average			205,907,129.07		229,500,000.00	227,270,226.00	229,621,232.74		711	1.558	1.558	

**Beaverton School District
Portfolio Management
Portfolio Details - Investments
November 30, 2018**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	YTM	YTM 365	Maturity Date
Federal Agency Disc. -At Cost												
76116EFU9	11082	Resolution Funding Corp		11/30/2018	10,000,000.00	9,832,600.00	9,832,600.00	2.655	227	2.728	2.766	07/15/2019
912833LA6	11060	US TREASURY STRIPS		05/24/2018	4,200,000.00	3,978,450.00	3,964,968.00	2.475	814	2.604	2.641	08/15/2020
Subtotal and Average			4,292,721.33		14,200,000.00	13,811,050.00	13,797,568.00		396	2.693	2.730	
Treasury Coupon Securities												
912828C24	11041	U.S. Treasury		12/13/2017	10,000,000.00	9,951,170.00	9,981,900.00	1.500	442	1.651	1.651	02/28/2019
912828B33	11042	U.S. Treasury		12/13/2017	10,000,000.00	9,958,200.00	9,976,171.88	1.500	414	1.713	1.713	01/31/2019
912828R44	11073	U.S. Treasury		11/16/2018	10,000,000.00	9,925,800.00	9,925,800.00	0.875	180	2.385	2.385	05/15/2019
912828R44	11075	U.S. Treasury		11/26/2018	10,000,000.00	9,930,000.00	9,930,000.00	0.875	170	2.382	2.382	05/15/2019
912828R85	11076	U.S. Treasury		11/26/2018	10,000,000.00	9,915,200.00	9,915,200.00	0.875	201	2.431	2.431	06/15/2019
Subtotal and Average			28,228,505.21		50,000,000.00	49,680,370.00	49,729,071.88		282	2.111	2.111	
Treasury Discounts -At Cost												
912833KW9	11011	U.S. Treasury		05/30/2017	7,073,000.00	6,882,467.53	6,873,081.87	1.261	807	1.302	1.320	08/15/2019
912833KU3	11050	U.S. Treasury		01/25/2018	10,000,000.00	9,864,290.00	9,800,000.00	1.865	386	1.919	1.945	02/15/2019
912796RH4	11085	U.S. Treasury		11/30/2018	5,000,000.00	4,955,790.28	4,955,790.28	2.290	139	2.310	2.343	04/18/2019
Subtotal and Average			16,838,274.88		22,073,000.00	21,702,547.81	21,628,872.15		463	1.812	1.838	
Municipal Bonds												
13063CKL3	11066	CALIFORNIA STATE		07/13/2018	3,500,000.00	3,497,130.00	3,497,130.00	2.250	292	2.352	2.352	05/01/2019
798189PB6	11065	San Jose Evergreen Cmty Clg D		06/05/2018	1,000,000.00	1,001,250.00	1,000,000.00	2.657	453	2.659	2.659	09/01/2019
Subtotal and Average			4,497,130.00		4,500,000.00	4,498,380.00	4,497,130.00		328	2.420	2.420	
LGIP												
LGIP 4010	LGIP4010	LGIP		07/01/2006	48,334,273.68	48,334,273.68	48,334,273.68	2.100	1	2.100	2.100	
LGIP 4966	LGIP4966	LGIP		05/11/2017	15,428,824.70	15,428,824.70	15,428,824.70	2.100	1	2.100	2.100	
LGIP 4972	LGIP4972	LGIP		05/11/2017	1,423,581.40	1,423,581.40	1,423,581.40	2.100	1	2.100	2.100	
LGIP 5173	LGIP5173	LGIP		06/30/2006	21,996,451.02	21,996,451.02	21,996,451.02	2.100	1	2.100	2.100	
Subtotal and Average			47,417,788.90		87,183,130.80	87,183,130.80	87,183,130.80		1	2.100	2.100	
Total and Average			369,470,101.29		476,346,130.80	472,414,095.48	475,126,674.76		490	1.858	1.861	

**Beaverton School District
Portfolio Management
Portfolio Details - Cash
November 30, 2018**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	YTM	YTM 365
		Average Balance	0.00	Accrued Interest at Purchase		228,578.46	228,578.46		0		
				Subtotal		228,578.46	228,578.46				
		Total Cash and Investments	369,470,101.29		476,346,130.80	472,642,673.94	475,355,253.22		490	1.858	1.861

**BEAVERTON SCHOOL DISTRICT
CASH ACTIVITY REPORT FOR ALL FUNDS**

NOVEMBER 2018

	ENDING BALANCE 10/31/2018	CASH RECEIPTS	CASH DISBURSEMENTS	NET INVESTMENT TRANSFERS	ENDING BALANCE 11/30/2018
CASH PER BOOKS					
US Bank Checking	\$ 1,081,269	\$ 3,945,459	\$ (46,649,685)	\$ 76,430,284	\$ 34,807,327
Wells Fargo Checking	2,198,941	720,655	(260,986)	-	2,658,610
TOTAL CASH PER BOOKS	\$ 3,280,210	\$ 4,666,114	\$ (46,910,671)	\$ 76,430,284	\$ 37,465,937

	ENDING BALANCE 10/31/2018	INVESTMENT RECEIPTS	INVESTMENT PURCHASES	INVESTMENT MATURITIES / SALES	ENDING BALANCE 11/30/2018
INVESTMENTS					
Castle Oak	\$ 81,524,027	\$ -	\$ 35,212,439	\$ (10,294,291)	\$ 106,442,175
Wells Fargo	21,660,463	-	-	-	21,660,463
Piper Jaffray	210,189,338	-	54,597,790	(4,946,222)	259,840,906
Oregon State LGIP	28,672,608	209,510,523	-	(151,000,000)	87,183,131
TOTAL INVESTMENTS	\$ 342,046,436	\$ 209,510,523	\$ 89,810,229	\$ (166,240,513)	\$ 475,126,675

TOTAL CASH & INVESTMENTS	\$ 345,326,646	\$ 512,592,612
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FIRST READING OF SCHOOL BOARD POLICIES

POLICY ISSUE

Attached are first readings of School Board policies:

- **JECA** – Admission of Resident Students
- **JHFF** – Reporting Requirements Regarding Sexual Conduct with Students
- **JN** – Student Fees

BACKGROUND INFORMATION

In the Fall of 2016 the Beaverton School Board contracted with Oregon School Boards Association to review and readopt all Beaverton School District policies and administrative regulations. The review of all policies was completed in June 2018. The Policy Subcommittee continues to meet to discuss suggested changes by OSBA. All departments continue to work to reach compliance of administrative regulations.

RECOMMENDATION

It is recommended that the School Board review these policies.

District Goal: WE Empower all students to achieve post-high school success.

"The District prohibits discrimination and harassment based on any basis protected by law, including but not limited to, an individual's actual or perceived race, color, religion, sex, sexual orientation, gender identity, gender expression, national or ethnic origin, marital status, age, mental or physical disability, pregnancy, familial status, economic status, veteran status, or because of a perceived or actual association with any other persons within these protected classes."

Beaverton School District

Code: **JECA**
Adopted: 3/17/14
Revised/Readopted: 5/14/18
Orig. Code(s): JEC; JECA

Admission of Resident Students**

A student is considered to be a resident student if they reside permanently or continuously with a parent or person in a parental relationship within the district attendance area. School-age students between the ages of 5-19, who live within the district attendance area, shall be allowed to attend school without paying tuition.

State law considers a child to be six years of age if the sixth birthday of the child occurred on or before September 1, and is eligible to enter first grade; a child is considered to be five years of age if the fifth birthday of the child occurred on or before September 1, and is eligible to enter kindergarten.

Students enrolled in the district shall comply with Oregon laws related to age, residence, health, attendance and immunization.

Students located in the district shall not be excluded from admission where they are otherwise eligible, not receiving special education, and not yet attained the age of 19 prior to the beginning of the current school year.

Students who attend a district school on an inter-district transfer or open enrollment are considered residents of the district.

Students living in the district who have attained the age of majority are considered residents of the district.

Minor students living with a parent or guardian who resides in the district are considered residents of the district.

Students who are wards of the court and who are placed in the district are residents of the district.

Students who turn 19 years of age during the school year shall continue to be eligible for a free and appropriate public education for the remainder of the school year.

The district may admit otherwise eligible students who have not yet attained 21 years of age prior to the beginning of the current school year if they are receiving special education services and they have not earned received a regular ~~or a modified~~ diploma or has received a modified diploma, extended diploma, or an alternative certificate. These students may attend school without paying tuition for the remainder of the school year

Students with disabilities voluntarily placed outside the home by their parent may continue to attend the school the student was attending prior to the placement as a district resident based upon the factors set forth in ORS 339.134.

The district may, based on district criteria, deny school admission to students who have become residents and who are under expulsion from another school district for reasons other than a weapons policy violation. The district will place students appropriately. The district will uphold the conditions of expulsion for the designated time remaining for the expulsion.

The district shall deny for at least one calendar year from the date of the expulsion regular school admission to students who have become residents and who are under expulsion from another school district for a weapons policy violation. The superintendent may modify the time period as warranted by circumstances.

The district will not provide alternative programs of instruction to students who are currently under expulsion for a weapons policy violation.

END OF POLICY

Legal Reference(s):

[ORS 109.056](#)

[ORS 327.006](#)

[ORS 336.092](#)

[ORS 339.115](#)

[ORS 339.125](#)

[ORS 339.133](#)

[ORS 339.134](#)

[ORS 433.267](#)

[OAR 581-022-2220](#)

Illegal Immigration and Immigration Reform Act of 1996, 8 U.S.C. §§ 1101, 1221, 1252, 1324, 1363, 1367 (2012).

McKinney-Vento Homeless Assistance Act, Subtitle VII-B, reauthorized by Title IX-A of Every Student Succeeds Act (ESSA) 42 U.S.C. §§ 11431, 11431a) (2015).

Reporting Requirements Regarding Sexual Conduct with Students

Sexual conduct by district/school employees, contractors or agents¹ of the district, as defined by Oregon law and this policy, will not be tolerated. All district employees, contractors and agents of the district are subject to this policy.

The first two elements of the following definition will be considered sufficient cause for taking disciplinary action.

“Sexual conduct” as defined by Oregon law is any verbal or physical or other conduct by a school employee that is sexual in nature; directed toward a kindergarten through grade 12 student; unreasonably interferes with a student’s educational performance; and creates an intimidating, hostile or offensive educational environment. The definition for sexual conduct does not include behavior that would be considered child abuse as outlined by Oregon law and district Board policy JHFE and JHFE-AR(1) - Reporting of Suspected Abuse of a Child.

Any district/school employee, contractor, agent of the district, or volunteer who has reasonable cause to believe that another district/school employee, contractor, agent of the district or volunteer has engaged in sexual conduct with a student must immediately notify his/her immediate supervisor. The supervisor will begin an investigation and notify the designated human resource administrator as appropriate.

When the district receives a report of suspected sexual conduct by a district employee, the district may place the employee on paid administrative leave or in a position that does not involve direct, unsupervised contact with students, if available, while conducting an investigation. When the district receives a report of suspected sexual conduct by a contractor or agent of the district, the district may decide to suspend services of that contractor or place the agent in a position that does not involve direct, unsupervised contact with students while conducting an investigation. An investigation is a detailed inquiry into the factual allegations of a report of suspected sexual conduct that is based on interviews with the complainant, witnesses, and the district employee, the contractor, the agent of the district, or the student who is the subject of the report.

The investigation must meet any negotiated standards of an employment contract or agreement. If, following the investigation, the report is substantiated, the district will inform the district employee, contractor or agent of the district that the report has been substantiated and provide information regarding the appeal process. The district employee, contractor or agent of the district may appeal the district’s decision through an appeal process administered by a neutral third party. A substantiated

¹ An “agent” is a person authorized to act on behalf of another (called the principal) to create legal relations with a third party.

report means a report of abuse or sexual conduct ~~is one~~ that: a) is supported by reasonable evidence; and b) involves conduct that the educational provider determines is sufficiently serious to be documented in the employee's personnel file or the administrative file for the contractor or agent of the district. Notification to the Teacher Standards and Practices Commission (TSPC) will be made, as appropriate under Oregon law.

If the district employee, contractor or agent of the district decides not to appeal the determination or if the determination is sustained after an appeal, a record of the substantiated report will be placed in the employee's personnel file or in the administrative file for the contractor or agent of the district. The employee, contractor or agent of the district will be notified that this information may be disclosed to a potential employer. The district will not serve as a reference for a contractor or agent of the district that has a substantiated report.

The district will post in each school building the name and contact information of the person designated to receive sexual conduct reports, as well as the procedures the superintendent or designee will follow upon receipt of a report. In the event that the designated person is the suspected perpetrator, the superintendent or designee shall receive the report. When the superintendent or designee takes action on the report, the person who initiated the report must be notified. When the superintendent is the suspected perpetrator, the Board chair shall receive the report.

The initiation of a report in good faith about suspected sexual conduct may not adversely affect any terms or conditions of employment or the work environment of the complainant. If a student initiates a report of suspected sexual conduct by a district employee, a contractor, or an agent of the district in good faith, the student will not be disciplined by the Board or any district employee.

The district will provide annual training to district employees, parents and students regarding the prevention and identification of sexual conduct. The district will provide to employees, contractors or agents of the district at the time of hire a description of conduct that may constitute sexual conduct and a description of records subject to disclosure if a sexual conduct report is substantiated.

Educational providers shall follow hiring and reporting procedures as outlined in Oregon Revised Statute ORS 339.374 for all district employees.

