



OAKLAND SCHOOL DISTRICT NO. 1

OAKLAND, OREGON

JUNE 30, 2019

ANNUAL FINANCIAL REPORT

OAKLAND SCHOOL DISTRICT NO. 1

PO Box 390
Oakland, Oregon 97462
(541) 459-4341

BOARD OF DIRECTORS

MARC NICHOLS Board Chair
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DARIAN BAIMBRIDGE Board Member
706 Baimbridge Rd., Oakland, OR 97462

LISA POWELL Board Member
PO Box 283, Oakland, OR 97462

DAN HARTMAN Board Member
13121 Elkhead Rd, Oakland, OR 97462

VINCENT PORTULANO Board Member
189 Mystic Lane, Oakland, OR 97462

ADMINISTRATION

PATTI LOVEMARK Superintendent
PO Box 390, Oakland, OR 97462

AMBER GOODIN Business Manager
PO Box 390, Oakland, OR 97462

OAKLAND SCHOOL DISTRICT NO. 1

AUDIT REPORT

JUNE 30, 2019

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AUDIT REPORT

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Oakland School District No. 1,
PO Box 390 Oakland, Oregon 97462

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Oakland School District No. 1 as of and for the year ended June 30, 2019 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 standards 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

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 entity'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 entity'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 my 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 Oakland School District No. 1 as of June 30, 2019, and the respective changes in financial position and in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion on pages 2-9, the schedules of revenues, expenditures and changes in fund balances – budget and actuals on pages 46-47, the pension schedules on pages 48-49, and OPEB schedules on pages 50-51 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.

I have applied certain limited procedures to the management's discussion and analysis and the pension schedules in accordance with the auditing standards generally accepted in the United States of America, which consisted principally of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The schedules of revenues, expenditures and changes in fund balances – budget and actuals described above on pages 46-47 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. The schedules of revenues, expenditures and changes in fund balances – budget and actuals have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the schedules of revenues, expenditures and changes in fund balances – budget and actuals are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Oakland School District No. 1's basic financial statements. The other supplementary information on pages 52-79 is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Oakland School District No. 1.

The other supplementary information on pages 52-79 is the responsibility of management and was 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 other 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 my opinion, other supplementary information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Report on Other Legal and Regulatory Requirements

In accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*, I have issued my report dated December 18, 2019, on my consideration of the Oakland School District No. 1'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 my testing of compliance and the results of that testing and not to provide an opinion on the District's compliance.



Steve Tuchscherer, CPA
Roseburg, Oregon
December 18, 2019

MANAGEMENT'S
DISCUSSION
AND ANALYSIS

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OAKLAND SCHOOL DISTRICT NO. 1
Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ended June 30, 2019
Unaudited

The discussion and analysis of Oakland School District No. 1's financial performance provides an overview of the District's financial activities for the fiscal year that ended June 30, 2019. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for the fiscal year ended June 30, 2019 are as follows:

- The District's net position increased by \$28,632 which represents a 3.2% increase from the previous year.
- General revenues accounted for \$6,434,329 in revenue, or 86.7% of all revenues. Program specific revenues in the form of charges for services, and grants and donations accounted for \$983,049 or 13.3% of total revenues of \$7,417,378.
- The District had \$7,388,744 in expenses, which was less than total revenues, resulting in an increase in total net position of \$28,632.
- Total assets of governmental activities increased by \$201,105, primarily due to an increase in cash and investments from the prior year.
- Total liabilities increased by \$291,432 during the year primarily due to an increase in net pension liability and the principal payments on long term debt.

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's Discussion and Analysis introduces the District's basic financial statements. The basic financial statements include: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes additional supplementary information to supplement the basic financial statements.

Government-wide Financial Statements

The first of the government-wide statements is the *Statement of Net Position*. This is the District-wide statement of financial position presenting information that includes all of the District's assets and liabilities. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating. Evaluation of the overall economic health of the District would extend to other non-financial factors such as the condition of school buildings and other facilities and changes in the district's enrollment, which dictates the majority of revenue to be collected through the State Funding Formula.

OAKLAND SCHOOL DISTRICT NO. 1
Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ended June 30, 2019
Unaudited

The second government-wide statement is the *Statement of Activities* which reports how the District's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the *Statement of Activities* is to show the financial reliance of the distinct activities or functions of the District that are primarily supported by intergovernmental revenues, principally state basic school support and property tax revenues. The governmental activities of the District include instruction, instructional support services, operation and maintenance of plant, student transportation, and non-instructional support services.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, Fund Financial Statements focus on the District's most significant funds rather than the District as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of individual budget versus actual statements and combining statements in a later section of this report.

Governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. Unlike the government-wide financial statements, these statements report short-term fiscal accountability focusing on use of spendable resources during the year and balances of spendable resources available at the end of the fiscal year.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide reconciliation to government-wide statements to assist in understanding the differences between these two perspectives.

Fiduciary funds such as private-purpose trust funds for scholarships are reported in the fiduciary fund financial statements but are excluded from government-wide reporting. Fiduciary fund financial statements report net position and changes in net position on a cash basis. The District has no fiduciary funds.

Notes to the Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin immediately following the basic financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents as required supplementary information budgetary comparison statements for the General Fund, the Retirement Liability Fund, and the Building and Repair Fund. The required supplementary information immediately follows the notes to the financial statements. Other supplementary information includes combining statements, individual fund schedules, and other schedules. These statements and schedules immediately follow the required supplementary information in this report.

OAKLAND SCHOOL DISTRICT NO. 1
Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ended June 30, 2019
Unaudited

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Recall that the Statement of Net Position provides the perspective of the District as a whole. Net position may serve over time as a useful indicator of a government's financial position.

The District's net position at fiscal year-end was \$(880,036). This is a \$28,632 increase from last year's net position and represents a 3.2% increase from the previous year.

The following table provides a summary of the District's net position. Comparative information from the previous year is provided.

Summary of Net Position

	Governmental Activities		Percentage Change
	June 30, 2019	June 30, 2018	
Assets			
Current and Other Assets	\$ 3,238,203	\$ 2,963,022	9.3%
Capital Assets	1,948,245	2,022,321	-3.7%
Total Assets	5,186,448	4,985,343	4.0%
Deferred Outflow of Resources	2,459,845	2,249,506	9.4%
Liabilities			
Long-Term Liabilities	6,703,678	6,096,867	10.0%
Other Liabilities	1,082,496	1,397,875	-22.6%
Total Liabilities	7,786,174	7,494,742	3.9%
Deferred Inflow of Resources	740,155	648,776	14.1%
Net Position			
Net Investment in Capital Assets	999,479	930,227	7.4%
Restricted	19,533	-	N/A
Unrestricted	(1,899,048)	(1,838,895)	-3.3%
Total Net Position	\$ (880,036)	\$ (908,669)	-3.2%

OAKLAND SCHOOL DISTRICT NO. 1
Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ended June 30, 2019
Unaudited

The following table shows the changes in net position. Prior-year information is provided for comparative analysis of government-wide revenue and expense information.

Changes in Net Position			
	Governmental Activities		
	2018-19	2017-18	Percentage Change
Revenues			
Program Revenues			
Charges for Services	\$ 263,075	\$ 229,616	14.6%
Operating Grants and Contributions	719,974	787,715	-8.6%
General Revenues			
Property Taxes	1,390,457	1,419,487	-2.0%
State Basic School Support	4,677,427	5,096,155	-8.2%
Other	303,459	317,897	-4.5%
Total Revenues	7,417,378	7,850,870	-5.5%
Program Expenses			
Instruction	4,496,837	4,166,580	7.9%
Support Services	2,616,191	2,488,952	5.1%
Community Services	239,258	197,483	21.2%
Interest on Long-Term Debt	36,457	75,663	-51.8%
Total Program Expenses	7,388,744	6,928,678	6.6%
Change in Net Position	\$ 28,634	\$ 922,192	

OAKLAND SCHOOL DISTRICT NO. 1
Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ended June 30, 2019
Unaudited