END OF POLICY

Legal Reference(s):

[ORS 339.370 - 339.400](#)

[ORS 418.746 - 418.751](#)

[ORS 419B.005 - 419B.045](#)

Every Student Succeeds Act, 20 U.S.C. § 7926 (2012)

Cross Reference(s):

GCAB - Personal Electronic Devices and Social Media - Staff

JHFE - Reporting of Suspected Abuse of a Child

Beaverton School District

Code: JN
• Adopted: 1/25/82
Readopted: 3/10/97,
5/9/05, 4/3/12
Orig. Code: 5135.1

STUDENT FEES

The Board recognizes the need for student fees to fund certain school activities, consistent with the provisions of Oregon Revised Statutes.

No student will be denied an education because of his/her inability to pay supplementary fees.

No student, however, is exempt from charges for lost or damaged books, locks, materials, supplies and equipment.

Fee structures and consequences of non-payment of fees will be communicated to the students and community annually.

In accordance with the law and Board policy, restrictions and/or penalties may be imposed until such fees, fines or charges are paid. Students or parents will receive written notice at least 10 days in advance of any restrictions and/or penalties to be imposed until the debt is paid. The notice will include the reason the student owes money to the district, an itemization of the fees, fines or damages owed and the right of parents to request a hearing. The district may pursue fees, fines, or damages owed through a private collection agency or other method available to the district. The district may waive fees, fines and charges if the student or parents cannot pay, the payment of the debt could impact the health and safety of the student or if the cost of collection would be more than the total collected or there are mitigating circumstances, as determined by the superintendent.

Education records shall not be withheld for student fees, fines and charges if requested in circumstances described in Oregon Revised Statute 326.575 and applicable rules of the State Board of Education or such records are requested for use in the appropriate placement of a student.

Prior to collection of debts, the superintendent will ensure that notice has been provided as required by ORS 339.270.

~~Education records shall not be withheld for student fees, fines and charges if requested in circumstances described in ORS 326.575 and applicable rules of the State Board of Education or such records are requested for use in the appropriate placement of a student.~~

~~Students or parents owing money to the District will receive written notice that includes the reason the student owes money to the District, and an itemization of the fees, fines or damages owed and the right to request a hearing.~~

END OF POLICY

Legal References:

[ORS 326.565](#)
[ORS 326.575](#)
[ORS 339.115](#)
[ORS 339.155](#)
[ORS 339.270](#)

Policy JO - Education Records



WE EXPECT EXCELLENCE



WE INNOVATE



WE EMBRACE EQUITY



APPOINT BUDGET COMMITTEE MEMBER TO FILL VACANCY**POLICY ISSUE / SITUATION:**

The Budget Committee has one (1) vacancy in the following zone:

- Zone 2: School Board Member – Anne Bryan

BACKGROUND INFORMATION:

The School Board needs to appoint a community representative from Zone 2 to serve a two-year term on the Budget Committee.

The School Board established the following process during the August School Board Meeting:

- Publicize the openings as broadly as possible using all communication channels in September/October
- Request a letter of interest and resume from each candidate
- Each Board Member would interview candidates for their zone in October
- Present appointees at the November 26, 2018 and December 17, 2018 School Board Meetings for Board approval

RECOMMENDATION:

BE IT RESOLVED it is recommended that the School Board approve the following appointee to fill the vacant Budget Committee position:

Sarah Beachy Zone 2 2020

District Goal: WE Empower all students to achieve post-high school success.

"The District prohibits discrimination and harassment based on any basis protected by law, including but not limited to, an individual's actual or perceived race, color, religion, sex, sexual orientation, gender identity, gender expression, national or ethnic origin, marital status, age, mental or physical disability, pregnancy, familial status, economic status, veteran status, or because of a perceived or actual association with any other persons within these protected classes."

SARAH FISHER BEACHY

14609 NW Safflower Drive, Portland, OR 97229
(770) 655-2027 sarahfisherbeachy@gmail.com

Offering ten years of political, policy and management experience, extensive knowledge of state and local agencies, and public relations experience in areas extending from constituent advocacy to media relations.

EXPERIENCE

North Bethany County Service District for Roads, Chair ***April 2017 – present***

- ◆ Serve as part of Washington County’s budget committee, one of the five community members designated to oversee the special funding sources for the development of roads in the unincorporated area of the county brought into the Urban Growth Boundary
- ◆ Oversee the \$10 million budget from five different revenue streams to determine the best allocation for needed road improvements based on multiple safety factors and usage

Sato Elementary Community Organization, President ***September 2017 – present***

- ◆ Founded and led the non-profit parent-teacher organization for a brand new elementary school
- ◆ Fundraised and managed a \$40,000+ budget at a first-year school
- ◆ Established by-laws, policies and procedures to ensure a solid foundation for the organization
- ◆ Planned and successfully organized four major events for approximately 550 families
- ◆ Managed an executive board of seven others who had never held such positions before

Elementary Boundary Adjustment Committee, Member ***October 2016 – January 2017***

- ◆ Served as one of three representatives from our elementary school on the school district’s committee to adjust the attendance boundaries in order to address overcrowding and open a new school
- ◆ Worked extensively with parents in the community to hear and address their concerns with any of the possible changes
- ◆ Proposed the plan that was recommended by the committee and ultimately approved by the Superintendent

State Senator Eric Fingerhut (D-Cleveland, OH), Legislative Aide ***January 1999 – April 2005***

- ◆ Aide to the Ranking Minority Member of the Senate Finance and Financial Institutions Committee, tracking legislation and issues related to the Committee for the Democratic Caucus, focusing on the state operating and capital budgets
- ◆ Managed the passage of a bill, which became law in 2000, to strengthen Ohio’s anti-stalking regulations, increasing the penalty of “menacing by stalking” to a felony and permitting the denial of bail under certain circumstances
- ◆ Led the opposition to the carrying concealed weapons law, helping to coordinate safety, human service and children advocates to create a statewide grassroots campaign
- ◆ Coordinate media and logistics for 25-30 press conferences a year
- ◆ Write two to three press releases a month promoting legislation or issues affecting constituents
- ◆ Serve as the Senator’s representative at policy meetings with state agency directors and liaisons, constituents and lobbyists
- ◆ Managed and hired office staff including administrative assistant, constituent aide and page

The Ohio Democratic Party, Administrative Assistant ***November 1997 – December 1998***

- ◆ Served as the Intern and Volunteer Coordinator, organizing up to 50 people at one time
- ◆ Coordinated "Get Out The Vote" phone calls for the November election
- ◆ Organized the state Democratic sample ballot program by planning and maintaining information for state and local candidates across Ohio

- ◆ Helped to plan five fundraisers and the annual State Convention by selecting and working with vendors and acting as the liaison for candidates' campaigns
- ◆ Maintained database of over 10,000 contributors and contacts

EDUCATION

Bachelor of Arts in History and Political Science, Ohio Northern University

Study abroad - History, University of Wales, Lampeter, UK

ACTIVITIES

Board Member of McKenna Farms Therapy Services, Dallas, GA; founder of Jacob's Fund through the Red Thread Promise, a 501(c)(3), Brownie & Girl Scout leader, Whitefield Academy Troop 229; served as team and room mom at Whitefield Academy; avid volunteer for church and community service organizations such as Save-It-Forward and Project Live Love's Three-Oh-We-Go.



RALEIGH HILLS K-8 CONSTRUCTION**POLICY ISSUE/SITUATION**

The 2014 Capital Construction Bond includes a project for Raleigh Hills K-8 that includes building additions to eliminate portables, minor renovations, and improvements to vehicle circulation across the site. Facilities is poised to execute this project within the \$12 million budget available. However, it has become apparent that further investments would need to be made in this aging facility within the next 5-10 years that are not currently budgeted. In consideration of these future renovation costs and the constraints of the existing facility, construction of a new, state-of-the-art school in a future bond in lieu of the current project offers many advantages. Suspending the current project will allow consideration of the options available as the next bond is planned.

BACKGROUND INFORMATION

Staff presented a detailed report for discussion at the November 26, 2018 Board Business Meeting outlining the current condition of Raleigh Hills K-8 and comparing the cost of renovation to a new building. The report also included the recommendation from the Bond Accountability Committee.

The Board asked staff to conduct additional outreach to the community prior to the December 17, 2018 meeting. The following outreach has been conducted since this request:

- 1) Reposted in BSD Briefs, December 3 edition: [BSD Briefs 12/3/2018](#)
- 2) BSD Website update: <https://www.beaverton.k12.or.us/news/Pages/Raleigh-Hills-K-8-Construction-Update.aspx>
- 3) Reposted story on BSD main website under District News
- 4) Emailed leaders of 4 Citizen Participation Organizations (CPO- Wash. Co.)
- 5) Emailed leaders of 11 Neighborhood Association Committees (NACs- City of Beaverton)
- 6) Reposted to social media Dec. 5, 2018
- 7) Raleigh Hills Community & Alumni event - Dec. 1
- 8) Raleigh Hills Community Coffee - Dec. 7

This outreach netted no additional concerns or comments.

Attachment 1 is provided to fulfill the Board's request for additional information regarding the age, condition, capacity, and student loading of all district facilities. This data supports that a school at the Raleigh Hills site remains a long-term need for the District. And while no guarantees for inclusion in a future bond can be given, the age and condition of the current building make Raleigh Hills a viable contender for replacement.

Suspension of the current addition project provides needed flexibility to wisely use our resources and conduct future bond planning to the greatest effect for Raleigh Hills and the District as a whole.

RECOMMENDATION

BE IT RESOLVED that the School Board directs the Raleigh Hill K-8 Addition Project under the 2014 Capital Construct Bond be suspended indefinitely. Funds allocated to this project shall be preserved for future use at Raleigh Hills.

District Goal: WE Empower all students to achieve post-high school success.

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BEAVERTON SCHOOL DISTRICT
FACILITY INVENTORY
(SORT BY YEAR BUILT)

Site	Year Built	Last Remodel	Age in 2018 (years)	Replacement Year (75yr life)*	Capacity w/ Portables	2017/18 Enrollment
Beaverton	1915	2008	103	1990	2,122	1,608
Raleigh Hills (K-8)	1927	1991	91	2002	644	552
Barnes	1927	2008	91	2002/2058	808	630
McKay	1929	1990	89	2004	415	303
Terra Nova (9-12)	1938	1978	80	2013	84	N/A
ISB (6-12)	1944	2007	74	2019/2057	806	867
Cedar Mill	1950	1992	68	2025	403	438
Cooper Mountain	1954	1987	64	2029	588	523
Fir Grove	1954	1979	64	2029	593	439
Beaver Acres	1955	2008	63	2030	893	716
West Tualatin View	1955	1987	63	2030	398	370
Ridgewood	1958	1970	60	2033	499	430
Sunset	1958	2003	60	2033	2,203	2,073
Raleigh Park	1959	1974	59	2034	510	374
McKinley	1962	1992	56	2037	682	613
Meadow Park	1963	2002	55	2038	932	870
Whitford	1963	2002	55	2038	865	698
Cedar Park	1965	2002	53	2040	998	1,013
Highland Park	1965	2002	53	2040	955	918
Trans. 5th Street Station S	1965	2002	53	2040	N/A	N/A
Oak Hills	1967	1992	51	2042	615	562
Aloha	1968	2003	50	2043	2,176	1,797
Mountain View	1969	2001	49	2044	1,074	857
Transportation Allen	1969		49	2044	N/A	N/A
Montclair	1970	1992	48	2045	424	328
Terra Linda	1970	1989	48	2045	480	386
Capital Center (HS2)	1970	2010	48	2045	751	709
Bethany	1971	1977	47	2046	538	538
Chehalem	1971	1987	47	2046	556	491
Maintenance Center	1971	2008	47	2046	N/A	N/A
Administration Center	1972	2000	46	2047	N/A	N/A
TSC	1973	2010	45	2048	N/A	N/A
Hiteon	1974	2009	44	2049	736	664
Kinnaman	1975	2009	43	2050	819	688
Rock Creek	1975	1997	43	2050	611	569
Five Oaks	1976	1989	42	2051	1,236	1,039
Errol Hassel	1979	1988	39	2054	558	704
Greenway	1979	1989	39	2054	523	354
Elmonica	1980	1992	38	2055	637	704
BHS Merle Davies	1938	2010	80	2060	N/A	N/A
Sexton Mountain	1989		29	2064	751	526
Nancy Ryles	1992	1996	26	2067	731	580
Merlo Station (9-12)	1993		25	2068	376	154
Conestoga	1994		24	2069	1,085	956
Westview	1994	2003	24	2069	2,421	2,491
Findley	1997		21	2072	855	728
Stoller	1999	2002	19	2074	1,249	1,502
Southridge	1999	2007	19	2074	1,850	1,450
Scholls Heights	1999		19	2074	738	545
Admin. Aloha Branch	1999	2000	19	2074	N/A	N/A
Jacob Wismer	2001		17	2076	749	736
Trans. 5th Street Station N	2001		17	2076	N/A	N/A
Aloha Huber Park (K-8)	2006		12	2081	1,042	919
Bonny Slope	2008		10	2083	786	640
Springville K-8	2009		9	2084	950	822
ACMA PAC	2010		8	2085	N/A	N/A
Timberland	2016		2	2091	1,100	N/A
Sato	2017		1	2092	750	542
Vose	2017		1	2092	750	618
Mountainside	2017		1	2092	2,200	885
Hazeldale	2018		0	2093	750	458
William Walker	2019		-1	2094	750	466
ACMA (6-12)	2020		-2	2095	725	675

*Adjustment made for substantial/distinct remodel or addition.



ELMONICA ELEMENTARY BOUNDARY ADJUSTMENT

POLICY ISSUE / SITUATION:

Elmonica Elementary School has experienced a steady increase in enrollment, which has exceeded its permanent and portable capacity. Since 2012, enrollment has grown from 584 students to 757 (29%). Elmonica needs an attendance boundary adjustment to relieve overcrowding.

BACKGROUND INFORMATION:

Elmonica's growth in enrollment is linked to the increase in the general population within its current attendance boundary. The increase is attributable, in part, to new residential development. In response to the increased enrollment over the years, the District has installed 13 portable classrooms on site, two of which were added in 2018. Elmonica has a total building capacity of 713 students (466 seats in the permanent building, supplemented by 247 additional seats in portables). The school serves only general education students, and does not house a Self-Contained Specialized Program or Pre-Kindergarten program.

During the same period, Beaver Acres and McKinley Elementary Schools, which are adjacent to Elmonica, have experience a decline in enrollment. As of this school year, both schools are below 75% of their total capacity.

In consultation with Teaching & Learning administrators and the principals of Elmonica, McKinley, and Beaver Acres, Facilities staff has concluded that a boundary adjustment is necessary to relieve overcrowding at Elmonica. The result will be reducing Elmonica's attendance boundary and potentially enlarging the attendance boundaries of Beaver Acres and McKinley.

Staff presented this subject to the Board at its November 26, 2018 regular meeting. The Board requested that an advisory committee comprised of community members from the affected attendance boundaries area be formed to assist in developing a recommendation to the Superintendent. Recruitment for the advisory committee has been initiated and the recruitment period will close on January 4, 2019. The recommendation to the Superintendent will be developed consistent with Board Policy JC. The resulting boundary adjustment may include changes to two or more schools depending on the results of the analysis and public input. Due to the acute overcrowding at Elmonica, staff recommends the adjustment go into effect for the SY 2019-20 school year.

RECOMMENDATION:

Staff recommends the Board adopt the following Objectives to initiate a boundary adjustment for Elmonica elementary school.

Objective 1: Create an attendance boundary amendment that will provide overcrowding relief for Elmonica Elementary School for the SY 2019-20 school year.

Objective 2: To the degree feasible, balance future enrollment with each affected school's capacity.

District Goal: WE Empower all students to achieve post-high school success.

"The District prohibits discrimination and harassment based on any basis protected by law, including but not limited to, an individual's actual or perceived race, color, religion, sex, sexual orientation, gender identity, gender expression, national or ethnic origin, marital status, age, mental or physical disability, pregnancy, familial status, economic status, veteran status, or because of a perceived or actual association with any other persons within these protected classes."



WE EXPECT EXCELLENCE



WE INNOVATE



WE EMBRACE EQUITY



WE COLLABORATE

Resolution in Support of Stable and Adequate State Funding of Education

Whereas, 28 years ago Oregon voters passed Measure 5 unintentionally reducing revenues to Oregon schools, a reduction that has yet to be reversed.

Whereas, reduced revenues have led to a shortened school year, larger class sizes, cuts to library, art, music and physical education classes, higher caseloads for special education teachers, counselors, school psychologists, social workers, and nurses, fewer resources and training for educators, and higher fees and reduced access to sports and after school activities.

Whereas, despite the continued efforts of Beaverton educators and staff, the above reductions have severely restricted student opportunities and support.

Whereas, the Beaverton School District strives to empower all students to achieve post-high school success.

Whereas, every Beaverton student deserves sufficient resources and staff attention to support their social and emotional growth and the attainment of academic excellence.

Whereas, a strong education supports every aspect of our community including the growth of business, a strong civic life, and the advancement of science, medicine, humanities, and the arts.

Whereas, investments in education are proven to reduce later expenditures on healthcare and prisons and drive economic growth.

Whereas, the Oregon School Boards Association, the Confederation of Oregon School Administrators, and Beaverton Education Association support efforts for revenue reform.

Whereas, the August 2018 Quality Education Model Final Report, a benchmark report generated by Administrators, Educators, Professors, and Elected Leaders, calls for an allocation to the State School Fund for the 2019-21 biennium of \$10.734 billion.

Whereas, Oregon has one of the most volatile revenue systems in the nation, leading to sharp variations in school funding across biennia.

Now, therefore, be it resolved that the Beaverton School District Board of Directors calls upon the Oregon Legislature to fully fund kindergarten through twelfth grade education as defined by the Quality Education Model at an allocation of no less than \$10.734 billion for the 2019-2021 biennium.

Be it further resolved that that the Beaverton School District Board of Directors calls upon the Oregon Legislature to take measures to ensure stable and sustainable funding from biennium to biennium in order to avoid disruptive swings in investment levels.

Becky Tymchuk, School Board Chair

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APPROVAL OF SCHOOL BOARD MEETING MINUTES

POLICY ISSUE/SITUATION

Enclosed are the minutes for:

- November 26, 2018

BACKGROUND INFORMATION

Minutes of the School Board's Business Meetings, Work Sessions, Budget Meetings, Public Hearings and Special Sessions are presented to the Board for approval at School Board Business Meetings.

RECOMMENDATION:

BE IT RESOLVED that the minutes of the above School Board Business meeting be and hereby are approved.

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Board Members Present:

Becky Tymchuk, Chair
Eric Simpson, Vice Chair
LeeAnn Larsen
Donna Tyner
Susan Greenberg
Anne Bryan
Tom Colett

Staff Present:

Don Grotting	Superintendent
Ginny Hansmann	Deputy Superintendent of Teaching and Learning
Carl Mead	Deputy Superintendent of Operations
Gayellyn Jacobson	Chief Financial Officer
Steve Langford	Chief Information Officer
Sue Robertson	Chief Human Resource Officer
Maureen Wheeler	Public Communications Officer
David Williams	Administrator for Strategic Relations/Initiatives
Camellia Osterink	District Legal Counsel
Paul Odenthal	Executive Administrator for Facilities
Steven Sparks	Executive Administrator for Long Range Planning
Sheri Stanley	Administrator for Facilities Development
Aaron Boyle	Construction Operations Supervisor for Facilities
Jared Cordon	Administrator for Curriculum, Instruction & Assessment
Scarlet Valentine	Errol Hassell Elementary School Principal
Meghan Warren	Hiteon Elementary School Principal
Kathleen Skidmore	Executive Administrator for Elementary Schools
Patrick Meigs	Executive Administrator for Elementary Schools
Ken Struckmeier	Executive Administrator for Middle Schools
Jon Franco	Administrator for High Schools and Options

Visitors: 45

Media: 0

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CALL MEETING TO ORDER – Becky Tymchuk

School Board Chair Becky Tymchuk called the Business meeting to order at 6:30 p.m.

BOARD PROCEDURES – Becky Tymchuk

There were no changes to the agenda.

Pledge to the Flag

Rishab Jain led everyone in the Pledge.

Recognition of Students, Staff and Community

The Board recognized the following:

- Rishab Jain, an 8th grader at Stoller Middle School was recently named the winner of the 2018 Discovery 3M Young Scientist Challenge for his project.
- Christy Wilson was recognized as the 2018 Oregon SHAPE Elementary Teacher of the Year.
- Thao Do Gwilliam, Assistant Principal at Stoller Middle School was named the 2019 Assistant Principal of the Year by COSA (Confederation of School Administrators).
- Anne Bryan, Beaverton School Board Member received the first Oregon School Board Member of the Year Award presented by OSBA (Oregon School Board Association).

The video titled: Promise of Oregon was shown from OSBA.

PUBLIC PARTICIPATION

- Sara Schmitt, BEA President spoke about concerns that she is hearing of disruptive learning and large class loads. BEA has adopted a resolution from the Beaverton Political Action Committee to provide support for increasing Oregon Public School funding. They would like the School Board to consider adopting the resolution as well.
- Scott Drue, Principal at Aloha Huber Park K-8 spoke on the benefits of Early Release. There are extraordinary successes at Aloha Huber taking place. The outcomes at Aloha Huber have never been higher. He would like to see Early Release protected in the next school year.
- Adriane Driscoll from the Nancy Ryles Green Team, spoke on single use of plastics in cafeterias. She believes that there is too much utensil waste in plastic ware and would like to see it phased out. She suggests that food just be put on the trays instead and eliminate the plastic ware altogether.
- Celia Whitehead, Tomi Kluver, Karen Stevenson, Angel Thome and Lisa Myers from Greenway Elementary spoke about the need for additional help, training and support for students. Entire classes are affected when students exhibit extreme disruptive behavior. The staff are overwhelmed with problem solving and would like the additional help and support to keep Greenway safe. They don't have enough resources available to deal with all of the trauma that they are seeing in classrooms. The disruptive behavior makes it difficult for students to concentrate.

REPORTS

A. Superintendent's Comments – Don Grotting

Supt. Grotting spoke about the need for revenue reform and adequate funding by the State.

B. Beaverton Student Advisory Committee – Maggie Bick, Ritika Saripalli and Gabriel Kraemer

Currently they are debating the issues that are happening in their schools and possible solutions. The issues include: mental health, well-being in general, drug use, classroom behavior and social relations. One workgroup is working on the Instagram account that was introduced last year. The mental health

issues has so many layers to it, drug use, anxiety, relations, etc. They will be establishing a google document for schools to see what their needs are.

C. School Reports

Errol Hassell Elementary School – Scarlet Valentine

- Scarlet spoke about the growth made in English Language Arts by students with disabilities. Last year 12 of their 59 ELL students were able to exit out of ELL services.
- Overall, attendance has increased to 88%. She attributes this to students feeling connected to the school.
- Errol Hassell has strong parent involvement and a PTO that organizes many events each month. Students have a variety of school activities to participate in such as Oregon Battle of the Books, One School One Book and a student favorite - Robotics Club.
- Many of the students live in poverty and come to school tired and hungry. This year they started a new program called “grab and go breakfast”. This has doubled the number of students eating breakfast at school. Students who are eligible for FRLU and are late to school are able to grab a ready-made breakfast and head straight to class. Students who are not eligible are able to purchase the “grab and go” as well.
- Calming spaces are new this year and have proven to be very helpful. They have a half time Student Success Coach this year – it would be great to have a full time one.

Questions/Comments from the Board:

- Impressed with staff who welcome each and every student by name.
- How many room clears have occurred each year for the past three years and are they escalating? *Have not kept data on this in the past but approximate numbers are: three years ago there were approximately four, two years ago approximately nine and last year approximately 18. So far this year there have been five room clears.*
- Has the addition of a Student Success Coach helped with behavior issues and in what ways? *There has been tremendous success and we are already seeing students become more regulated. They do not anticipate having the same amount of room clears as last year due to the Student Success Coach.*
- What constitutes a room clear? *When a student is extremely disregulated they begin to throw things and become very disruptive causing the need to remove all other students.*

Principal Valentine would love to get into classrooms everyday but she often spends a large part of the time working with disregulated students. The Student Success Coach has been very impactful this year.

Hiteon Elementary School – Meghan Warren & Monica Arbow

- Hiteon has made growth in the last three years with their underperforming populations.
- They have been working collaboratively to increase student achievement for targeted sub-groups. They have targeted reading fundamentals to help all students articulate their reading goals and teachers meet with readers daily.

Questions/Comments from the Board:

- Third grade math scores are off the chart but what happened with 5th grade? *The fifth grade students need more scaffolding than they have had in the past. Why the drop after 4th grade? The approach used in primary is different than with the older students.*
- How many room clears have taken place? *No data has been collected in the past but probably around 20 a year. So far this year there have been eight room clears. Are they*

increasing? *Yes. Is the student success coach helping? It's helping but it will take a lot of time. The mental health needs of students is above and beyond the skill level of current staff. Social workers have also helped.*

- PYP school - what has the difference been? *It's a great foundation for best practices. If the funding were to go away it would not be sustainable.*

D. Early Learning Report – Jared Cordon

Beaverton currently has 10 Pre-K classrooms serving 160+ students and families located in five Beaverton elementary schools: Aloha Huber Park, Barnes, Bonny Slope, Greenway and Vose. Each school offers a morning and an afternoon Pre-K class. Classrooms consist of three BSD employees. They serve our most historically underserved students, including students with disabilities, students who speak languages other than English and students/families living in poverty. A future timeline includes opening two additional classrooms a year.

Questions/Comments from the Board:

- Are we tracking these students as they go forward? *Yes, they will be tracking. Will the family visits continue? Yes.*
- Great experience visiting Aloha Huber last week. Does the high mobility present challenges? *All of the students live in our attendance area. We haven't had a student that has moved out yet but anticipate that that might happen. There is a waiting list at every school and we provide transportation. Most of the families are coming from the catchment area. It is the hope that all students will transition into a regular kindergarten.*
- Visited a Pre-K class last week at Vose. If we could add two schools a year what would be the cost? *\$250,000 - \$310,000 a year per classroom.*
- What is deterring the decision to open up two classrooms a year? *The financial decision is a barrier. Not sure if we will be able to maintain or expand due to budget.*
- What would it look like if we had preschools across the district, the cost and the outcomes? *Think about the number of dollars that are spent on mediation and how that has ramped up over the years. A better investment would be to spend those dollars in Pre-K classrooms. The earlier we can get to students and families the sooner we can change the outcomes.*

Supt. Grotting noted that currently there are 40,000 three and four year olds in Oregon that are below the poverty level. A COSA workgroup will be asking the Governor for \$163M for early learning which would serve about 10,000 students.

E. Strategic Plan Report: Technology – Steve Langford

Steve recently presented at a national summit in October. Through a grant Steve and his department are working with local agencies around creating better dashboards and reporting, student movement from school districts and statewide reporting.