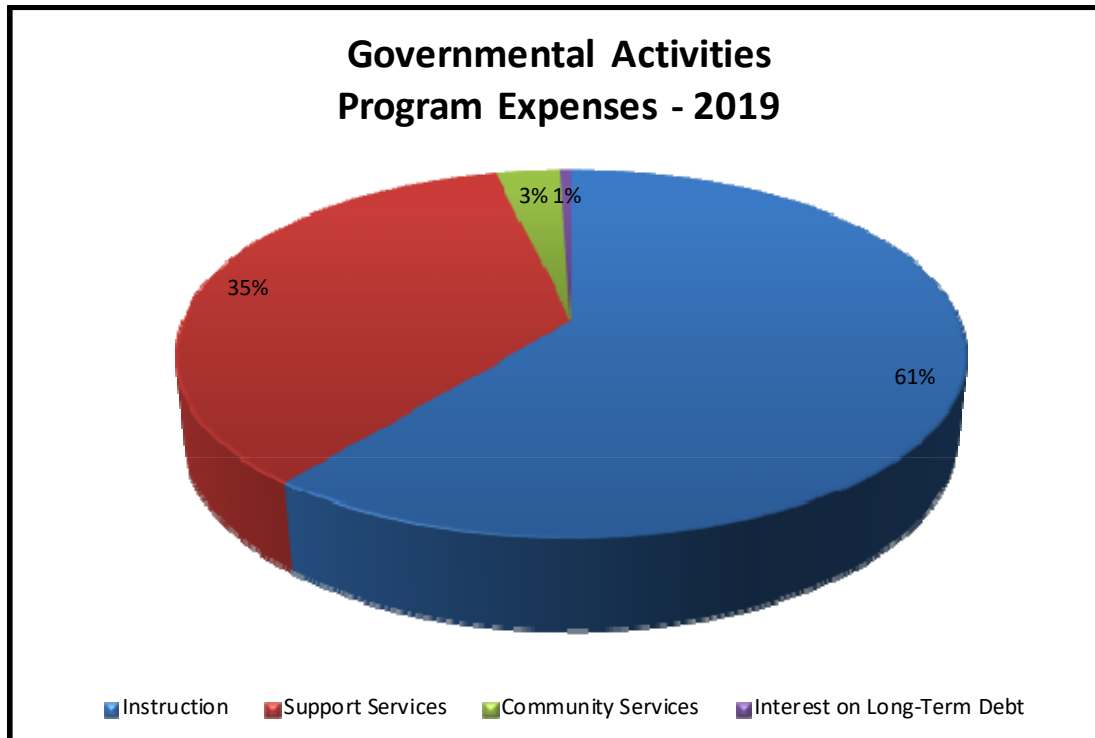
The Statement of Activities shows the cost of program services and the charges for services, grants, and contributions offsetting those services. The following table shows, for governmental activity, the total cost of the four major functional activities of the District. The table also shows each function's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State and District's taxpayers by each of these functions. Prior-year information is provided for comparative analysis.

Governmental Activities

	2018-19		2017-18	
	Total Cost of Services	Net Cost (Profit) of Services	Total Cost of Services	Net Cost (Profit) of Services
Instruction	\$ 4,496,837	\$ 3,792,736	\$ 4,166,580	\$ 3,622,769
Support Services	2,616,191	2,476,744	2,488,952	2,091,738
Community Services	239,258	99,757	197,483	121,177
Interest on Long-Term Debt	36,457	36,457	75,663	75,663
Total Program Expenses	\$ 7,388,744	\$ 6,405,695	\$ 6,928,678	\$ 5,911,347

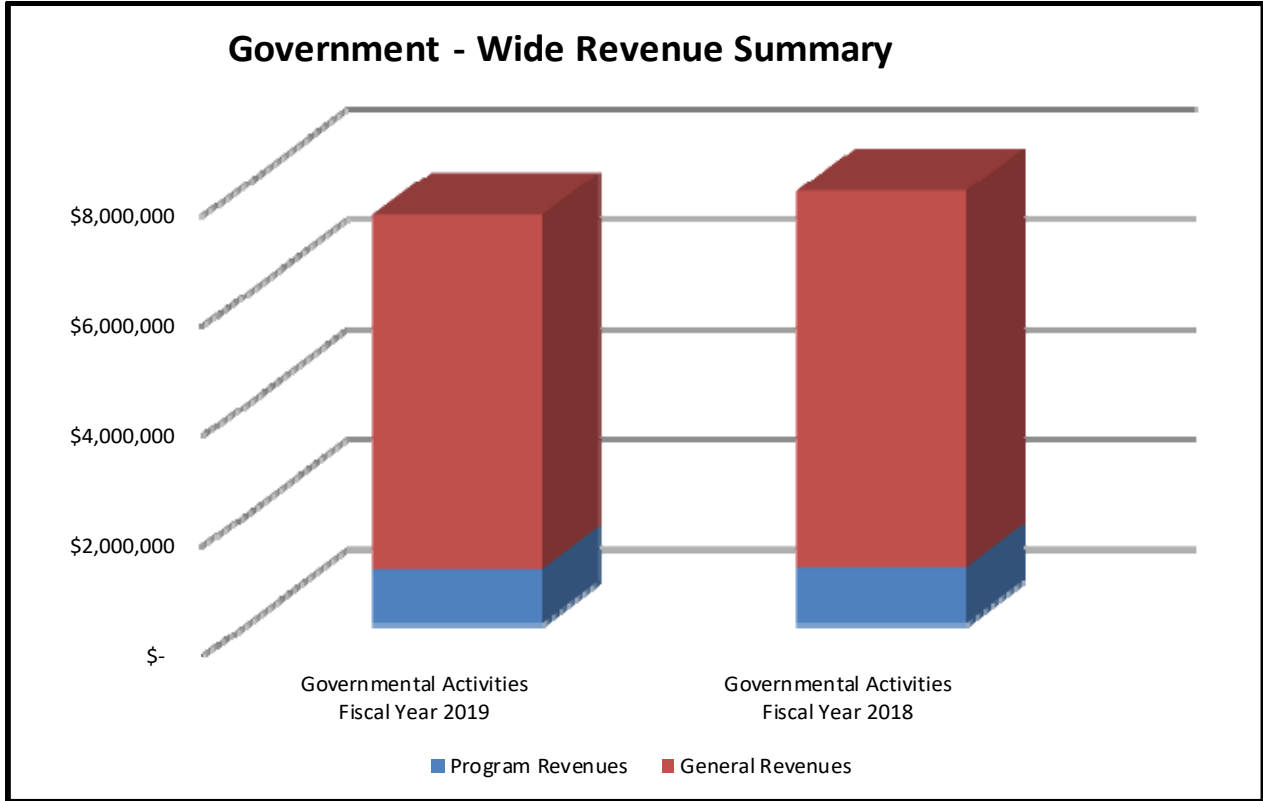
The dependence on general revenues for general government activities is apparent. For the current year, 84% of general government activities are supported through general revenues.

This graph represents the cost of the District's Program expenses by governmental activities.



OAKLAND SCHOOL DISTRICT NO. 1
Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ended June 30, 2019
Unaudited

The following chart analyzes the revenue between governmental activities from prior to current year.



FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Governmental Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the District's governmental funds is to provide information on short-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$3,022,022, an increase of \$348,367. The fund balance consists of non-spendable, restricted, committed, assigned and unassigned amounts. Of the current fund balances, \$8,610 is non-spendable, \$19,533 is restricted, \$1,991,546 is committed and \$1,002,333 is unassigned and available for spending at the District's discretion.

The General Fund is the principal operating fund of the District. The decrease in fund balance in the General Fund for the fiscal year was \$201,261.

OAKLAND SCHOOL DISTRICT NO. 1
Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ended June 30, 2019
Unaudited

BUDGETARY HIGHLIGHTS

Over the course of the year, the District made only minor changes to its various funds' budgets.

General Fund revenues were budgeted and anticipated to be collected in the amount of \$6,637,339 during the fiscal year. Actual revenues of \$6,408,547 were less than budgeted revenues by \$228,792. General Fund expenditures budget was under-spent by \$677,531. The actual ending fund balance was more than the budgeted ending fund balance by \$702,333.

The Retirement Liability Fund #203 ending fund balance increased by \$133,629. Actual revenues were more than budgeted revenues by \$33,629, and actual expenditures were under budgeted expenditures.

The Building & Repair Fund #400 ending fund balance increased by \$274,367. Actual revenues were more than budgeted revenues by \$29,817, and actual expenditures were under budgeted expenditures.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2019, the District had invested \$6,028,192 in capital assets, including school buildings, athletic facilities, land, vehicles, computers and other equipment and furnishings. This amount represents a net increase prior to depreciation of \$102,152 from last year due to additions of \$102,152 and deletions of \$0.

Total depreciation expense for the year was \$176,228. Additional information on the District's capital assets can be found in the Capital Asset Note in the notes to the basic financial statements section of this report.

Long-Term Debt

At June 30, 2019 the District had \$948,766 in long-term debt outstanding. The District paid \$143,328 toward the principal balance of the long-term debt. The District paid \$34,642 in interest on total debt.

Additional information on the District's long-term debt can be found in the Long-Term Debt Note in the notes to the basic financial statements section of this report.

OAKLAND SCHOOL DISTRICT NO. 1
Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ended June 30, 2019
Unaudited

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The primary factors considered in developing the budget for next year were the District's projected student enrollment being about equal to prior year and small projected increases in state school support funds.

The District's adopted budget for the fiscal year ending June 30, 2020 represents an overall increase of \$1,063,307 or 9.8% when compared with the current fiscal year. The total budget for the fiscal year ending June 30, 2020 is \$11,929,689. The most significant changes in the 2019-20 budget are the increase of instruction and support services budgeted expenditures for the general fund and the increase in budgeted expenditures for the capital projects fund. The remaining operating costs of governmental activities are expected to be similar to those of the current period.

The District will levy its maximum permanent property tax rate of \$4.6397 per \$1,000 of assessed property valuation.

The District continues to review the status of the various issues impacting our funding and continues to make expenditures conservatively in order to maintain reserves that will minimize fluctuations in program funding and availability.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives.

If you have any questions about this report or need additional information, contact the Oakland School District No. 1 at PO Box 390, Oakland, Oregon 97462.