Questions/Comments from the Board:

- The refresh of Chromebooks is next year. Any concerns over the sustainability long-term? *We are halfway through our Bond and are on track budgetarily for the refresh of devices.*
- Is the escalating costs for security where you thought it would be? *Yes, but with the frequency and sophistication of cyber security attacks the challenge becomes more complex.*
- What alternatives are we looking at so that scaling is possible? *Looking at governance of student data. We are strategic about what is being moved into the Cloud and partnering with other districts*

F. Financial Update – Gayellyn Jacobson

There was a decrease in projected contingency of 4.3% due to an increase in the cost of salaries and benefits being over budget. District projections were higher in ELL enrollment and Specialized Classroom enrollment than actuals in the fall with a decrease in students of poverty. At the same time we expanded our Student Success Coaches and early Childhood Education program. In addition, the District is preparing for the implementation of the new Pay Equity legislation which will also negatively impact salaries. The total impact of all changes for 2018-2019 could be between \$9M and \$12M. Cabinet is considering several actions to reduce spending for the remainder of the year.

Questions/Comments from the Board:

- Provide more clarity on the \$9M- \$12M. Assuming that is not reflected in this report, will we be making cuts in addition to rebuilding the fund balance? What will be the impact on next years' budget? *Yes, we will rebuild, we are still waiting for firm numbers for the pay equity.*
- What is the plan to build up the contingency plan? *Part of what we build into the forecast is the rebuilding of the fund balance.*
- When will the pay equity be done? *The pay equity is still being worked on and will need to be negotiated with both certified and classified contracts. Beaverton is the only district in the state that is working on the pay equity.*

G. Elmonica Elementary Boundary Adjustment – Steven Sparks and Cynthia Lam Moffett

Due to a steady increase in enrollment Elmonica Elementary has grown to 757 students. A boundary adjustment is necessary to relieve the overcrowding beginning in 2019 – 2020. Beaver Acres and McKinley have experienced a decline in enrollment and are currently below 75% of their total capacity. The adjustment process will include public meetings for affected communities. An internal staff will review all areas. The goal is to deliver a decision to the Superintendent in March 2019 and then on to the Board for action.

Questions/Comments from the Board:

- Would you consider expanding the meeting notice to at least two meetings to give people more opportunities? *One of the things that we have been heard is that some people cannot attend. We will be looking at possibly holding a meeting on the weekend and possibly including daycare.*
- What is the reasoning of utilizing internal staff instead of having a public advisory committee? *1. We are operating under a different JC policy that we did before. 2. Due to the small audience it could be a challenge to find enough people to serve on a committee. Board Member Larson argued that the community may feel like they have not been heard. Why not turn to the PTO to reach out to their members to serve on a committee?*
- Curious about why Beaver Acres and McKinley to pull from? None of these schools is particularly empty. *Every September each school is looked at for structural capacity and current capacity. In this particular neighborhood it is a better solution to spread the enrollment across the three elementary schools. We would like to bring them into alignment with one another. Is the goal to fill the other portables at McKinley and Beaver Acres? We may not do anything with McKinley.*
- Are the other two principals on Board? *Yes. Lots of building going on in terms of apartments. Are those factoring in this decision? Yes. Part of the rationale is not just the development that immediately will impact Elmonica but other future developments as well.*

- Is there a possibility of building an elementary school in that area in the future? *That would be the subject of a future bond.*
- The Five Oaks and Triple Creek neighborhoods are very active and could be parents on advisory committee. Keep in mind that the mobility rate is high at McKinley.

Chair Tymchuk acknowledged that there are a lot of questions and concerns and hopes that the District can take a look at other possibilities of a committee to look for more input.

DISCUSSION ITEM

A. Raleigh Hills K-8 Construction – Carl Mead, Paul Odenthal and Cheryl Twete

The District is prepared to move forward with the \$12.6M Raleigh Hills Elementary Bond project. However, it has become apparent that additional investments will be needed within the next 5-10 years that are not currently budgeted. The school was built in 1927 during an era of different standards. The hallways cannot be reconfigured to be fully ADA compliant, a new roof will need to be replaced, heating and ventilation systems will need a major upgrade, windows will need to be replaced and the electrical infrastructure is substandard. These maintenance/repairs will need to take place out of future bond dollars.

In consideration of future renovation costs and the constraints of the existing facility, construction of a new, state-of-the-art school in a future bond in lieu of the current \$12.6M project is an option to be considered. By constructing a new building at the Raleigh Hills site the safety and learning environments would be greatly enhanced. The risk would be of whether a future bond would pass.

The option of a new build was brought to the Superintendent's Cabinet and then presented to the Bond Accountability Committee in October. Public notification of the potential change was made via letter and social media as well as an informational session for the Raleigh Hills community in October. Comments have been positive to delay for a new school.

Cheryl Twete spoke on behalf of the Bond Accountability Committee (BAC) of which she has been a member of for four years. When the preliminary information was presented to the committee they were surprised at the amount of work that would still need to be done to Raleigh Hills Elementary. As a committee they had a special committee meeting to focus just on this project. They focused on long-term use of dollars and had a very thorough conversation about the project. The BAC supports the decision of moving forward with a new building.

Questions/Comments from the Board:

- Although the report justifies the new building parents did vote for the current bond project of \$12.6M. Would like to see more outreach, capture more comments and obtain more buy-in.
- Board member Bryan reviewed the 2014 bond material. How is the decision being made to prioritize Raleigh Hills over other projects that were previously prioritized? *The focus of the decision around Raleigh Hills was getting the portables out and getting all of the students under one roof. Raleigh Hills is the oldest elementary school in the district. It is not a building that lends itself to being acceptable in the future. The District can spend a lot of money but we will never be able to change the basement and hallway issues. Deputy Supt. Carl Mead commented that we can move forward with*

the current project but sometime in the next 15-20 years the District will be looking at a tear down and rebuild of this building.

- It seems like we need to have a plan of where we are going with K-8 in the future.
- This seems too fast, worried about rushing too quickly. More work needs to be done and more information needs to be provided to Board members.
- Is this truly a shift in our thinking or did we not understand the building at the time of the Bond planning? *There were different standards back in 2012 when the Bond planning began than today. We did not have all of the information available at that time. As we started to prepare for the \$12.6M construction project the contractors have discovered more problems due to the age of the building.*
- Do we keep a running tab of the condition of our buildings? *Yes.*
- When will the next Bond planning begin? *The planning would begin next year for a 2022 Bond.*
- Likes the idea, the cost analysis is far better but still concerned about how well the community knows and understands.
- Concerned about the perception of a new building being built and would like more communication.
- What happens to the \$12.6M if we delay the project? *The dollars would be reserved until the rebuild is approved. In the event that the bond measure would not be approved, the \$12.6M would be invested in Raleigh Hills improvements.*

Information needed for the December 17, 2018 School Board meeting:

1. Would like to see the ages of all the schools and where the other schools are in the area.
2. How many students are attending.
3. Why was this prioritized in the previous bond and what shifted in our thinking?
4. Would like to see more input from the community.
5. How does useable building life (in terms of years) at Raleigh Hills compare to our other schools?

Any additional thoughts that Board members have should be shared with Carl Mead, Steven Sparks and Paul Odenthal prior to the December meeting when Board members will vote.

ACTION ITEMS

A. Appoint Budget Committee Members to Fill Vacancies – Becky Tymchuk

The Budget Committee has vacancies in Zones, 2, 3, 4, 5 and 6. The School Board needs to appoint community representatives from Zones 3, 5 and 6 to serve three-year terms, Zone 2 to serve a two-year term and Zone 4 to serve a one-year term on the Budget Committee.

The School Board approved the following appointees to fill four of the vacant Budget Committee positions with the Zone 2 vacancy to be named/approved at the December 17, 2018 School Board meeting:

- | | |
|---|------|
| 1. Zone 3 - Bettina Jeszensky | 2021 |
| 2. Zone 4 – Shafina Fazal-Gardner | 2019 |
| 3. Zone 5 - Denise Petterborg (reappointed) | 2021 |
| 4. Zone 6 – Heidi Edwards (reappointed) | 2021 |

LeeAnn Larsen made the motion to approve the said appointees to fill four of the vacant Budget Committee positions. Donna Tyner seconded and the motion passed unanimously by a vote of 7 to 0 by Becky Tymchuk, Eric Simpson, Anne Bryan, Tom Colett, Susan Greenberg, LeeAnn Larsen, and Donna Tyner.

B. Election of OSBA Board of Director Position #20 – LeeAnn Larsen

Each OSBA Board of Director is nominated on a regional basis for a two-calendar year term. Candidates must be elected by official action of a member board within the region. Erika Lopez has been nominated to fill position #20.

LeeAnn Larsen made the motion to elect Erika Lopez from Hillsboro School District to fill OSBA Board of Director Position #20. Donna Tyner seconded and the motion passed unanimously by a vote of 7 to 0 by Becky Tymchuk, Eric Simpson, Anne Bryan, Tom Colett, Susan Greenberg, LeeAnn Larsen, and Donna Tyner.

C. Approval of OSBA Resolutions – LeeAnn Larsen

OSBA has referred two resolutions to be voted on:

- Resolution #1 Resolution to adopt the OSBA 2019-2010 Legislative Priorities and policies as recommended by the Legislative Policy Committee.
- Resolution #2 Resolution to amend Oregon School Boards Association’s bylaws relating to composition of the Board of Directors.

LeeAnn Larsen made the motion to vote YES for Resolutions 1 and 2. Donna Tyner seconded and the motion passed unanimously by a vote of 7 to 0 by Becky Tymchuk, Eric Simpson, Anne Bryan, Tom Colett, Susan Greenberg, LeeAnn Larsen, and Donna Tyner.

D. Consent Agenda – Becky Tymchuk

1. Personnel

BE IT RESOLVED that the employee(s) who are recommended herein for administrator and teacher elections, leaves of absence, and resignations/terminations are accepted by the School Board as submitted at this meeting.

2. Approval of School Board Meeting Minutes

BE IT RESOLVED that the minutes for October 8, 2018 School Board Work Session, and October 22, 2018 Special Work Session and October 22, 2018 Business meeting be and hereby are approved.

3. Grant Report

BE IT RESOLVED that the Grant report be and hereby is approved as submitted.

LeeAnn Larsen made the motion to adopt the Consent Agenda. Donna Tyner seconded and the motion passed unanimously by a vote of 7 to 0 by Becky Tymchuk, Eric Simpson, Anne Bryan, Tom Colett, Susan Greenberg, LeeAnn Larsen, and Donna Tyner.

BOARD COMMUNICATION – Board Members

A. Individual School Board Member Comments

- Donna Tyner – went to ISB to learn about receiving an IB degree and visited a 7th grade literacy class.
- Tom Colett – The Community Outreach Committee will be focusing on revenue reform and have put together a School Board advocacy plan. A Legislative breakfast will be held on December 14 or

20 to talk about funding. He is asking for Board members to reach out to two or three members in their community to help take the message to Salem.

- Becky Tymchuk – participated at Conestoga with Beaverton Police and Washington County police and what to do if there is an active shooter. She visited a Pre-K classroom at Aloha Huber. She thanked everyone for attending the OSBA conference. There is a lot of great work being done around the State. She also thanked LeeAnn Larsen for serving as OSBA president this past year..

ADJOURNMENT

Becky Tymchuk adjourned the meeting at 9:55 p.m.

INFORMATION ITEMS

- A. School Board Community Engagement Subcommittee Notes
- B. School Board Planning Subcommittee Notes

Submitted by
Mary Hawkins

Becky Tymchuk, School Board Chair


GRANT REPORT AND PROPOSALS
POLICY ISSUE/SITUATION

Grant Proposal	Funding Agency	Amount Requested	Submission Date	Decision Date	Action Required
BHS Chip Mini-Grant	Washington Co. Health & Human Services	\$25,000	28 Nov 2018	28 Dec 2018	Permission to apply
Community health improvement plan (CHIP) mini-grants provide funding for building organizational capacity to improve equity or trauma-informed practices.					

Grant Proposal In Review	Funding Agency	Amount Requested	Submission Date	Decision Date
Title IC Stride Academy	Oregon Dept of Education	\$13,364	30 May 2018	30 Jun 2018
ESEA Title Funds	Oregon Dept. of Education	\$9,123,867	1 Nov 2018	15 Dec 2018
Secondary Career Pathway Funding	Oregon Dept. of Education	\$239,425	7 Dec 2018	15 Dec 2018

Grant Proposal Final Status	Funding Agency	Amount Requested	Amount Funded

RECOMMENDATION:

It is recommended that the proposals be approved.

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COMMUNITY PARTNERSHIP REPORTS

BACKGROUND INFORMATION:

Schools have formed Community Partnership Teams from existing entities that bring parents and the community into the school. Bringing these groups together creates a collaborative approach at the school level that is supported and encouraged at the District and School Board level.

Community Partnership Teams meet on a regular basis with the school principal to assess school needs, and collaboratively and strategically set measurable goals, plan activities, track progress and evaluate outcomes.

RECOMMENDATION:

It is recommended that the School Board and Superintendent receive this report as an information item.

District Goal: WE Empower all students to achieve post-high school success.

"The District prohibits discrimination and harassment based on any basis protected by law, including but not limited to, an individual's actual or perceived race, color, religion, sex, sexual orientation, gender identity, gender expression, national or ethnic origin, marital status, age, mental or physical disability, pregnancy, familial status, economic status, veteran status, or because of a perceived or actual association with any other persons within these protected classes."

Community Partnership Teams Quarterly Reports: 1st Quarter (goal setting)				
School (or BSD Department) Name:	Reported by:	List your community partners and their affiliations (example: Rod Hill, KGW Weather). Or if you are in need of partnership assistance please indicate that here:	Team Goals for the 2018/19 school year: dreams, inspirations, in-the-works, desired improvements, etc.	Implementation: plans, timeline, outlook, etc.
ELEMENTARY SCHOOLS				
Kinnaman	Scott Drue	Nick Robertson, Bobby Keerins, Camps for Kids Foundation St. Elizabeth Church West Hills Unitarian Fellowship	To continue to connect students at AHP with sports/activity camps and outside programs who would not otherwise have the opportunity, funded through community partnerships. To provide food backpacks on a weekly basis to our "in need" population of students/families. To continue to partner with Jesuit High School to provide needed family resources for the holidays to over 120 of our AHP families.	In progress
Beaver Acres Elementary	Stacy Geale and Toni Rosenquist	Al Schmitt- Holy Trinity Church- Weekend Food Backpack Program Jean Faszholz- Bethlehem Lutheran Church Mark Nicklas- Beaverton Foursquare Church Young Kim- Bethel Church Iggy Choi- Bethel Church Amy Terrones- Community Outreach Specialist- Wash.Co Sherriff's Office SMART- Brenda Dervill Kaitlyn Hashek- Social Worker- She has been INSTRUMENTAL in connecting our families with outside counseling resources and other agency supports for a variety of needs- Her community outreach has made a significant difference in providing mental health support for our students and their families. Matt Gross-In4ALL- Stem Connect for 4th & 5th graders	We would love to have a BUSINESS PARTNER- Nike, Salesforce, Fred Meyer- we have lots of ideas of how to utilize PEOPLE/TIME and MONETARY/MATERIAL DONATIONS. Several of our staff members have family members who work at Salesforce. Their outreach team is partnering with our "Shop with a Cop" event with Washington County Sheriff's office to wrap all of the gifts that the selected students choose for their families. Some of the Salesforce employees have volunteered for SMART and our Career Fair. We are working on establishing more ongoing opportunities to connect them with our school. Ideas for Nike include having athletic volunteers come to recess to play soccer, Futsol, wall ball, basketball, or other games with children to learn the joy of sport, cooperation, sportsmanship, and physical activity. Our team has discussed ideas for having a "pantry" of healthy snacks available for students who are unable (or forget) to bring a snack from home. We want to provide every student with the feeling of security and comfort that comes with knowing they will not go hungry during the day. We're trying to secure some donations from families who are able to provide assistance and maybe local businesses. Continue identifying needs of 4th and 5th grade students without wireless access at home so that they may utilize their chrome books for homework, google classroom, and Dreambox. We have worked with BSD IT & Instruction in the past and piloted the use of Kajeet. We've also shared information about Comcast's program for reduced internet costs for economically disadvantaged families.	Business Partner Search- Jan/Feb will be reaching out to contacts- communication would be ongoing Snack Pantry- Initial outreach has begun- January will be reaching out to local businesses for donations
Bethany Elementary	Casey Lange	Donut Palace, Somerset Church, US World Tae Kwon Do, Bethany Library	I would love to continue to grow the relationship we have with the local library. We are also looking to join with a partner that will help us fund a playground remodel. Our playground is beginning to age and become deteriorated and the PTO has made the decision to replace it. We are fundraising for it, however the cost is quite high.	We are planning on meeting with the head librarian of the Cedar Hills Library (Bethany Branch) in order to develop a stronger partnership. We are interested in hosting the head librarian at our school and have every student sign up for a library card. Our playground rework is in process and we are hoping to have funds raised by the end of next year. With a donating partner, we may have the ability to fund it much sooner!

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Bonny Slope Elementary	Janet Maza	Amy Powers, Oregon Food Bank; Nicky Engbloom, Cedar Mill Bible Church; Ashish Gupta, BSCO President; Emily Anderlee & Lindsey Campbell, American Heart Assoc; Sara Peters, Bonny Slope Outreach Committee; Stephanie Mo, Lithtex	Support school vision of kindness matters, to make a difference beyond the comfort of our immediate surroundings, educate students and families about healthy practices including caring of self and others,	Ongoing Monthly outreach programs for families of BSE, weekly food backpack program, healthy heart practices, participating in Jump Rope for Heart, partnership with Oregon Food Bank and Cedar Mill to support backpack program and families in need.
Cedar Mill	Amy Chamberlain	Cedar Mill Library; Juan Young Trust; Sunset HS Leadership and Football Players; PTC Corporate Sponsors: Keller Williams-Mower Group Realty; Fairway Independent Realty-Jake Pimley; Hyatt Training; Mad Science; Eleete Real Estate-Lauren Sinha; Lindsay Freed Brown, DMD; Cedar Mill Chiropractic; Clow Roofing & Siding	New partnership: Touchmark (Retirement Community) – access to facility to provide SEL parent education in collaboration with West TV.	Library: continued participation in Read for Goats Winter Reading Challenge; Juan Young Trust: phase one of perimeter fence completed fall 2018, next phase scheduled to begin winter 2019 through additional grant funding. Sunset High School Leadership and Football Players: continued feeder school relationship building PTC Corporate Sponsors: Funded large contribution to InnovatED Cart systems (TVs, teacher iPads, Apple TVs)
Chehalem Elementary School	Erika Hansen & Angee Silliman	Nate Sandel, Columbia Maritime Museum; Denise Kortez, Starbase; Jennifer Wolf, Beaverton City Library; Kristen Harrison, Portland Metro STEM Partnership; Heidi Venneri, Saturday Academy; R. Lewis Ferguson, World of Speed; Emily Palmer, Engineering for Kids; Bradford Hill, Mountainside High School; John Day, Mt. View Middle School Lego Robotics; Ely O'Connor, Clean Water Services; Rod Hill, KGW; Nike; National Wildlife Federation; Association of NW Steelheaders; Oregon State University; Pet Partners; PAL; Beaverton Rotary; West Beaverton Neighborhood Association; Tuality Community of Christ Church; Jesuit High School; Mountainside High School; Pilgrim Lutheran; Washington County Museum; OMSI; Oregon Zoo; THPRD; Portland Five Center for Arts; Lewis & Clark College; Northwest Children's Theater; Beaverton Education Foundation	In-the works: Collaboration with PAL around STEM; In-the works: K-5 Learning Garden; In-the-works: Pet Partners (therapy dogs reading with students) Dreams: Ongoing student mentoring	STEM Collaboration with PAL (September 2018-June 2019); K-5 Learning Garden (September 2018- June 2019); Pet Partners (September 2018-June 2019); Student mentoring (TBD)
Cooper Mountain	Kristin LeMon	Aaron Flynn, Transforming Life Church Sandy Carson, Beaverton City Library Beaverton Rotary Club Alia Hedges and Sophie Falletto, Cooper Mountain PTO Spencer Rubin, Play Fit Fun Church of Latter Day Saints	<u>Goal:</u> As a community team, we hope to meet students' social, emotional, and physical needs so that all students are able to access the education provided for them each day. We hope to encourage each child to embrace a healthy lifestyle including physical health and academic health. We are focusing on coming together as a community to provide a circle of support for students and their families.	We continue to work with our partners to build and increase our community. The PTO will organize and facilitate multiple community building activities through the year. The Beaverton City Library partners with us to promote reading and to increase exposure to literacy and opportunities to grow as readers. The Beaverton Rotary Club sponsors vouchers to our Book Fair. Because we are focusing on supporting the whole child, our partnership with Spencer Rubin and PlayFitFun focuses on mindset, teamwork, and fitness, and we have increased student involvement in this activity club. The Transforming Life Church continues to support us with food and supplies for our students, and the Church of Latter Day Saints across the street from us will house us should there be a need for shelter. We feel well supported and cared for by our community partners.

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Elmonica Elementary School	Cynthia Moffett	Eagle Scouts Araceli Acosta, Beaverton City Library We are currently being spoiled by our parent community, and are looking for partners.	We finished the first phase of the Sensory Garden, from 2017-2018! It is in place and we are looking to enhance it further with more plants in the future. MakerSpace: We are looking to partner with local businesses to support and sponsor our MakerSpace. So far, Nike has donated 11 whiteboard tables and a dozen chairs. Next, we are looking to build a Lego wall and a gear wall.	Planting- spring 2019 2018-2019 school year for the MakerSpace
Errol Hassell	Scarlet Valentine	Sarah Vandehey, Beaverton City Library	Continue partnership with the Beaverton City Library	Students in grades 3-5 will be informed of the Beaverton City Library OBOB Club in December 2018. Beaverton City Library will present at the Kindergarten Orientation in April 2019. ELL Family Library Night at Beaverton City Library (Tour, Resources, Summer Reading Program) in June 2019.
Findley	Jennifer Whitten and Sherry Marsh	Cedar Mill Library, Oregon Food Bank, McKinley Elementary School (Book Drive and Giving Tree), Blanchett House	1. Students will participate in the Cedar Mill Library "Read for Goats" Winter Reading Challenge in collaboration with Mercy Corp; our PTO will also match their reading goals and donate to Mercy Corp. 2. A Food Drive, sponsored by the 5th Grade, to donate items and money to the Oregon Food Bank. 3. Book Fair Book Drive: Findley students and families can support students at a neighboring elementary school by donating books from the annual book fair. The intention is for staff at McKinley to give books to students at their discretion to promote literacy and allow for books to remain in the home. 4. Blanchett House and students at Rachel Carson-partner with the student for a dollar drive in March.	1. Students will participate in the Cedar Mill Library "Read for Goats" Winter Reading Challenge in collaboration with Mercy Corp; our PTO will also match their reading goals and donate to Mercy Corp. This is already in the works, will be working to partner in Cedar Mill. Starts December 10th. 2. A Food Drive, sponsored by the 5th Grade, to donate items and money to the Oregon Food Bank. November 3. Book Fair Book Drive: Findley students and families can support students at a neighboring elementary school by donating books from the annual book fair. The intention is for staff at McKinley to give books to students at their discretion to promote literacy and allow for books to remain in the home. January 4. Blanchett House and students at Rachel Carson-partner with the students for a dollar drive in March. March-students will be coming in January to begin presentations.
Fir Grove	Erin Miles	Andrew Hansen, Beaverton Christian Church; Faye Lewis, SMART; Washington County Bicycle Transportation Coalition; Westside Church of Christ; Scott Brennan, State Farm Insurance; Fir Grove PTO; Jennifer Wolf, Beaverton City Library; Lynne Mutrie, Safe Routes to School	Fir Grove Clean Up, School Supply Drive, Weekend food backpacks, SMART, Holiday Baskets, Attendance Bike-Give-Aways, Kindergarten Read To Me Program, K-2 Library Night, Bike Rodeo, Community Walk Series	Aug-School Clean Up, School Supply Drive Sept-K-2 Library Night, Community Walk Series, Food Backpacks Oct-SMART, Food Backpacks Nov-SMART, Food Backpacks, Read-to-Me Dec-SMART, Holiday Baskets, Attendance Bike Give-Away, Read-to-Me Jan-SMART, Food Backpacks, Read-to-Me Feb-SMART, Food Backpacks, Read-to-Me Mar-SMART, Food Backpacks, Attendance Bike Give-Away, Read-to-Me Apr-SMART, Food Backpacks, Read-to-Me May-SMART, Food Backpacks, Read-to-Me June- Attendance Bike Give-Away

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Hazeldale Elementary	Angela Tran	We are in need of a new partner. Cooper Mountain Presbyterian disbanded last year. They had been our partner for about 10 years. Many of their members still volunteer at our school—SMART volunteers and volunteering at our schoolwide events such as the Harvest Festival and Winter Brunch to name a couple. John England still attends PTO meetings and is hoping to build a new partnership with Reedville Presbyterian (unsure if I have the right name), but that is not yet established. At a recent Principal Coffee, a parent indicated he had community connections and asked to be invited to our Community Partnership Breakfasts. His name is AJ Bustamante. He is connected with Westside in the Aloha area as well as the Washington County Sheriff's office in some way.	We need assistance with this.	
Hiteon	Meghan Warren	We would like to grow our partnerships. Current partnerships: Play, Fit, Fun, Beaverton Library, & Hiteon PTC.	Inspiring our readers and providing collaborative, team building opportunities for our staff.	Beaverton City Library works with our staff to collaborate around reading interest and experiences. In addition, our partnership with Play, Fit, Fun brought a team-building experience to staff at Hiteon to kick off the year. This has a significant impact on building a collaborative, trusting, environment.
Jacob Wismer	Joan McFadden	Tricia Buell, Sunset High School +plus 32 Sunset Leadership Students Megan Owens, Stoller Middle School +plus approximately 150 Stoller Middle School student "buddies"	Goal #1: To provide secondary student role models for our elementary students to enhance our work in social emotional learning. Goal #2: To provide our primary students with academic support in the English language arts (ELA) by pairing middle school students with Jacob Wismer students to work on collaborative ELA projects.	1. We have already scheduled monthly visits from 9:40-10:10 am for the academic year with our Stoller middle schools students from September, 2018 to May, 2019. Each Stoller student has been paired with a Jacob Wismer first grade student. 2. One Sunset Leadership student has been assigned to each of our classrooms. The classroom teacher works with their assigned Sunset leadership student to schedule their monthly visits. The leadership students are also involved in our Student of the Month program and are providing t-shirts for each of our student recipients.
Kinnaman	Carmen Anderson	Victoria Campbell, Youth Services Manager- Beaverton Libraries; Jessica Dunn, PTO President Kinnaman Elementary	Library collaborations were made- dissemination of library activities via e-fliers and print copies were arranged, library homework folders were shared with all Kinnaman students, online free tutoring services were shared (homework helper), Kindergarten roundup was scheduled, plans for summer reading program kickoff were discussed, class visits and skits were also discussed. PTO conversations were revolving around the concept of "wellness rooms" as presented by Angela Healow. Jessica Dunn the Kinnaman PTO president mentioned presenting the notion of a wellness room at the next PTO meeting. PTO would like to potentially help fund and set-up a Kinnaman wellness room to assist with creating a calming space for dysregulated students.	Library- timelines were established for as soon as the following week. Fliers and library folders were already distributed to Kinnaman students. Brochures for winter offerings at the local libraries were shared electronically via our school newsletter. The Kindergarten roundup was scheduled. Conversations for how best to go about sharing information about tutoring services and class visits were tentatively scheduled. Contact information was exchanged. PTO- actionable steps were taken to move forward with a wellness room at Kinnaman. Dates were scheduled for selecting the best location in the school to house the wellness room. Information was shared with staff about the function and purpose of a wellness room. Staff input was gathered and a presentation is scheduled for 12/11/18 to present "wish list" to PTO for the items staff would like to see in the new wellness room.
Montclair	Sean Leverty	Parent partnerships; Courtyard Village; OES; Seeking other partnership groups.	Parent education around social emotional learning; Supporting students' growth and development with regards to empathetic engagement; Embedding cultural awareness and appreciation of diverse communities within our day to day programming.	This fall we've enlisted new Community Partnership Team members and will begin exploring our goals in Jan.-Feb. 2019.