BASIC FINANCIAL

STATEMENTS

Government-wide

Financial Statements

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OAKLAND SCHOOL DISTRICT NO. 1

STATEMENT OF NET POSITION

June 30, 2019

	<u>Governmental Activities</u>
<u>ASSETS:</u>	
Current Assets:	
Cash and Cash Equivalents	\$ 3,059,352
Property Taxes Receivable	131,992
Due From Other Governments	7,793
Prepaid Expenses	3,110
Inventory-Food, Supplies & Commodities	8,610
Total Current Assets	\$ 3,210,857
Restricted Assets:	
Net OPEB Asset (RHIA)	27,346
Total Restricted Assets	27,346
Capital Assets:	
Land	21,950
Construction in Progress	18,117
Land Improvement	156,488
Building and Building Improvement	4,486,922
Machinery and Equipment	1,344,715
Less: Accumulated Depreciation	(4,079,948)
Total Capital Assets, Net of Depreciation	1,948,245
Total Assets	<u>5,186,448</u>
<u>DEFERRED OUTFLOW OF RESOURCES</u>	
Pension Related Deferrals	2,444,687
OPEB Related Deferrals - RHIA	15,158
Total Deferred Outflow of Resources	<u>2,459,845</u>
<u>LIABILITIES:</u>	
Accrued Interest Payable	27,832
Payroll Liabilities	77,477
Accrued Vacation Benefits	12,607
Leases Payable	
Due within one year	97,176
Due in more than one year	815,590
Bonds Payable	
Due within one year	36,000
Early Retirement Benefits	
Due within one year	102,891
Due in more than one year	728,513
Net OPEB Obligation - OEBB	88,594
Net Pension Liability	5,799,494
Total Liabilities	<u>7,786,174</u>
<u>DEFERRED INFLOW OF RESOURCES</u>	
Pension Related Deferrals	732,622
OPEB Related Deferrals - RHIA	7,533
Total Deferred Inflow of Resources	<u>740,155</u>
<u>NET POSITION:</u>	
Net Investment in Capital Assets	999,479
Restricted for:	
Debt Service	19,533
Unrestricted	\$ (1,899,048)
Total Net Position	<u>\$ (880,036)</u>

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

OAKLAND SCHOOL DISTRICT NO. 1

STATEMENT OF ACTIVITIES

For the Fiscal Year Ended June 30, 2019

		<u>Program Revenues</u>			<u>Net</u>
		<u>(Expenses)</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
					<u>Governmental Activities</u>
<u>GOVERNMENTAL ACTIVITIES:</u>					
Instruction	\$ 4,496,837	\$ 234,334	\$ 469,767	\$ -	\$ (3,792,736)
Support Services	2,616,191	-	139,447	-	(2,476,744)
Enterprise and Community Services	239,258	28,741	110,760	-	(99,757)
Interest on Long-Term Debt	36,457	-	-	-	(36,457)
Total Governmental Activities	<u>\$ 7,388,744</u>	<u>\$ 263,075</u>	<u>\$ 719,974</u>	<u>\$ -</u>	<u>\$ (6,405,695)</u>

GENERAL REVENUES:

Local Sources:

Property Taxes, Levied for General Purposes	\$ 1,390,457
Earnings on Investments	90,909
Unrestricted State and Local Revenue	144,169
Intermediate Sources	9,015
State School Fund for Education and Support Services	4,677,427
State Common School Fund	59,366
Federal Forest Fees for General Purposes	62,986
Subtotal - General Revenues	<u>6,434,329</u>
Change in Net Position	28,634
Net Position, July 1, 2018	<u>(908,671)</u>
Net Position, June 30, 2019	<u>\$ (880,036)</u>

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

BASIC FINANCIAL

STATEMENTS

Fund Financial Statements

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OAKLAND SCHOOL DISTRICT NO. 1

**BALANCE SHEET
GOVERNMENTAL FUNDS**

June 30, 2019

	General Fund #100	Retirement Liability Fund #203	Building & Repair Fund #400	Other Governmental Funds	Total Governmental Funds
<u>ASSETS:</u>					
Cash and Cash Equivalents	\$ 1,056,066	\$ 529,366	\$ 600,656	\$ 873,264	\$ 3,059,352
Property Taxes Receivable	131,992	-	-	-	131,992
Due From Other Governments	-	-	-	7,793	7,793
Prepaid Expenses	3,110	-	-	-	3,110
Inventory-Food, Supplies & Commodities	-	-	-	8,610	8,610
Total Assets	<u>\$ 1,191,168</u>	<u>\$ 529,366</u>	<u>\$ 600,656</u>	<u>\$ 889,667</u>	<u>\$ 3,210,857</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:</u>					
LIABILITIES:					
Payroll Liabilities	\$ 77,477	\$ -	\$ -	\$ -	\$ 77,477
Total Liabilities	<u>77,477</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>77,477</u>
DEFERRED INFLOWS OF RESOURCES:					
Unavailable Revenue - Property Taxes	111,358	-	-	-	111,358
Total Deferred Inflows of Resources	<u>111,358</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>111,358</u>
FUND BALANCES:					
Unspendable	-	-	-	8,610	8,610
Restricted for:					
Debt Service	-	-	-	19,533	19,533
Committed for:					
Capital Construction & Building Maintenance	-	-	600,656	-	600,656
Educational Programs	-	-	-	126,373	126,373
Employee Benefits Programs	-	529,366	-	124,299	653,665
Equipment Acquisition	-	-	-	235,700	235,700
Food Service Program	-	-	-	51,703	51,703
Special Programs	-	-	-	27,106	27,106
Student Body Activities	-	-	-	120,665	120,665
Transportation Programs	-	-	-	175,678	175,678
Unassigned	1,002,333	-	-	-	1,002,333
Total Fund Balances	<u>1,002,333</u>	<u>529,366</u>	<u>600,656</u>	<u>889,667</u>	<u>3,022,022</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,191,168</u>	<u>\$ 529,366</u>	<u>\$ 600,656</u>	<u>\$ 889,667</u>	<u>\$ 3,210,857</u>

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

OAKLAND SCHOOL DISTRICT NO. 1
RECONCILIATION OF THE BALANCE SHEET
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
June 30, 2019

Total Fund Balances - Governmental Funds		\$ 3,022,022
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Cost of assets	\$ 6,028,192	
Accumulated depreciation	<u>(4,079,948)</u>	
Net Value of Capital Assets		1,948,245
Property taxes receivable that will not be available to pay for current-period expenditures are deferred in the governmental funds.		
		111,358
Deferred inflows and outflows of pension and OPEB contributions and earnings are not reported in the governmental funds.		
Deferred Pension/OPEB Contributions	2,459,845	
Deferred Earnings on Pension/OPEB Assets	<u>(740,155)</u>	
Net Value of Deferrals		1,719,690
Some liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
These liabilities consist of :		
Accrued Interest Payable	27,832	
Leases Payable	912,766	
Bonds Payable	36,000	
Early Retirement Benefits	831,404	
Net Pension Liability	5,799,494	
Net OPEB Obligations	61,248	
Accrued Vacation Benefits	<u>12,607</u>	
Total		<u>(7,681,351)</u>
Net Position of Governmental Activities		<u>\$ (880,036)</u>

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

OAKLAND SCHOOL DISTRICT NO. 1

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS

For the Fiscal Year Ended June 30, 2019

	<u>General Fund</u> <u>#100</u>	<u>Retirement</u> <u>Liability</u> <u>Fund #203</u>	<u>Building &</u> <u>Repair</u> <u>Fund #400</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
<u>REVENUES:</u>					
Taxes	\$ 1,400,848	\$ -	\$ -	\$ -	\$ 1,400,848
Tuition Charges	1,480	-	-	-	1,480
Earnings on Investments	90,821	-	59	29	90,909
Fees and Charges	-	-	-	246,040	246,040
Miscellaneous Revenue	106,604	133,629	29,808	62,316	332,357
Intermediate Government Aid	9,015	-	-	-	9,015
State Aid	4,736,793	-	-	150,387	4,887,180
Federal Aid	62,986	-	-	530,584	593,570
Total Revenues	6,408,547	133,629	29,867	989,356	7,561,399
<u>EXPENDITURES:</u>					
Current:					
Instruction	3,396,181	-	-	816,661	4,212,842
Support Services	2,224,622	-	-	257,546	2,482,168
Enterprise and Community Services	-	-	-	216,893	216,893
Capital Outlay:					
Instruction	-	-	-	26,867	26,867
Support Services	53,005	-	-	43,287	96,292
Debt Service	-	-	-	177,970	177,970
Total Expenditures	5,673,808	-	-	1,539,224	7,213,032
Excess (Deficiency) of Revenues Over Expenditures	734,739	133,629	29,867	(549,868)	348,367
<u>OTHER FINANCING SOURCES (USES):</u>					
Interfund Transfers In	-	-	244,500	691,500	936,000
Interfund Transfers Out	(936,000)	-	-	-	(936,000)
Total Other Financing Sources (Uses)	(936,000)	-	244,500	691,500	-
Net Change in Fund Balance	(201,261)	133,629	274,367	141,632	348,367
Beginning Fund Balance	1,203,594	395,737	326,289	748,035	2,673,655
Ending Fund Balance	\$ 1,002,333	\$ 529,366	\$ 600,656	\$ 889,667	\$ 3,022,022

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

OAKLAND SCHOOL DISTRICT NO. 1

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

For the Fiscal Year Ended June 30, 2019

Net Changes in Fund Balances - Total Governmental Funds	\$	348,367
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense.		
Expenditures for capitalized assets	\$	102,152
Less current year depreciation		<u>(176,228)</u>
		(74,076)
Some property tax revenues will not be collected for several months after the District's fiscal year end and are therefore not considered "available" revenues in the governmental funds, instead these funds are shown as deferred revenue.		
Deferred revenues increased by this amount this year.		(10,391)
Repayment of principal on long term debt and leases are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
Retirement of principal is as follows:		
Bonds		<u>45,000</u>
		143,328
Government funds report pension contributions as expenditures. However, in the Statement of Activities, pension expense and changes in deferred inflows and outflows related to the net pension asset/(liability) are recorded based upon an actuarial valuation of such activity.		
This is the net change in pension related items.		(542,286)
Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
The activities consist of:		
Net increase/(decrease) in accrued interest expense	(1,815)	
Increase/(decrease) in accrued OPEB	34,971	
Increase/(decrease) in early retirement liability	125,655	
Increase/(decrease) in accrued vacation benefits	<u>4,881</u>	
		<u>163,692</u>
Change in Net Position of Governmental Activities	\$	<u>28,634</u>

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

BASIC FINANCIAL

STATEMENTS

Notes to the Basic

Financial Statements

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OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Oakland School District No. 1 was organized under the provisions of Oregon Statutes pursuant to ORS Chapter 332 for the purpose of operating elementary and secondary schools. The District is government by a separately elected five-member Board of Directors who approve the administrative officials. The daily functioning of the District is under the supervision of the Superintendent.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

All activities included in the basic financial statements of Oakland School District No. 1 have been prepared in conformity with generally accepted accounting principles in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the government's accounting policies are described below.