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Nancy Ryles Elementary	Kayla Bell	Beaverton City Library (Jennifer Wolf, Murray Hill Branch), Holy Trinity Church (Al Schmitt), Nancy Ryles Community Organization.	<p>* We continue to partner with the Beaverton City Library and participate in the summer reading program. 173 Nancy Ryles students participated in the program. We had the Highest Finisher Rate for all schools who participated.</p> <p>* This year we are partnering with Holy Trinity and participating in the Backpack Program. Twenty-five families receive weekly backpacks of food each Friday. We are so grateful for AI and the Holy Trinity community.</p> <p>* Student and Family Engagement is always a priority at Nancy Ryles. Our parent organization (NRCO) continues to look for ways to involve new and diverse families in our school activities.</p> <p>* Our NRCO also supports the Clothes Closet, our Help Center and families in our own community who need supports.</p> <p>* Our NRCO is also implementing a composting program for both staff and students. We are working with the City of Beaverton for support and guidance.</p>	<p>Summer Reading - continue to support at the school and promote in the spring.</p> <p>BackPack Program - ongoing</p> <p>Family Engagement and Support - ongoing</p> <p>Composting - ongoing</p>
Oak Hills	Sheila Baumgardner	Oak Hills Home Owners Association, Athletic Department at Sunset HS	Increase volunteerism at Oak Hills.	Look for alternate ways in which parents with younger siblings can volunteer in schools; incorporate the help of HS Football students for needs in Reading in K.
Raleigh Hills K-8	Peter McDougal	St. Cecilia's Backpack Program; YMCA; 7-11; PTO and its partnerships.	Our PTO is working to raise funds for a large track project. We have many one-time donor community partners for this. Likewise we will once again have an auction in the spring.	We are currently raising money for a track project. We are also working to create a connection with the YMCA to offer after-school basketball to our students.
Raleigh Park	Brian Curl	Brandin Melton & Wyatt Mills: PDX First Church of the Nazarene Paul Lyda: St. Matthew Lutheran Church Terisa Brown: Westslope Library Ryan Deckert: Parent Melissa Riley: Parent Erin Westhaver: Parent	<p>We plan to continue on outreach from two different fronts. First, we are working on a Raleigh Park alumni Facebook page to facilitate two-way communication between the school and greater RP community. Second, we are looking to create a community resource data base in order to connect the school and staff based on need, in addition to connecting identified children with mentorship opportunities. Some ideas revolve around a possible community resource fair at Raleigh Park.</p> <p>We are also looking to coordinate a book drive for the purposes of providing free books to children within our community.</p>	Our CPT tentatively plans to meet after the new year in order to outline specific timelines regarding the aforementioned priorities as we move forward.
Ridgewood	Cary Meier	Ridgewood PTC, Kyle Spinks (THPRD), Holy Trinity backpack program	Maker space, Central courtyard upgrades, Memorial for Mr. Greg, transportation for after school activities.	Sub committees for the Courtyard and Mr. Greg Memorial are meeting in November. We are beginning investigation into transportation options and a maker space.

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Rock Creek Elementary School	Tiffany Wiencken	Trevor Parker, Foresters Financial; Rock Creek PTC; Anonymous Donors (2) Westview future teachers	<p>We are excited to be working on using our school garden to connect with classroom work. Students are motivated to work in the garden and we have a high school student from Westview who helps in the garden.</p> <p>We are working on building a connection with the Westview future teacher program. High school students will be coming over to Rock Creek and working with our students. We already have a great connection with Westview students who volunteer multiple times a week, supporting our students.</p> <p>Our work with Foresters Financial will be continuing this year as we work on our summer reading program. The employees at Foresters will be sending postcards to our readers as they have done for the last three years.</p> <p>The Juan Young Trust donated \$12,000 towards our track last year and we are hoping to continue to connect with them with other health-related projects.</p> <p>We would like to continue to grow our partnerships with retired community members who would like to read with our students. This is a program that was created several years ago.</p>	All of our projects will be multi-year and we hope to see growth as soon as this spring in many areas, especially our work with Westview.

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Sato	Annie Pleau	<p>Bethany Presbyterian Church Wind & Oar Sunset Credit Union Clean Water Services Eco Schools NW Steelheaders Western Oregon and Oregon Fish and Wildlife SECO (Sato Elementary Community Organization)</p>	<p>Bethany Presbyterian Church: 1) After School Program for 40 students on Early Release Wednesdays 2) Host MUSE after school Band program for 3rd-5th graders 3) Partner for the donation of chestnut tree and plaque honoring Sato family</p> <p>Sunset Credit Union: Savings accounts for students, every Wednesday they set up in the cafeteria in the morning and accept deposits from students.</p> <p>3rd Grade Salmon Project: Clean Water Services - Fund buses for field trip Eco Schools - Provide guidance on how to record data and work toward Eco School Certification. NW Steelheaders - tank and supplies, release salmon during field trip, LeRoy has checked in with us to make sure our salmon are alive and well. Western Oregon and Oregon Fish and Wildlife - Training and grant. SECO - Volunteers help with salmon activity rotations during STEAM extension and salmon release field trip.</p> <p>5th Grade Boat Project - Wind and Oar - Inspire learning through art, science and craft of building wooden boats. To inspire students and promote self-confidence and perseverance. The integration of the building of the boat into social studies, math and art instruction is an innovative way to develop students in the area of critical thinking, collaboration, communication, creativity - all essential skills for success at school and beyond. SECO - grant writing, volunteer support and busses for boat launch</p>	All of these are on-going throughout the year.
Sexton Mountain	Cherie Reese	<p>Carson Mischel, Beaverton City Library Cassandra Buyserie, & Jen Fife-Adams & Roger Golliver, Planting seeds Jim McGarvy, Boy Scouts</p>	<p>Craft a plan for increasing reading over winter, spring, and summer vacations. We will work with our Beaverton City Library partner to coordinate efforts to get kids to continue to read when they are not in school. Continue to work with Planting Seeds to meet the food needs of students in our school and other Beaverton schools during vacations and weekends.</p>	<p>Before Winter and Spring Break have assemblies increasing awareness and excitement around going to the library. Summer break, kick off the summer reading program with an assembly, advertise summer events at the library, and principal's reading bulletin board contest. Expand and increase the efficiency of ways families can donate food and supplies.</p>

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Terra Linda	Christy Batsell	Zach Waters, parent & Passport Club Chair Rick Collett, parent & PTC Volunteer Coordinator Al Lucas, St. Pius Backpack Program Trudy Collins, St. Pius Backpack Program Kelly Olson, parent & Running Club Chair Lindsay Atkinson, parent Mike Baldwin, PTC Vice President of Fund Raising	<ol style="list-style-type: none"> 1. We are working on our Makerspace and increasing the number of activities students and classes can do. 2. We would like to expand enrollment in our backpack program by reaching out to families and inviting more to participate. We are considering home delivery for those who want more privacy. 3. Continue to expand our Read to Me program for Kindergarteners and the Read with Me program for 1st graders. 4. Our team will be evaluating projects that could enhance our school community and then looking for partnerships. 	<ol style="list-style-type: none"> 1. Makerspace: This year 2. The Backpack Program: It is up and running. We will work with Nutrition Services to reach out to families with a survey of different supports. 3. Read to/with Me: Work with our teachers to identify needs then communicate broadly with our volunteers about reading needs. January/February: Reach out to Intel, Nike, and Columbia to expand number of volunteer readers - get background checks completed then set up training. 4. Additional Projects: we will meet in January or February.
Vose Elementary	Monique Singleton	Starbucks/Canyon Place Araceli Acosta, Victoria Campbell- Beaverton City Library Nike: sponsor Marathon Kids NAC- Vose (Neighborhood Association)- Dave Strayer, Carmela Browns Young Audiences Adelante Mujeres Karol Aragon- Morrison Family Centers/Pre-K & Oregon Episcopal School Amanda Clark- Beaverton Civic Theatre Cameron Vogt, Scott Charlson- Verizon Frank Angelo- Southminster Church Suzanne Angelo- Comcast	Attendance/Incentives & Support, STEAM, Parent Engagement, Celebrate staff...	<p>Recent Events:</p> <p>Open House: tech help, community organizations & resources, bike giveaways Coffee with the Principal Parent Teacher Conferences: outreach table, free books, survey, tech help Parent Tech Help Night- 11/29 Bike Giveaways for improved attendance</p> <p>Current & Upcoming Events:</p> <p>Food & Hygiene Drive for local community (through this week) Friday, December 14 at 5:30-7pm Winter Family Celebration Attendance incentives/prizes each month</p> <p>Future Events:</p> <p>Coffee with the Principal Parent Info on Social Emotional Learning- January 24th at 9am and 6pm Future Tech Outreach events being planned STEAM Night- April 25th at 5pm Dia del Nino in May</p>
West Tualatin View Elementary	Kalay McNamee	Touchmark, Bales Thriftway, Oregon College of Arts and Crafts, Nike Marathon Kids, PTC, Catlin Gable	Our goal this year is to build our partnership with Touchmark and OCAC, maintain our current levels with Nike Marathon Kids, Thriftway and Catlin Gable, and focus most of our collective effort with the PTC to raise funds for a paved path.	Ongoing. Paved path - 2016-2020

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William Walker Elementary	Melissa Murray	Sunset Presbyterian Church - (62 Food Backpacks every other week, 150 Families adopted for the holidays, various volunteers doing site based projects, packing assistance and School Supplies donations) Big Brothers Big Sisters (20 students mentored and taken to outings twice a month to do activities and service project. Another 3-5 students being mentored at school once a week. BBBS pays for half of the transportation to get students to/from weekly outing and half of the food provided at functions.) Comcast - (Partners with BBBS to provide the mentors for our students. Pays for half of meals, half of transportation and the swag purchased for student i.e., jackets, crafts, etc. Also provides Holiday support for families.) THPRD - (Adopted four families for the holidays) Cedar Hills United Church of Christ (Adopted nine families for the holidays and five food backpacks every other week) Operation School Bell is very generous in supplying our students with new clothing. NIKE - (various volunteers come to play with students at recess) Christmas for Kids (provided generous shopping opportunity for four students to shop for themselves and their siblings for holidays at Fred Meyer) SHINE - (New shoes and Old Navy gift cards given to students at the beginning of the year) SMART reads with many students once a week.	Continue open communication with community partners to best meet the needs of students and families. BBBS may begin with a new set of students next year. It would be second or third graders because our fifth graders will be moving on. May take more strategic planning due to a reduction in volunteers.	Volunteers are eager so our plans are to communicate early and have things in place before the next school year. It may be difficult to arrange things too early due to the next move. Sunset Presbyterian is always willing to assist with packing and other jobs around the schools so we will plan with them on how they can best meet our needs in that area.
MIDDLE SCHOOLS				
Highland Park MS	Curtis Semana	Caitlin Everett, BSD K-12 STEM Specialist; David Harrison, WSC Insurance; Kristen Harrison, pdxSTEM; Marty Miranda, Beaverton Christian Church; Rose High Bear, Wisdom of the Elders; Sarah Gardinier	Continue to improve existing relationship with Beaverton Library in regards to our reading and writing supports of students. Increase AVID tutor rates.	AVID tutors - sending out invites to connections made at breakfast by 12/1. Meeting with Ian Duncanson from Beaverton Library along with our LITT.
Meadow Park	Jared Freeman	Insil Kang, Village Baptist Church Lisa Edgington, Nike	We do annual fall and spring clean-up days. Working with Nike to establish mentorship program	Meeting with Lisa and team in early December, matching students and team members in January, checkpoint meeting in March, evaluation of program and revising for 19-20 year in June 2019
HIGH SCHOOLS				
Mountainside	Todd Corsetti	Charles Pontrelli, Insurance Jen Sande, MPACT President	Mock Interviews; Community 5K; Food Pantry	Spring 2019
Southridge High School	David Nieslanik	Christine Merrick: Hillsboro Chamber of Commerce Doug Boyer: Assistant Principal, Southridge High School Renee Way: College and Career Center, Southridge High School Chris Martin: Counselor, Southridge High School Richard Turnock: CTE Advisory Committee and Volunteer Justin Vanier: Southwest Christian Church Kristin Wood: PTO Volunteer Coordinator ***I will be adding our CP/CTE partners as we move forward.	We are working to align our extended career learning opportunities with the IB Career Related Program and align with our CTE Programs of Study.	We have begun this work on multiple fronts: 1) Reorganized the College and Career Center to allow the staff member more flexible time to look for, plan, and evaluate the extended career learning opportunities, 2) Bring in new partners that can work with our students in CTE or IB pathways 3) Build Career-Related Partnerships. We have already started by identifying several companies to begin working with, invited them to an introductory luncheon, partnered with BSD Offices of Community Involvement and Teaching and Learning. Business Partners are beginning to access SRHS in December, 2018 and will continue through January, 2019.
Westview	Matt Pedersen	Trevor Walters - Director of Youth and Family Ministries, Bethany Church James Bradburn - Pastor, Rock Creek Church Kathy Pringer - St. Gabriels' Episcopal Church Manufacturing Industry Panel Partnership Various Business Partners Westview HS Community Partnership Team Members	To continue to provide support for our families in need and homeless students To establish and maintain partnerships in our CTE programs To reach out and establish an alumni association To increase family and volunteer involvement at WHS As we continue to invite our neighbors into the school, our hope is to develop a solid relationship that builds a stronger community for all.	Move the Cat Cave (clothes closet) to a larger space in our school Bring in even more donations into our Cat Cave Establish a manufacturing POS with industry partners Work with a community team to gather alumni information Begin planning team for 25th anniversary in 19-20

Community Partnership Teams Quarterly Reports: 1st Quarter (goal setting)				
School (or BSD Department) Name:	Reported by:	List your community partners and their affiliations (example: Rod Hill, KGW Weather). Or if you are in need of partnership assistance please indicate that here:	Team Goals for the 2018/19 school year: dreams, inspirations, in-the-works, desired improvements, etc.	Implementation: plans, timeline, outlook, etc.
OPTION SCHOOLS				
HS2	Andrew Cronk	Ron Tubby and Liz Melcher from BEF	Ron works at Intel and is going to help us with industry partners.	At Ron's convenience.
Merlo Station High School	Rachel Sip	Synergo - Challenge Course, Continuing Education for Young Parents Volunteer Program organized through Kate Richman, Beaverton Rotary Club St. Bartholomew's Episcopal Church Beaverton School District Communication and Community Involvement In4All (formerly the Beaverton Education Compact) NexGen with Hillsboro SOLVE United Way- MLK Day in January	Strengthening relationships with existing partnerships and form new ones based on needs. Build family engagement and parent volunteer opportunities in our school. Build social media presence to share the good work our students, staff, and community partners are doing.	Quarterly meetings with CEYP volunteers. Planning for MLK Day of Service. Families invited to staff meetings and evening feedback.



**BEAVERTON SCHOOL DISTRICT
 SUPERINTENDENT EVALUATION PROCESS
 2018 - 2019**

The Superintendent is charged with leading and operating the district according to the priorities and policies adopted by the School Board. The School Board annually evaluates the Superintendent in order to assess how the Superintendent is advancing District priorities and implementing District policies to improve student achievement. The evaluation process provides the public with transparent information about the Superintendent's performance and is intended to serve as a constructive guide for the Superintendent to facilitate continual improvement.

Evaluation Overview

The Beaverton School Board has developed a three-part tool for evaluating our Superintendent.

Part 1 is based on the Educational Leadership Policy Standards: ISLLC 2008 and is informed by the Performance Standards established jointly by the American Association of School Administrators and the National School Boards Association.

Part 2 evaluates progress towards the goals established by the Board and Superintendent at the beginning of the evaluation cycle. Each year, the Board and Superintendent develop a clear set of goals for the Superintendent who then prepares an action plan defining the means to be used to achieve the goals. These goals and the action plan serve as the basis for Part 2 of the evaluation process.

Part 3 consists of a 360-degree evaluation of the Superintendent by members of the community and staff. It is designed to receive feedback leading to professional development and an understanding of staff and community perspectives and concerns that might not otherwise surface in Parts 1 or 2.

Evaluation Timeline	Action
Summer/Fall Work Session	Annually, the Superintendent and School Board establish goals designed to advance the District Strategic Plan. The Board and Superintendent review the Superintendent evaluation process, forms and timelines.
January 22, 2019	Board members meet in Executive Session with the Superintendent to discuss the mid-year evaluation.
April 2019	Board members complete Parts 1 and 2 of the Superintendent Evaluation Form.
April 2019	The Board arranges to anonymously obtain 360-degree evaluation information from the individuals the Superintendent recommends as well as other staff and community members. Information will primarily be gathered via anonymous surveys.
May 20, 2019	Board members meet in Executive Session without the Superintendent to discuss their evaluation findings. Using those findings, the Board Chair prepares the draft written evaluation.
June 17, 2019	The School Board and Superintendent meet in Executive Session to present the completed evaluation. A copy of the final written evaluation form is placed in the Superintendent's personnel folder.
June 17, 2019	The School Board shares results of the evaluation and progress on district goals with the community.

District Goal: WE Empower all students to achieve post-high school success.

"The District prohibits discrimination and harassment based on any basis protected by law, including but not limited to, an individual's actual or perceived race, color, religion, sex, sexual orientation, gender identity, gender expression, national or ethnic origin, marital status, age, mental or physical disability, pregnancy, familial status, economic status, veteran status, or because of a perceived or actual association with any other persons within these protected classes."

Superintendent 360 Evaluation Questions 2018 – 2019 School Year

As part of the superintendent’s evaluation this year, the School Board is gathering information from a representative group of district stakeholders. Your responses are confidential and your name will not be shared with either the Superintendent or all board members.

Please indicate your answer with 4 – exemplary; 3 – successful; 2 – emerging; 1 – ineffective;	DK – don’t know
1. Visionary Leadership - The superintendent promotes the success of every student through the communication and implementation of the clear vision of where the Beaverton School District is heading.	1 2 3 4 DK
2. Instructional Improvement - The superintendent promotes the success of every student by establishing and sustaining a district culture and instructional program conducive to staff professional growth and student learning for all.	1 2 3 4 DK
3. Effective Management - The superintendent promotes the success of every student by managing district organizations, operations, and resources to provide an efficient, safe, and effective learning environment.	1 2 3 4 DK
4. Inclusive Practice - The superintendent promotes the success of every student by encouraging collaboration between staff and community members, responding to diverse community interests and needs, and mobilizing community resources.	1 2 3 4 DK
5. Ethical Leadership - The superintendent promotes the success of every student by acting with integrity, fairness, and in an ethical manner.	1 2 3 4 DK
6. Socio-Political Context - The superintendent promotes the success of every student by understanding, responding to, and influencing the larger political, social, economic, legal, and cultural context.	1 2 3 4 DK

(Open-ended question) A superintendent wears many hats, for example CEO, educational leader, visionary, face of the district, etc. Which areas are major strengths of the superintendent? Which does he need to work on developing?

December 12, 2018 rev.

BRAND NAME APPROVALS FOR FACILITIES PROJECTS

POLICY ISSUE / SITUATION:

Oregon procurement rules state that specifications for public improvement contracts may not expressly or implicitly require any product by a brand name. However, ORS 279C.345 allows a local contract review board to exempt certain products from this restriction. A year-long effort to update the District's technical design specifications for the 2014 Bond construction program has also developed a list of products staff recommend be approved by the Board as exemptions from the brand name restriction.

Attachment (A) incorporates approvals as of the 12/17/18 Board Meeting.

BACKGROUND INFORMATION:

On a limited basis, it is in the District's best interests to utilize proprietary, brand name parts and materials. Generally, these materials are used in situations where new items should match existing District building components to ensure efficient maintenance operations, or where the use of a single product is necessary to get the quality, durability, and function required by the long required economic life of the District's assets.

ORS 279C.345 states that a local contract review board may allow brand name requirements upon making any of the following findings:

- a) It is unlikely that the exemption will encourage favoritism in the awarding of public improvement contracts or substantially diminish competition for public improvement contracts;
- b) The specification of a product by brand name or mark, or the product of a particular manufacturer or seller, would result in substantial cost savings to the contracting agency;
- c) There is only one manufacturer or seller of the product of the quality required; or;
- d) Efficient utilization of existing equipment or supplies requires the acquisition of compatible equipment or supplies.

Attachment (A) identifies the applicable finding for each of the products listed.

RECOMMENDATION:

It is recommended that the Board approve the products listed on Attachment (A) as required brand name items in contract specifications.

(12/17/18) BE IT RESOLVED that the Beaverton School District Board of Directors approves an exemption to ORS 279C.345 and authorizes use of brand names in public improvement contract specifications for the items listed in Attachment (A) based upon the findings listed.

District Goal: WE Empower all students to achieve post-high school success.

"The District prohibits discrimination and harassment based on any basis protected by law, including but not limited to, an individual's actual or perceived race, color, religion, sex, sexual orientation, gender identity, gender expression, national or ethnic origin, marital status, age, mental or physical disability, pregnancy, familial status, economic status, veteran status, or because of a perceived or actual association with any other persons within these protected classes."

BRAND NAME APPROVALS FOR FACILITIES PROJECTS
Approved by Beaverton School Board Resolution 12/17/18

ORS 279C.345 states that a local contract review board may allow brand name requirements upon making any of the following findings:

- a) It is unlikely that the exemption will encourage favoritism in the awarding of public improvement contracts or substantially diminish competition for public improvement contracts;
- b) The specification of a product by brand name or mark, or the product of a particular manufacturer or seller, would result in substantial cost savings to the contracting agency;
- c) There is only one manufacturer or seller of the product of the quality required; or;
- d) Efficient utilization of existing equipment or supplies requires the acquisition of compatible equipment or supplies.

BSD Technical Standard	Product	ORS 279C.345 Finding
Division 08	Everest Keying System	a

Attachment (A)

GDSR Approval Form

Division 08: Doors, Windows and Openings Everest Keying
GDSR-49

REQUESTED BY:

Chris Sandberg

SCOPE:

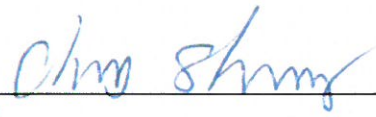
Everest keying system should be the keying system that is installed in all new schools.


PROPOSED NEW LANGUAGE:


new section

III. Everest Keying System

Everest keying system shall be the keying system that is installed in all new schools.

Signature:  Date: 10-5-18
Chris Sandberg/PI

Signature:  Date: 10-5-2018
Burt Walter/Locksmith

Signature:  Date: 10/10/2018
Nathan Potter/Administrator for Maintenance

Brand Name Product? Yes

determine which finding to take to the board

ORS 279C.345 states that a local contract review board may allow brand name requirements upon making any of the following findings:

- a) It is unlikely that the exemption will encourage favoritism in the awarding of public improvement contracts or substantially diminish competition for public improvement contracts;
- b) The specification of a product by brand name or mark, or the product of a particular manufacturer or seller, would result in substantial cost savings to the contracting agency;
- c) There is only one manufacturer or seller of the product of the quality required; or;
- d) Efficient utilization of existing equipment or supplies requires the acquisition of compatible equipment or supplies.



**PUBLIC CONTRACTS – BOARD AUTHORIZATION OF
SUPERINTENDENT TO OBLIGATE THE DISTRICT**

POLICY ISSUE/SITUATION

School Board action is required to authorize the Superintendent or a designee to obligate the District for the attached public contract items.

BACKGROUND INFORMATION

On May 15, 2017, the Board adopted current policy language regarding Authority to Obligate the District (Board Policy DJ), which updates the School District's Public Contracting Rules in accordance with State Recommended Model Rules. Appropriate bidding procedures and Public Contracting Rules have been complied with before recommending the attached contract for Board approval. The following authorization of contract, subject to available budget appropriations, is a routine Board action that appears under the consent grouping of the Board agenda.

RECOMMENDATION

BE IT RESOLVED that the School Board authorize the Superintendent or a designee to obligate the District for the public contract items listed in Attachment A.

District Goal: WE Empower all students to achieve post-high school success.

"The District prohibits discrimination and harassment based on any basis protected by law, including but not limited to, an individual's actual or perceived race, color, religion, sex, sexual orientation, gender identity, gender expression, national or ethnic origin, marital status, age, mental or physical disability, pregnancy, familial status, economic status, veteran status, or because of a perceived or actual association with any other persons within these protected classes."

PUBLIC CONTRACTS
BOARD AUTHORIZATION OF SUPERINTENDENT TO
OBLIGATE THE DISTRICT
SUBMITTED FOR SCHOOL BOARD APPROVAL

Contract Name	Recommended By	Contract Selection Process	Contractor/Vendor	Contract Amount	Contract Timeline		Recommendation
					Start	End	
FutureReady Schools Year 5 – Elementary Student Device Round 2, Phase 1	Steve Langford	Cooperative Contract – OETC #4064	Apple Computer, Inc.	\$1,477,617.25	1/2019	4/2019	Authorization to Award Contract
District-Wide Auditorium Phase 3 Design and Engineering Services	Aaron Boyle	Request for Proposals (RFP) 15-0035	Opsis Architecture	\$158,470.00	12/2018	1/2020	Authorization to Award Contract
Beaverton High School Field Concession Stand Addition	Aaron Boyle	Invitation to Bid (ITB) 18-0040	2KG Contractors, Inc.	\$1,066,000.00	1/2019	6/2019	Authorization to Award Contract



PROJECT NAME: FutureReady Schools Year 5 – Elementary Student Device Round 2, Phase 1

PROJECT TIMELINE: 1/2019 – 4/2019

PROJECT BUDGET: \$ 1,477,617.25

PROJECT SCOPE: Purchase student devices for Round 2 of Bond-funded student devices.