Reporting Entity

In determining the financial reporting entity, the Oakland School District No. 1 complies with Governmental Accounting Standards Board Statement 14 as amended, "The Financial Reporting Entity." The criteria for including organizations as component units within the District's reporting entity, include whether 1) the organization is legally separate (can sue and be sued in their own name); 2) the District holds the corporate powers of the organization; 3) the District appoints a voting majority of the organization's board; 4) the District is able to impose its will on the organization; 5) the organization has the potential to impose a financial benefit/burden on the District; and 6) there is fiscal dependency by the organization on the District. Based on the aforementioned criteria, the Oakland School District No. 1 has no component units.

Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall District with most of the interfund activities removed to minimize the double counting of internal activities. Governmental activities include programs supported primarily by taxes, state school support payments, grants and other intergovernmental revenues. The District has no business type activities that rely, to a significant extent, on fees and charges for support. The District also reports no fiduciary activities.

The statement of activities demonstrates the degree to which direct expenses of a given function are offset by program revenues. Direct expenses are those that are specifically associated with a program of function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

Basis of Presentation (Cont.)

Fund Financial Statements: During the fiscal year, the District segregates transactions related to school district functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds.

The fund financial statements provide reports on the financial condition and results of operations for governmental activities. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

General Fund - The General Fund is the main operating fund of the District. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General Fund expenditures are categorized by "Instruction" which is the direct teaching of students or the interaction between teacher and students. "Support Services" covers all the support activities for students, teachers, and facilities. Major activities in support services are transportation, maintenance of facilities (i.e. heating, phones, electricity, cleaning), administration, counseling for students, and technology support.

Retirement Liability Fund - Revenues accounted for in the PERS Liability Fund are from services provided other funds and operating transfers. These revenues are set aside to pay future PERS liability expenses.

Building Repair Fund - Revenues accounted for in the Building Repair Fund are primarily from interfund transfers. Expenditures accounted for in this fund are for expenses related to maintaining and repairing the districts school buildings.

Measurement Focus/Basis of Accounting:

Measurement focus refers to what is being measured; basis of accounting refers to when transactions are recognized in the financial records and reported on the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned. Expenses are recognized when the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or within sixty days after year end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt which are reported when due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

Measurement Focus/Basis of Accounting (Cont.)

The revenues susceptible to accrual are property taxes, charges for services, interest income and intergovernmental revenues. All other governmental fund revenues are recognized when received, as they are deemed immaterial. Deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when the revenue recognition is met or when the District has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Budgeting

The District budgets all funds as required by state law. The District budgets for all funds on a modified accrual basis. The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. Total expenditures are controlled by annual appropriations at the following organizational levels: instruction, support services, community services, facilities acquisition and construction, and other expenditures. Appropriations lapse as of the fiscal year-end. A detailed budget document is required that contains more detailed information for the above-mentioned expenditure categories.

Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriations resolution. A supplemental budget may require hearings before the public, publications in newspapers, and approval by the District Board of Directors. Original and supplemental budgets may be modified by the use of appropriations transfers between the levels of control. Such transfers require approval by the District Board of Directors.

Cash and Investments

Cash and cash equivalents include cash on hand, checking, savings and money market accounts and any short-term, highly liquid investments with initial maturity dates of three months or less.

The District has adopted an investment policy requiring compliance with Oregon statutes, which authorizes the District to invest in obligations of the United States, the agencies and instrumentalities of the United States and the State of Oregon, and numerous other investment instruments.

The District's investments may consist of time certificates of deposit, banker's acceptances, commercial paper, U.S. Government Agency securities, and the State of Oregon Treasurer's Local Government Investment Pool (LGIP). The District's investments are reported at fair value at year-end. 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, non-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 fund. The LGIP is included in the Oregon Short Term Fund (OSTF) which was established by the State Treasurer. 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.

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

Receivables

Amounts due from individuals and organizations are recorded as receivables at year-end. These amounts include charges for services rendered, or for goods and material provided by the District. All receivables are expected to be collected. Accordingly, receivables are reported at the gross amount without an allowance for uncollectible accounts.

Receivables are also recognized for property taxes and intergovernmental grants. Property taxes receivable consist of uncollected taxes levied and payable at the end of the fiscal year. All taxes are considered collectible. Consequently, no allowance for uncollectible taxes has been established. In the governmental fund financial statements, property taxes not collected within sixty days of the end of the fiscal year are reported as a deferred inflow or resources.

Intergovernmental grant reimbursement and entitlement amounts for which all eligibility requirements imposed by the provider have been met, but which were not received by the fiscal year end, are reported as accounts receivable.

Inventory

Food & supplies inventories in the Food Service Fund are valued at cost determined on the FIFO method. Commodities inventory in the Food Service Fund is valued at estimated fair market value. Inventory is treated as being expended when used rather than when purchased. Inventories of non-food service supplies are not considered significant. The District records the cost of non-food service supplies as expenses and expenditures when purchased rather than when used.

Capital Assets

The District has established a formal system of accounting for its capital assets. Purchased or constructed capital assets are reported at cost, or estimated cost when original cost is not available. Donated capital assets are valued at their estimated fair market value on the date received. Maintenance and repairs of capital assets are not capitalized, but rather are charged to expenditures in the governmental funds. The District does not possess any infrastructure. The capitalization threshold used by the District as recommended by the State of Oregon is \$5,000.

In the government-wide financial statements, all reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method over the estimated useful lives as follows:

<u>Asset Class</u>	<u>Estimated Years of Useful Lives</u>
Buildings	20-50
Building Improvements	20-50
Land Improvements	15-25
Vehicles	10
Equipment	5-10

In the governmental fund financial statements, fixed assets are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets are not capitalized and related depreciation is not reported in the fund financial statements.

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

Compensated Absences and Accrued Liabilities:

The liability for accrued vacation benefits reported in the government-wide statements consists of unpaid, accumulated annual vacation. The early retirement liability has been calculated using the accrual method for benefit amounts due to former employees who currently are receiving early-termination benefits. Early retirement benefits are available to a limited number of employees each year.

All payables and accrued liabilities are reported on the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full by current financial resources are reported as obligations of the funds.

Deferred Inflows/Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has only one item that qualifies for reporting in this category, deferred pension contributions.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has only one type of item that qualifies for reporting in this category, deferred earnings on pension assets. In the governmental funds balance sheet, a different category of deferred inflow of resources, delinquent property tax revenue not available, is reported. Property taxes levied and considered receivable at the end of the fiscal year, but not collected within sixty days of the end of the fiscal year are reported in this category. These amounts are recognized as an inflow of resources (revenue) in the period that the amounts become available.

Long-Term Obligations:

All bonds, notes and capital leases payable are recognized in the government-wide financial statements as liabilities of the District. Amounts of the long-term debt due within the following fiscal year are included in the current liabilities section of the Statement of Net Position.

In the governmental fund financial statements, proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources. Principal and interest payments on long-term debt are recorded as debt service in the expenditure section of the statement and schedules.

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

Equity Classifications:

Government-wide Statements

Equity is classified as net position, which represents the difference between assets, liabilities, and deferred accounts. Net position is displayed in three components:

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of a cumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantor, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

The District’s policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Fund Financial Statements

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable: This classification includes amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints. The District did not have any nonspendable resources as of June 30, 2019.
- Restricted: This classification includes fund balance amounts that are constrained for specific purposes which are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. The District has restricted funds for various projects that are to be used for educational purposes.
- Committed: This classification includes fund balance amounts that are constrained for specific purpose that are internally imposed by the government through resolution of the highest level of decision making authority, the Board of Directors, and does not lapse at year-end. The District did have committed resources as of June 30, 2019.
- Assigned: This classification includes fund balance amounts that are intended to be used for specific purposes that are neither restricted nor committed. This intent can be expressed by the Board of Directors or through the Board of Directors delegating this responsibility to selected staff members or through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. For fiscal year 2018-19, the District had no assigned fund balances.
- Unassigned: This classification includes positive fund balance within the General Fund which has not been classified within the above-mentioned categories, and negative fund balances of other governmental funds.

The District’s policy is to use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of the constrained fund balances.

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

Property Taxes

Real and personal property taxes attach as an enforceable lien on property as of January 1. All taxes are levied as of the lien date and are payable in three installments on November 15, February 15, and May 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 uncollectable taxes has been established. All property taxes receivables are due from property owners within the District.

Inter-Fund Transactions

Quasi-external transactions are accounted for as revenues or expenditures, while reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other inter-fund transactions are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other inter-fund transfers are reported as operating transfers.

Use of Estimates

The preparation of 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 amount of assets and liabilities as well as disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oregon Public Employees Retirement Fund (OPERF) and the Oregon Public Service Retirement Plan (OPSRP) and additions to/deductions from OPERF's and OPSRP'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.

CASH AND INVESTMENTS:

For discussion of deposit and investment policies and other related information, see Cash and Investments note on page 19.

The District follows the practice of aggregating the cash assets of various funds to maximize cash management efficiency and returns. Various restrictions on deposits and investments are imposed by state statutes. These restrictions are summarized at Cash and Investments note on page 19.

Investments, including amounts held in pool cash and investments are stated at fair value. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, investments with a remaining maturity of more than one year at the time of purchase are stated at fair value. Fair value is determined at the quoted market prices, if available; otherwise, the fair value is estimated based on the amount at which the investment could be exchanged in a current transaction between willing parties, other than a forced liquidation sale. Investments in the State of Oregon Local Government Investment Pool (LGIP) are stated at fair value.

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

CASH AND INVESTMENTS (Cont.):

Deposits - All cash is deposited in compliance with Oregon statutes. The insurance and collateral requirements for deposits are established by banking regulations and Oregon law. FDIC insurance of \$250,000 applies to the deposits in each depository. Where balances continually exceed \$250,000, ORS 295 requires the depositor to verify that deposit accounts are only maintained at financial institutions on the list of qualified depositories found on the state treasurer's website. Qualifying depository banks must pledge securities with a particular value based on the bank's level of capitalization. The balances in excess of the FDIC insurance are considered exposed to custodial credit risk.

Custodial Credit Risk for Deposits - Custodial credit risk for deposits exists when, in the event of a depository failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk.

As of June 30, 2019, the reported amounts of the District's deposits were \$301,131 and the bank balance was \$505,416. Of the bank balance, the entire amount was covered by federal depository insurance or by pledged securities with the qualifying depository banks.

Investments - Oregon statutes authorize the District to invest in obligations of the U.S. Treasury and U.S. agencies, banker's acceptances, repurchase agreements, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, and the Local Governmental Investment Pool. The District has no credit risk policy or investment policy that would further limit its investment choices

Credit Risk - Credit risk exists when there is a possibility the issuer or other counterparty to an investment may be unable to fulfill its obligations. As of June 30, 2019, the District's investment in the Oregon State Treasurer's Local Government Investment Pool (LGIP) was unrated.

At June 30, 2019, the District's investments in financial institutions were as follows:

<u>Type of Investment</u>	<u>Fair Value</u>	<u>Credit Rating</u>
Oregon State Treasurer's Local Government		
Investment Pool (LGIP)	\$ 2,758,185	N/A
Total Investments	<u>\$ 2,758,185</u>	

Investments in the LGIP and federal agency notes do not require disclosure credit rating quality.

Concentration of Credit Risk - An increased risk of loss occurs as more investments are acquired from one issuer. This results in a concentration of credit risk. The District places no limit on the amount that may be invested in any one issuer. More than 5 percent of the District's investments are in the Oregon State Treasurer's Local Government Investment Pool (LGIP). This investment is 100% of the District's total investments.

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

CAPITAL ASSETS:

The following is a summary of capital asset activity for the fiscal year ended June 30, 2019:

Governmental Activities	Beginning Balances	Additions	Deletions	Ending Balances
Assets not being depreciated:				
Land	\$ 21,950	\$ -	\$ -	\$ 21,950
Construction in Progress	-	18,117	-	18,117
Total assets not being depreciated	21,950	18,117	-	40,067
Assets being depreciated:				
Land Improvement	156,488	-	-	156,488
Building and Building Improvement	4,477,662	9,260	-	4,486,922
Machinery and Equipment	1,269,940	74,775	-	1,344,715
Total Depreciable Assets	5,904,090	84,035	-	5,988,125
Less: Accumulated Depreciation				
Land Improvement	76,764	8,433	-	85,197
Building and Building Improvement	3,629,863	38,059	-	3,667,923
Machinery and Equipment	197,092	129,736	-	326,828
Total Accumulated Depreciation	3,903,720	176,228	-	4,079,948
Net Value of Capital Assets Being Depreciated	2,000,371	(92,193)	-	1,908,178
Total Governmental Activities --				
Net Value of Capital Assets	<u>\$ 2,022,321</u>	<u>\$ (74,076)</u>	<u>\$ -</u>	<u>\$ 1,948,245</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 37,880
Support Services	125,476
Enterprise and Community Services	12,871
Total Depreciation Expense	<u>\$ 176,228</u>

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

LONG-TERM DEBT:

Leases:

Santander Bank - On February 5, 2018, the District purchased two 2019 Blue Bird BBV Diesel 83 passenger busses from Western Bus Sales on a lease purchase with Santander Bank. The original balance is \$227,264 with an interest rate of 4.450%. The payments are due the 15th of August every year with the last payment due on August 15, 2027.

Santander Bank - On July 24, 2017 the District purchased 6 new school buses from Western Bus Sales on a lease purchase with Santander Bank. The original balance is \$679,655 with an interest rate of 3.550%. The payments are due on the 24th of August of every year with the final payment due on August 24, 2026.

Santander Bank - On October 15, 2017, the District purchased two passenger busses from Western Bus Sales on a lease purchase with Santander Bank. The District purchased a 2017 Chevrolet 14-passenger bus and a 2018 Blue Bird 84-passenger bus. The original balance is \$204,639 with an interest rate of 3.400%. The payments are due the 15th of November every year with the last payment due on November 15, 2026.

Bonds:

OSBA QSCB, Series 2010A - Oregon School Board Association (OSBA) QSCB, Series 2010B held by Bank of New York Mellon Trust Company for Capital Improvements. The original balance is \$450,000 with an interest rate between 4.15-5.05%, which is partially subsidized the federal government. The inception date of the loan was October 12, 2010, with annual sinking fund payments of \$45,000. The last payment is due in the fiscal year 2020.

	Outstanding Balance July 1, 2018	Principal Paid	Interest Paid	Outstanding Balance June 30, 2019	Due Within One Year
Leases Payable:					
Santander Bank	\$ 227,264	\$ 22,778	\$ 5,292	\$ 204,486	\$ 18,970
Santander Bank	602,346	57,975	21,383	544,371	60,033
Santander Bank	181,484	17,575	6,171	163,909	18,172
Total Leases Payable	<u>\$1,011,094</u>	<u>\$ 98,328</u>	<u>\$32,846</u>	<u>\$ 912,766</u>	<u>\$ 97,176</u>
Bonds Payable:					
OSBA QSCB, Series 2010A	\$ 81,000	\$ 45,000	\$ 1,796	\$ 36,000	\$ 36,000
Total Bonds Payable	<u>81,000</u>	<u>45,000</u>	<u>1,796</u>	<u>36,000</u>	<u>36,000</u>
Total Long-Term Debt	<u>\$1,092,094</u>	<u>\$ 143,328</u>	<u>\$34,642</u>	<u>\$ 948,766</u>	<u>\$133,176</u>

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

LONG-TERM DEBT (Cont.):

The future debt service requirements on the above debt are as follows:

Leases Payable:	Due Fiscal Year Ending June 30,	Principal	Interest	Total
	2020	\$ 97,176	\$ 33,998	\$ 131,175
	2021	100,769	30,405	131,175
	2022	104,497	26,678	131,175
	2023	108,364	22,811	131,175
	2024	112,375	18,799	131,175
	2025 - 2029	389,584	32,010	421,594
	Total	<u>\$ 912,766</u>	<u>\$ 164,701</u>	<u>\$ 1,077,467</u>

Bonds Payable:	Due Fiscal Year Ending June 30,	Principal	Interest	Total
	2020	\$ 36,000	\$ -	\$ 36,000
	Total	<u>\$ 36,000</u>	<u>\$ -</u>	<u>\$ 36,000</u>

For further detail on debt service, see the 'Schedule of Long-Term Debt Transactions' in the Other Supplementary Information section of this report.

OPERATING LEASE:

The District entered into a five-year operating lease agreement beginning January 11, 2018. The lease agreement is \$1,366 per month for a total of 60 months.

Future requirements at June 30, 2019 are:

	Copier Payment	Total
2020	16,384	16,384
2021	9,558	9,558
	<u>\$ 25,942</u>	<u>\$ 25,942</u>

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

PENSION PLAN:

Name of Pension Plan

The Oregon Public Employees Retirement System (PERS) consists of a cost-sharing multiple-employer defined benefit pension plan.

Description of Benefit Terms

Plan Benefits

All benefits of the System are established by the legislature pursuant to ORS Chapters 238 and 238A.

1. Tier One/Tier Two Retirement Benefit (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, 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 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 a PERS employer at the time of death,
- the member died within 120 days after termination of PERS-covered employment,
- the member died as a result of injury sustained while employed in a PERS-covered job, or
- the member was on an official leave of absence from a PERS-covered job at the time of death.

Disability Benefits

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

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

PENSION PLAN (Cont.):

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 of equity investments.

Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2018 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

2. OPSRP Defined Benefit Pension Program (OPSRP DB). The Pension Program (ORS Chapter 238A) 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. Under current law, the cap on the COLA in fiscal year 2019 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

3. IAP Plan Description:

OPSRP Individual Account Program (OPSRP IAP)

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.

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

PENSION PLAN (Cont.):

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.

Recordkeeping

PERS contracts with VOYA Financial to maintain IAP participant records.

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. This 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. The rates based on a percentage of payroll, first became effective July 1, 2017. The state of Oregon and certain schools, community colleges, and political subdivisions have made lump sum payments to establish side accounts, and their rates have been reduced.

Employer contributions for the year ended June 30, 2019 were \$760,499, excluding amounts to fund employer specific liabilities.

Pension Plan CAFR

Oregon PERS produces an independently audited CAFR which can be found at:
http://www.oregon.gov/pers/Pages/section/financial_reports/financials.aspx

Actuarial Valuations

The employer contribution rates effective July 1, 2017, through June 30, 2019, were set using the projected unit credit 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 (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) 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 20 years. For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer contribution 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 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.

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

PENSION PLAN (Cont.):

Actuarial Methods and Assumptions Used in Developing Total Pension Liability

Valuation Date	December 31, 2016
Measurement Date	June 30, 2018
Experience Study	2016, published July 26, 2017
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Inflation rate	2.50 percent
Long-term expected rate of return	7.50 percent
Discount rate	7.20 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 Moro decision; blend based on service.
Mortality	<p>Healthy retirees and beneficiaries: RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation.</p> <p>Active members: RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees: RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.</p>

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits 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 methods and assumptions shown above are based on the 2016 Experience Study which reviewed experience for the four-year period ending on July 26, 2016.

Discount Rate

The discount rate used to measure the total pension liability was 7.20 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 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.

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

PENSION PLAN (Cont.):

Depletion Date Projection

GASB 68 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 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 68 will often require that the actuary perform complex projections of future benefit payments and pension plan investments. GASB 68 (paragraph 67) 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 PERS:

- 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 68 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, it is our independent actuary's opinion that the detailed depletion date projections outlined in GASB 68 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

Assumed Asset Allocation

<u>Asset Class/Strategy</u>	<u>OIC Policy Range</u>	<u>OIC Target Allocation</u>	<u>Asset Class/Strategy</u>	<u>Actual Allocation</u>
Cash	0.0% - 3.0%	0.0%	Cash	5.2%
Debt Securities	15.0% - 25.0%	20.0%	Debt Securities	18.9%
Public Equity	32.5% - 42.5%	37.5%	Public Equity	36.7%
Real estate	9.5% - 15.5%	12.5%	Real estate	10.1%
Private Equity	13.5% - 21.5%	17.5%	Private Equity	19.7%
Alternative Equity	0.0% - 12.5%	12.5%	Alternative Equity	7.3%
Opportunity Portfolio	0.0% - 3.0%	0.0%	Opportunity Portfolio	2.1%
Total		100%	Total	100%

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

PENSION PLAN (Cont.):

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. 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.

Asset Class	Target Allocation*	Annual Arithmetic Mean	Compound Annual (Geometric) Return	Annual Standard Deviation
Core Fixed Income	8.00%	3.59%	3.49%	4.55%
Short-Term Bonds	8.00%	3.42%	3.38%	2.70%
Bank/Leveraged Loans	3.00%	5.34%	5.09%	7.50%
High Yield Bonds	1.00%	6.90%	6.45%	10.00%
Large/Mid Cap US Equities	15.75%	7.45%	6.30%	16.25%
Small Cap US Equities	1.31%	8.49%	6.69%	20.55%
Micro Cap US Equities	1.31%	9.01%	6.80%	22.90%
Developed Foreign Equities	13.13%	8.21%	6.71%	18.70%
Emerging Foreign Equities	4.13%	10.53%	7.45%	27.35%
Non-US Small Cap Equities	1.88%	8.67%	7.01%	19.75%
Private Equity	17.50%	11.45%	7.82%	30.00%
Real Estate (Property)	10.00%	6.15%	5.51%	12.00%
Real Estate (REITS)	2.50%	8.26%	6.37%	21.00%
Hedge Fund of Funds - Diversified	2.50%	4.36%	4.09%	7.80%
Hedge Fund - Event-driven	0.63%	6.21%	5.86%	8.90%
Timber	1.88%	6.37%	5.62%	13.00%
Farmland	1.88%	6.90%	6.15%	13.00%
Infrastructure	3.75%	7.54%	6.60%	14.65%
Commodities	1.88%	5.43%	3.84%	18.95%
Assumed Inflation - Mean			2.50%	1.85%

* Based on the OIC Statement of Investment Objectives and Policy Framework for the Oregon Public Employees Retirement Fund, revised as of June 7, 2017.

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

PENSION PLAN (Cont.):

Sensitivity Analysis

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

	1% Decrease 6.20%	Discount Rate 7.20%	1% Increase 8.20%
Employer's proportionate share of the net pension liability	\$ 9,692,051	\$ 5,799,494	\$ 2,586,508

Changes in Assumptions

A summary of key changes implemented since the December 31, 2016 valuation are described briefly below. Additional detail and a comprehensive list of changes in methods and assumptions can be found in the 2016 Experience Study for the System, which was published on July 26, 2017, and can be found at:

<https://www.oregon.gov/pers/Documents/2016-Exp-Study.pdf>

Changes in Actuarial Methods and Allocation Procedures

There were no changes to actuarial methods and procedures since the December 31, 2016 valuation.

Changes in Economic Assumptions

There were no changes to economic assumptions since the December 31, 2016 valuation.

Changes in Demographic Assumptions

There were no changes to demographic assumptions since the December 31, 2016 valuation.

Changes in Benefit Terms and Assumptions

Benefit Terms: The Oregon Supreme Court decision in *Moro v. State of Oregon*, issued on April 30, 2015, reversed a significant portion of the reductions the 2013 Oregon Legislature made to future System Cost of Living Adjustments (COLA) through Senate Bills 822 and 861. This reversal increased the total pension liability as of June 30, 2015 compared to June 30, 2014 total pension liability.

Assumptions: The PERS Board adopted assumption changes that were used to measure the June 30, 2016 total pension liability. The changes included the lowering of the long-term expected rate of return to 7.50 percent and lowering of the assumed inflation to 2.50 percent. For June 30, 2018, the long-term expected rate of return was lowered to 7.20 percent. In addition, the healthy mortality assumption was changed to reflect an updated mortality improvement scale for all groups, and assumptions were updated for merit increases, unused sick leave, and vacation pay were updated.

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

PENSION PLAN (Cont.):

Mortality Rates

A summary of the current assumed mortality rates and recommended changes is shown below:

Assumption	December 31, 2015 Valuation	Recommended December 31, 2016 and 2017 Valuations
Healthy Annuitant Mortality	RP-2000 Generational with Scale BB, Combined Active/Healthy Annuitant, Sex Distinct	RP-2014 Healthy Annuitant, Sex Distinct, Generational Projection Unisex Social Security Data Scale
School District male	No collar, set back 24 months	White collar, set back 12 months
Other General Service male (and male beneficiary)	Blended 25% blue collar/75% white collar, set back 12 months	Blended 50% blue collar/50% white collar, set back 12 months
Police & Fire male	Blended 25% blue collar/75% white collar, set back 12 months	Blended 50% blue collar/50% white collar, set back 12 months
School District female	No collar, set back 24 months	White collar, set back 12 months
Other female (and female beneficiary)	Blended 25% blue collar/75% white collar, no set back	Blended 50% blue collar/50% white collar, no set back
Disabled Retiree Mortality	RP-2000 Generational with Scale BB, Disabled, No Collar, Sex distinct	RP-2014 Disabled Retiree, Sex Distinct, Generational Projection with Unisex Social Security Data Scale
Male	70% of Disabled table, but not less than corresponding healthy annuitant rates	No collar adjustment, no set back
Female	95% of Disabled table, but not less than corresponding healthy annuitant rates	No collar adjustment, no set back
Non-Annuitant Mortality	Fixed Percentage of Healthy Annuitant Mortality	RP-2014 Employee, Sex Distinct, Generational Projection with Unisex Social Security Data Scale
School District male	60%	Same collar and set back as Healthy Annuitant assumption
Other General Service male	75%	Same collar and set back as Healthy Annuitant assumption
Police & Fire male	75%	Same collar and set back as Healthy Annuitant assumption
School District female	55%	Same collar and set back as Healthy Annuitant assumption
Other female	60%	Same collar and set back as Healthy Annuitant assumption

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

PENSION PLAN (Cont.):

Changes Subsequent to the Measurement Date

There were no changes subsequent to the measurement date that we are aware of.

Deferred Items

Deferred items are calculated at the system-wide level and are allocated to employers based on their proportionate share. For the measurement period ending June 30, 2018, employers will report the following deferred items:

- A difference between expected and actual experience, which is being amortized over 5.4 years, the remaining service lives of all plan participants, including retirees. One year of this amortization is included in the employer's total pension expense for the measurement period.
- Changes in employer proportion since the prior measurement date, which is being amortized over 5.4 years, the remaining service lives of all plan participants, including retirees. One year of this amortization is included in the employer's total pension expense for the measurement period.
- A Net difference between projected and actual earnings which is being amortized over a closed five-year period. One year's amortization is being recognized in the employer's total pension expense for the measurement period.