CONTRACT NAME: FutureReady Schools Year 5 – Elementary Student Device Round 2, Phase 1

RECOMMENDED BY: Steve Langford

SOLICITATION METHOD: Cooperative Contract – OETC #4064

CONTRACT TIMELINE: 1/2019–4/2019

CONTRACT AMOUNT: \$1,477,617.25

CONTRACT SCOPE: This purchase is for Apple tablets and cases for the second round of student devices funded by the Bond. These devices will be for elementary schools and primarily for grades kindergarten to second grade.

RECOMMENDATION: Authorization to Award Contract to Apple Computer, Inc.

FUNDING SOURCE: 2014 Bond; Technology; Learning Technology: Classroom Systems



PROJECT NAME: District-Wide Auditorium Upgrades

PROJECT TIMELINE: 01/2016 – 12/2020

PROJECT BUDGET: \$5,900,000.00

PROJECT SCOPE: This multi-year project encompasses several auditorium and stage upgrades at Aloha (AHS), Beaverton (BHS), Southridge (SRHS), Sunset (SHS) and Westview (WHS) High Schools, including critical safety issues and concerns, and specific lighting systems updates.

CONTRACT NAME: District-Wide Auditorium Phase 3 Design and Engineering Services

RECOMMENDED BY: Aaron Boyle

SOLICITATION METHOD: Request for Proposals (RFP) 15-0035*

CONTRACT TIMELINE: 12/2018 – 1/2020

CONTRACT AMOUNT: \$158,470.00

CONTRACT SCOPE:

Phase 3 design and engineering services for:

- Production, house and stage lighting at AHS and BHS
- AHS - Structural reinforcements to loading gallery
- WHS - Storage platform at catwalk level, catwalk railing improvements
- BHS - Railings at fly-loft grid, railing improvement at speakers
- SHS - Access hatch to catwalks and necessary modifications
- SRHS - Safety modification to stage access ladders
- Miscellaneous safety upgrades and modifications to railings in existing catwalks and grid levels at each site listed above

RECOMMENDATION: Authorization to Award Contract to Opsis Architecture

FUNDING SOURCE: 2014 Bond; Modernization, Renovation Projects; Physical Facility Improvements; District Wide Auditorium Upgrades

*NOTE: This solicitation was for a Master Contract. The contract to be awarded will be a Project Work Authorization utilizing the Master Contract.



PROJECT NAME: Beaverton High School Field Concession Stand Addition

PROJECT TIMELINE: 01/2019 - 06/2019

PROJECT BUDGET: \$1,400,000.00

PROJECT SCOPE: New construction of concessions and restroom building.

CONTRACT NAME: Beaverton High School Field Concession Stand Addition

RECOMMENDED BY: Aaron Boyle

SOLICITATION METHOD: Invitation to Bid (ITB) 18-0040

CONTRACT TIMELINE: 1/2019 - 6/2019

CONTRACT AMOUNT: \$1,066,000.00

CONTRACT SCOPE: Provide contractor services for new construction of concessions and restroom building.

RECOMMENDATION: Authorization to Award Contract to 2KG Contractors, Inc.

FUNDING SOURCE: Beaverton Success Fund



WE EXPECT EXCELLENCE



WE INNOVATE



WE EMBRACE EQUITY



WE COLLABORATE

**APPROVAL OF ALTERNATIVE CONSTRUCTION CONTRACTING METHOD,
DESIGN/BUILD, FOR HIGHLAND PARK MIDDLE SCHOOL RE-ROOFING****POLICY ISSUE / SITUATION:**

OAR 137-49-0620 and ORS 279C.335 permit the Beaverton School District Board of Directors to exempt specific projects from the competitive bidding requirements of ORS 279. District staff is proposing to use the Design-Build procurement method in conjunction with the use of a U.S. Communities cooperative agreement for a selective roofing replacement at Highland Park Middle School. This process will allow the District to receive competitive pricing for this work while ensuring that we are contracting with capable contractors

BACKGROUND INFORMATION:

The Highland Park Middle School roofing replacement project was included in the 2014 Bond to improve the existing school facility. As such, the District would like to utilize the U.S. Communities cooperative purchasing program to deliver this work. Construction is estimated to begin in the summer of 2019 and be completed by the fall 2019.

Pursuant to ORS 279.335(5), the District advertised a minimum of 14 days in advance and held a Public Hearing on November 30, 2018 to provide an opportunity for any interested party to appear and comment on the findings (Attachment A). No parties chose to attend the hearing other than District staff and no comments were offered.

The School Board, acting as the Local Contract Review Board, must approve particular findings supporting the use of this alternative construction contracting method, pursuant to ORS 279C.335. The time available to construct these improvements as well as current market conditions require the use of an alternative procurement process for the construction.

RECOMMENDATION:

It is recommended that the School Board approves exemption of the Highland Park Middle School Roofing Project from the competitive bidding requirement of 279C.335(1) and approves use of the proposed Design-Build contracting method. Board approval to award the contract will be requested after receipt of the proposal.

BE IT RESOLVED that the Beaverton School Board of Directors (i) adopts and approves the findings of Attachment A, (ii) grants a specific exemption from competitive bidding requirements of ORS 279C.335(1), (iii) approves and directs the use of the Design-Build Alternative Contracting Method for the Highland Park Middle School Re-Roofing project, and (iv) requires that the procurement be in accordance with the Attorney General Model Rules adopted under ORS 279A.065.

ATTACHMENT A

FINDINGS ALTERNATIVE CONTRACTING METHOD DESIGN-BUILD CONSTRUCTION CONTRACT

- (a) *BSD Staff finds that granting this exemption is unlikely to encourage favoritism in awarding public improvement contracts or substantially diminish competition for public improvement contracts.*

The Design-Builder was selected through a competitive bidding process facilitated through the U.S. Communities cooperative Invitation to Bid 14 –5903. Beaverton School District was a named participant in the Joint Cooperative Procurement as required by ORS 279A.210. The solicitation was advertised in the Daily Journal of Commerce and a competitive bidding process was used.

- (b) *BSD Staff finds that awarding a public improvement contract for this project through the Design-Build method will likely result in substantial cost savings and other substantial benefits to the District.*

In making this finding, staff have considered the type, cost and amount of the contract and, to the extent applicable to the contract, the following:

- A. **Findings related to how many persons are available to bid:** Staff finds that granting this exemption will not unreasonably limit the number of firms available to bid, since procurement was completed through a U.S. Communities cooperative procurement process in which the Design-Builder will conduct an informal process for obtaining competitive quotes from local Garland approved roofing contractors. Additionally, staff finds that granting this exemption likely increase the number of contractor firms interested in proposing.
- B. **Findings related to the construction budget and the projected operating costs for the completed public improvement:** Staff finds that the ability to select firms utilized through the U.S. Communities cooperative agreement will positively affect the project outcome as it relates to cost by utilizing Master Agreement pricing agreed upon in the U.S. Communities cooperative agreement for all roofing work. Staff finds that granting this exemption is likely to result in reduced construction and design costs. Because the preferred design and specific requirements for the roofing replacement at Highland Park is unknown at this time, using a Design-Build delivery method will enable the District to quickly and efficiently generate and analyze several iterations to best meet permit requirements and available funds. After the design is completed, the Design-Build contract allows the District to initiate construction without a lapse in Project timelines. It also integrates the design firm with the contractors to consider alternative means and methods of construction and optimize cost savings.

- C. **Findings related to public benefits that may result from granting the exemption:**
 Staff finds that the public will benefit from the granting of this exemption. Because of the multiple roofing solutions available at Highland Park Middle School, it is critical that the project team is able to evaluate each available solution in regard to longevity, cost and constructability. Granting of this exemption will assist the District in selecting the most feasible option. Additionally, staff finds that because of the continuity of team members throughout the process and the improved timeline, there will be a public benefit by receiving potentially reduced construction costs.
- D. **Findings related to whether value engineering techniques may decrease the cost of the public improvement:** Staff finds that using this alternative contracting method will provide the most comprehensive team evaluation of all factors that affect the cost, quality, and schedule of the project, which may decrease the ultimate cost of the improvement. The Design-Build process offers the opportunity for integrated design solutions between the designer and contractors that make up this project based on the District's project requirements.
- E. **Findings related to the cost and availability of specialized expertise that is necessary for the public improvement:** Staff finds that no specialized expertise will be needed for this project.
- F. **Findings related to any likely increases in public safety:** Not Applicable. Staff finds that granting this exception will have no effect on public safety.
- G. **Findings related to whether granting the exemption may reduce risks to the contracting agency, the state agency or the public that are related to the public improvement:** Staff finds that using this alternative contracting method will reduce safety risks to the School District, by allowing additional coordination related to the site staging and construction efforts. Also, by integrating the design firm with the contractor, they are able to consider alternative means and methods earlier in the process.
- H. **Findings related to whether granting the exemption will affect the sources of funding for the public improvement:** Not applicable. Staff finds that granting this exemption will have no effect on funding sources for the project.
- I. **Findings related to whether granting the exemption will better enable the contracting agency to control the impact that market conditions may have on the cost of and time necessary to complete the public improvement:**
 With the multitude of construction market factors that exist today in Oregon (e.g. completion of other projects, environmental issues that limit construction materials, shortage of qualified craftsman, inflation, etc.), staff finds that granting this exemption allows the School District to be more responsive to market conditions by structuring the project delivery method to fit the project requirements.

- J. **Findings related to whether granting the exemption will better enable the contracting agency to address the size and technical complexity of the public improvement:** Staff finds that granting this exemption will allow the School District to effectively utilize existing cooperative agreements through contractors who have demonstrated considerable experience in delivering similar projects successfully.
- K. **Findings related to whether the public improvement involves new construction or renovates or remodels an existing structure:** This project involves renovation of existing structures that fits the Design-Build project delivery method well.
- L. **Findings related to whether the public improvement will be occupied or unoccupied during construction:** This public improvement will occur in a building that is occupied during construction. During the summer it will be partially occupied.
- M. **Findings related to whether the public improvement will require a single phase of construction work or multiple phases of construction work to address specific project conditions:** This project will consist of a single phase.
- N. **Findings related to whether the contracting agency or state agency has, or has retained under contract, and will use contracting agency or state agency personnel, consultants and legal counsel that have necessary expertise and substantial experience in alternative contracting methods to assist in developing the alternative contracting method that the contracting agency or state agency will use to award the public improvement contract and to help negotiate, administer and enforce the terms of the public improvement contract:** Staff will rely on their own experience, having successfully used the Design-Build method on other projects in the current Bond program. The District also relies upon outside legal counsel to provide construction contracting legal advice. Using their combined expertise and experience, staff and counsel will oversee developing the alternative contracting method and its implementation, including negotiating, administering and enforcing the terms of the Design-Build contract.

School Board Community Engagement SubCommittee Meeting

December 4, 2018

3:00 p.m.

District Administration Offices

Attendees: Tom Colett, David Williams and Donna Tyner

1. Board Resolution on School Funding
 - a. BEA, OSBA, Other
 - b. Discussion
 - c. Support for “other” resolution with combined language
 - d. Tom to discuss with LeeAnn and Becky for the December 17, 2018 School Board meeting. Desire to approve (if support) at that time to be used at legislative breakfast on December 20, 2018

2. Advocacy Plan Update
 - a. Legislative Breakfast on December 20, 2018
 - i. Agenda coming
 - ii. Focus on instilling confidence in district budgeting
 - iii. Information about current budget situation in BSD
 - iv. Time for table talk with staff/board
 - v. Make the “ask” on school funding

 - b. Session Advocacy Teams
 - i. Training on demand from staff
 - ii. Staff to develop calendar and Board members will self-select times/dates

School Board Planning SubCommittee Meeting

November 26, 2018

4:30 p.m.

District Administration Offices

Attendees: Eric Simpson, Don Grotting, Maureen Wheeler, Sue Robertson, Gayellyn Jacobson, Susan Greenberg, Ginny Hansmann, Anne Bryan, David Williams and Jon Bridges

Discussion Items:

- AROI – Big drivers for school based metric generally are 1) size of school/student count, 2) Special Ed, 3) ELL and 4) poverty.
- ESSA – ODE will be releasing a template to be used; cost per student.
- For comparison purposes some complexities on variables like overhead costs – may have different accounting methods between districts like by pupil, by school square feet, etc.
- Went over the Educational Instruction time report/info provided by Jon.
 - Most out of district data garnered by Jon getting info from districts webpages
 - Follow up (Eric and John to play with formats) – table compilation of the data might enable easier head to head comparisons of instruction – key items: days/minutes per day/deductions*/total time
 - *Deductions would include Early Release, in-service days, and other items that isn't a teacher instructing students.
 - What really defines instruction time: Is there a good definition on Division 22 document that can be found that would define.
- Budget Activity Roll Out – the finance/budget exercise is now being rolled out by principals at each school to their staff.
- Discussion at the state level of legislation that mandates days of school.
 - Follow up Gayellyn – How much must state budget need to be to enable BSD to get up to 180 day school year? How much for comparable districts to achieve that as well?

December 12, 2018
School Board
Policy Subcommittee Meeting

Attendees: Becky Tymchuk, Don Grotting, David Williams, Maureen Wheeler, Mary Hawkins, Anne Bryan by phone and Donna Tyner by phone.

The meeting was called to order at 7:35 a.m.

The following policies were reviewed and will move forward for a first reading at the December 17, 2018 School Board meeting.

- **JECA – Admission of Resident Students** – OK to move forward
- **JHFF – Reporting Requirements Regarding Sexual Conduct with Students** – OK to move forward
- **JN – Student Fees** – OK to move forward

Meeting adjourned at 7:47 a.m.

Next meeting will be January 17, 2019 @ 2:30 p.m.