I. Employer Contributions

PERS includes accrued contributions when due pursuant to legal requirements, as of June 30 in its Statement of Changes in Fiduciary Net Position. These are normally included in the employer statements cut off as of the fifth of the following month. PERS does not try to accrue contributions based on pay date.

Beginning with fiscal year 2016, PERS will be able to report cash contributions and UAL side account amortization by employer and will publish this information on the PERS Website. Prior to fiscal year 2016, contributions to the OPSRP Defined Benefit plan were not accounted for by employer, as all employers were pooled for actuarial purposes.

J. Elements of Changes in Net Position

This information can be found in the Schedule of Changes in Net Pension Liability found on page 74, of the June 30, 2018 PERS CAFR.

Pension Liabilities/(Assets), Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions

At June 30, 2019, the employer reported a liability of \$5,799,494 for its proportionate share of the net pension liability. The net pension liability/(asset) was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on a projection of the employer's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

PENSION PLAN (Cont.):

At June 30, 2018, the employer's proportion was 0.03828382%.

For the year ended June 30, 2019, the employer recognized pension expense of \$1,004,434. At June 30, 2019, the employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 197,281	\$ -
Changes of assumptions	1,348,371	-
Net difference between projected and actual earnings on investments	-	257,530
Changes in proportionate share	2,447	467,524
Differences between employer contributions and employer's proportionate share of system contributions	<u>136,089</u>	<u>7,568</u>
Total Deferred Outflows/Inflows	\$ 1,684,188	\$ 732,622
Post-measurement date contributions	760,499	N/A
Total Deferred Outflow/(Inflow) of Resources	<u>\$ 2,444,687</u>	<u>\$ 732,622</u>
Net Deferred Outflow/(Inflow) of Resources prior to post-measurement date contributions		<u>\$ 951,566</u>

The District reported \$760,499 as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense/(income) as follows:

<u>Employer subsequent fiscal years</u>	<u>Deferred Outflow/(Inflow) of Resources (prior to post-measurement date contributions)</u>
1st Fiscal Year	\$ 603,670
2nd Fiscal Year	389,613
3rd Fiscal Year	(136,546)
4th Fiscal Year	59,086
5th Fiscal Year	35,744
Thereafter	-
Total	<u>\$ 951,566</u>

Net Pension Liability

Net pension liabilities are calculated at the system-wide level and are allocated to employers based on their proportionate share. UAL Side Accounts are included as assets in this calculation. The rate setting actuarial valuation will continue to allocate the UAL Side Account, transitional or pre-SLGRP liabilities or surpluses as adjustments to the respective employers.

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

OTHER POST-EMPLOYMENT BENEFITS – POST RETIREMENT HEALTH CARE BENEFITS:

In addition to the pension benefits described above, the District provides post-retirement health care benefits, in accordance with the contracts signed with certified employees. Eligible employees are those who retire from the District on or after attaining the age of 58. Currently twelve retirees meet those eligibility requirements. The District provides 100% of regular hospital/ medical insurance premiums until the retiree reaches age 65.

The District also provides eligible retirees an annual stipend equal to 1-1/2% of the individual's final annual salary for each year of service at the District to a maximum of 18%. Currently seven retirees meet the eligibility requirements for stipend benefits.

For government-wide statements, the potential liability created by the union negotiated contractual obligation and other contractual obligation described above is recorded in the amount of \$88,594 as a liability on the Statement of Net Position.

For fund financial statements, expenditures for post-retirement benefits are recognized when paid. During the 2018-19 fiscal year, \$105,214 in health insurance benefits (net cost), and no stipends were expended by the District for other post-employment benefits.

OTHER POST-EMPLOYMENT BENEFITS (OPEB) RHIA:

Oregon Public Employees Retirement Systems' (PERS) Retiree Health Insurance Account (RHIA)

Plan Description

The District contributes to the Oregon Public Employees Retirement Systems' (PERS) Retiree Health Insurance Account (RHIA), a cost-sharing multiple-employer defined benefit post-employment healthcare plan administered by the Oregon Public Employees Retirement Board (OPERB). The plan, which was established under Oregon Revised Statutes 238.420, provides a payment of up to \$60 per month towards the costs of health insurance for eligible PERS retirees. RHIA post-employment benefits are set by state statute. The plan was closed to new entrants hired on or after August 29, 2003.

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.

A comprehensive annual financial report of the funds administered by the OPERB may be obtained by writing to Oregon Public Employees Retirement System, P.O. Box 23700, Tigard, OR 97281-3700, by calling (503) 598-7377, or by accessing the PERS web site at <http://oregon.gov/PERS/>.

Funding Policy

Participating employers are contractually required to contribute at a rate assessed bi-annually by the OPERB, currently 0.50% of annual covered PERS payroll and 0.43% for OPSRP payroll. The OPERB sets the employer contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 75. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years.

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

OTHER POST-EMPLOYMENT BENEFITS (OPEB) RHIA (Cont.):

Contributions

The District's contributions to PERS' RHIA for the years ended June 30, 2019, 2018, and 2017 were \$14,911, \$11,862, and \$12,934 respectively which equaled the required contributions for the year.

Actuarial Methods and Assumptions Used in Developing Total Pension Liability

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS Retirement Health Insurance Account Cost Sharing Multiple Employer Other Postemployment Benefit (OPEB) Plan Schedules of Employer Allocations and OPEB Amounts by Employer report, as of and for the Year Ended June 30, 2018. That independently audited report was dated April 11, 2018 and can be found at:

http://www.oregon.gov/pers/EMP/Documents/GASB/2018/GASB_75_06.30.2017.pdf

Actuarial Methods and Assumptions - OPEB Plans - RHIA	
Valuation Date	December 31, 2016
Measurement Date	June 30, 2018
Experience Study	2016, published July 26, 2017
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Inflation rate	2.50 percent
Long-term expected rate of return	7.20 percent
Discount rate	7.20 percent
Projected salary increases	3.50 percent
Retiree healthcare participation	Healthy retirees: 38%; Disabled retirees: 20%
Healthcare cost trend rate	Not applicable
Mortality	Healthy retirees and beneficiaries: RP-2000 Sex-distinct, generational per Scale BB, with collar adjustments and set-backs as described in the valuation. Active members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation. Disabled retirees: Mortality rates are a percentage (70% for males, 95% for females) of the RP-2000 Sex-distinct, generational per Scale BB, disabled mortality table.

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

OTHER POST-EMPLOYMENT BENEFITS (OPEB) RHIA (Cont.):

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

Discount Rate

The discount rate used to measure the total OPEB liability was 7.20 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. Milliman's assumptions for each of the asset classes in which the plan was invested at that time are 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. For more information on the Plan's portfolio, assumed asset allocation, and the long-term expected rate of return for each major class, calculated using both arithmetic and geometric means, see Pension Plan note disclosure above or the PERS' audited financial statements at:

http://www.oregon.gov/pers/docs/financial_reports/2017_cafr.pdf

Sensitivity Analysis

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

	1% Decrease	Discount Rate	1% Increase
	6.20%	7.20%	8.20%
Employer's proportionate share of the net OPEB liability	\$ (15,922)	\$ (27,346)	\$ (37,070)

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

OTHER POST-EMPLOYMENT BENEFITS (OPEB) RHIA (Cont.):

OPEB Liabilities/(Assets), OPEB Expense, and Deferred Outflows and Inflows of Resources Related to OPEB

At June 30, 2019, the District reported a net OPEB liability/(asset) of \$(27,346) for its proportionate share of the net OPEB liability/(asset). The OPEB liability/(asset) was measured as of June 30, 2018, and the total OPEB liability/(asset) used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of December 31, 2015. Consistent with GASB Statement No. 75, paragraph 59(a), The District's proportion of the net OPEB liability/(asset) is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement date of June 30, 2018, the District's proportion was 0.02449765%. OPEB expense/(income) for the year ended June 30, 2019 was \$(2,456).

At June 30, 2019, the employer reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 1,550
Changes of assumptions	-	87
Net difference between projected and actual earnings on	-	5,896
Changes in proportionate share	247	-
Differences between employer contributions and employer's proportionate share of system contributions	-	-
Total Deferred Outflows/Inflows	<u>\$ 247</u>	<u>\$ 7,533</u>
Post-measurement date contributions	14,911	N/A
Total Deferred Outflow/(Inflow) of Resources	<u>\$ 15,158</u>	<u>\$ 7,533</u>
Net Deferred Outflow/(Inflow) of Resources prior to post-measurement date contributions		<u>\$ (7,286)</u>

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

OTHER POST-EMPLOYMENT BENEFITS (OPEB) RHIA (Cont.):

The District reported \$14,911 as deferred outflows of resources related to OPEB resulting from employer contributions subsequent to the measurement date that will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense/(income) as follows:

Employer subsequent fiscal years	Deferred Outflow/(Inflow) of Resources (prior to post-measurement date contributions)
1st Fiscal Year	\$ (2,370)
2nd Fiscal Year	(2,375)
3rd Fiscal Year	(1,953)
4th Fiscal Year	(586)
5th Fiscal Year	-
Thereafter	-
Total	\$ (7,286)

Changes Subsequent to the Measurement Date

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

OTHER POST-EMPLOYMENT BENEFITS (OPEB) OEGB:

OEGB Health Insurance Subsidy

The OEGB net OPEB liability is reported only as an estimate for the current year financial reporting. No actuarial report was obtained for the current fiscal year. Therefore, no deferred items, sensitivity analysis or OPEB expense is reported for the current fiscal year.

Plan Description

The District operates a single employer retiree benefit plan through the Oregon Educators Benefit Board that provides post-employment health, dental vision and life insurance benefits to eligible employees and their spouses. The District is required by Oregon Revised Statutes 243.303 to provide retirees and their dependents with group health insurance from the date of retirement to age 65 at the same rate provided to current employees. Premiums for retirees are tiered and based upon the premium rates available to active employees. The retiree is responsible for any portion of the premiums not paid by the Employer. The implicit employer subsidy is measured as the expected health care cost per retiree and dependent, less the gross premiums charged by the insurance carrier for that coverage. The subsidy is only measured for retirees and spouses younger than age 65, at which point such retirees and spouses typically become eligible for Medicare. GASB Statement 75 is applicable to the District due only to this implicit rate subsidy. This “plan” is not a stand-alone plan, and therefore, does not issue its own financial statements.

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

OTHER POST-EMPLOYMENT BENEFITS (OPEB) OEGB (Cont.):

Funding Policy

When the District has retirees participating in their health insurance plan, it will, when applicable, collect insurance premiums from all retirees each month and deposit them. The District will then pay healthcare insurance premiums for all retirees at the applicable rate for each family classification.

Actuarial Methods and Assumptions - The District engaged an actuary to perform an evaluation as of July 1, 2017 using entry age normal Actuarial Cost Method. The assumptions are generally based upon those used for valuing pension benefits under Oregon PERS, and were developed in consultation with Milliman. The total OPEB liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date:

Discount Rate	2.85%	3.58%	3.87%
Other Key Actuarial Assumptions and Methods			
Valuation date	July 1, 2017	July 1, 2017	July 1, 2017
Measurement date	June 30, 2016	June 30, 2017	June 30, 2018
Inflation	2.50%	2.50%	2.50%
Salary increases	3.50%	3.50%	3.50%
Withdrawal, retirement, and mortality rates	12/31/2016 Oregon PERS valuation	12/31/2016 Oregon PERS valuation	12/31/2016 Oregon PERS valuation
Election and Lapse Rates	60% of male members and 35% of females members will elect spouse	60% of male members and 35% of females members will elect	60% of male members and 35% of females members will
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal

In order to apply the entry age normal actuarial cost method, Projected Benefit Payments are determined for each active employee and retiree. These Projected Benefit Payments are the net benefits estimated to be payable in all future years. The net benefits for a particular year are the difference between the total cost of benefits and the portion of the benefits paid by the retirees in that year. The Present Value of Benefits is then allocated over the service of each active employee from their date of hire to their expected retirement age, as a level percent of the employee's pay, as required under GASB 75. This level percent multiplied by expected pay is referred to as the Service Cost, and is that portion of the Present Value of Benefits attributable to an employee's service in a given year. The Service Cost equals \$0 for retirees. For purposes of projecting benefits prior to the valuation date as required by the actuarial cost method, we assumed a health cost trend equal to the ultimate health cost trend rate. The Total OPEB Liability is the portion of the Present Value of Benefits that is attributable to employee service prior to the valuation date. For retirees, the Total OPEB Liability equals the Present Value of Benefits.

Discount Rate

The Discount Rate is a single rate of return that is applied to the Projected Benefit Payments in order to calculate the Present Value of Benefits. Under GASB 75, for plans without assets, the discount rate is equal to a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

OTHER POST-EMPLOYMENT BENEFITS (OPEB) OEGB (Cont.):

Mortality rates were based on the RP-2014 Employee and Healthy Annuitant tables, White collar, sex distinct for members and dependents. For members only, a one-year setback is applied. Future mortality improvement is not projected as it would be immaterial to the valuation.

Demographic assumptions regarding retirement, mortality, and turnover are based on Oregon PERS valuation assumptions as of December 31, 2016. Election rate and lapse assumptions are based on experience implied by valuation data for this and other Oregon public employers.

CONTINGENT LIABILITIES:

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

The District is not currently named as a defendant in any pending or threatened litigation.

COMMODITIES RECEIVED IN FOOD SERVICE FUND:

During the year the District received USDA commodities. Fair market value of the amount of commodities used during the current fiscal year is \$8,610. The amount is reflected as federal revenue received and as a food expenditure in the Food Service Fund in the financial statements. Fair market value is determined by the Oregon Department of Education.

RISK MANAGEMENT:

The District is exposed to various risks of loss related to limited torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters. The District is joined together with other school districts in the state, which are participating members of United Schools Insurance Program of Oregon, a public entity risk pool currently operating as a common risk management and insurance program for member governments. The District has an annually renewable contract to pay United Schools Insurance Program of Oregon an annual premium for its general liability, property liability, automobile liability, boiler and machinery, comprehensive crime, and umbrella insurance coverage.

The District carries commercial insurance for all other losses, including workers' compensation and employee health and accident insurance. Premiums to the health insurance company are paid through a combination of employer contributions and payroll withholdings for eligible employees. The District came under the State Unemployment Act as of July 1, 1974. The District has elected to pay State Unemployment insurance to the State of Oregon to pay for any claims paid to former employees.

There have been no significant reductions in coverage from the prior years and settlements have not exceeded insurance coverage in the past three years.

OAKLAND SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS (Cont.)
JUNE 30, 2019

INTERFUND TRANSFERS:

Interfund transfers for the year ended June 30, 2019 were as follows:

	<u>Transfers</u> <u>Out</u>	<u>Transfers</u> <u>In</u>
General Fund #100	\$ 936,000	\$ -
Special Revenue Funds:		
Athletic Fund #202	-	130,000
Textbook Reserve Fund #205	-	50,000
Early Retirement Fund #206	-	150,000
Transportation Fund #217	-	176,500
Computer Replacement Fund #220	-	75,000
Debt Service Fund #300	-	40,000
Building & Repair Fund #400	-	244,500
Furniture Replacement Fund #405	-	70,000
Total	\$ 936,000	\$ 936,000

The transfers out of the General Fund to the other funds represent the District's election to provide general fund support to the programs and activities of those funds.

FUND BALANCE COMPARISONS:

<u>Fund</u>	<u>Actual</u> <u>June 30, 2019</u>	<u>Budgeted</u> <u>July 1, 2019</u>
General Fund #100	\$ 1,002,333	\$ 1,000,000
Scholarship Fund #201	45,916	40,000
Athletic Fund #202	27,106	30,000
Retirement Liability Fund #203	529,366	500,000
Grant And Projects Fund #204	12,303	5,500
Textbook Reserve Fund #205	68,154	90,000
Early Retirement Fund #206	92,085	100,000
Student Body Funds #208	120,665	100,000
Cafeteria Fund #210	60,313	70,000
Transportation Fund #217	175,678	175,000
Computer Replacement Fund #220	123,466	70,000
Unemployment Fund #250	32,214	30,000
Debt Service Fund #300	19,533	20,000
Building & Repair Fund #400	600,656	500,000
Furniture Replacement Fund #405	112,234	100,000

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REQUIRED
SUPPLEMENTARY
INFORMATION

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OAKLAND SCHOOL DISTRICT NO. 1

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

General Fund #100

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts (Budgetary Basis) (See Note 1)	Final Budget Over (Under)
<u>REVENUES:</u>				
Taxes	\$ 1,280,900	\$ 1,280,900	\$ 1,400,848	\$ 119,948
Tuition Charges	1,000	1,000	1,480	480
Earnings on Investments	30,000	30,000	90,821	60,821
Miscellaneous Revenue	97,750	97,750	106,604	8,854
Intermediate Government Aid	6,500	6,500	9,015	2,515
State Aid	5,041,189	5,041,189	4,736,793	(304,396)
Federal Aid	30,000	30,000	62,986	32,986
Total Revenues	6,487,339	6,487,339	6,408,547	(78,792)
<u>EXPENDITURES:</u>				
Instruction	3,671,199	3,671,199	3,396,181	(275,018)
Support Services	2,530,140	2,530,140	2,277,627	(252,513)
Contingency	150,000	150,000	-	(150,000)
Total Expenditures	6,351,339	6,351,339	5,673,808	(677,531)
Excess (Deficiency) of Revenues Over Expenditures	136,000	136,000	734,739	598,739
<u>OTHER FINANCING SOURCES (USES):</u>				
Interfund Transfers In	150,000	150,000	-	(150,000)
Interfund Transfers Out	(936,000)	(936,000)	(936,000)	-
Total Other Financing Sources (Uses)	(786,000)	(786,000)	(936,000)	(150,000)
Net Change in Fund Balance	(650,000)	(650,000)	(201,261)	448,739
Beginning Fund Balance	950,000	950,000	1,203,594	253,594
Ending Fund Balance	\$ 300,000	\$ 300,000	\$ 1,002,333	\$ 702,333

OAKLAND SCHOOL DISTRICT NO. 1

**Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual
Retirement Liability Fund #203
For the Fiscal Year Ended June 30, 2019**

	<u>Budgeted Amounts</u>		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Miscellaneous Revenue	\$ 100,000	\$ 100,000	\$ 133,629	\$ 33,629
Total Revenues	100,000	100,000	133,629	33,629
<u>EXPENDITURES:</u>				
Instruction	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	100,000	100,000	-	33,629
<u>OTHER FINANCING SOURCES (USES):</u>				
Interfund Transfers Out	(150,000)	(150,000)	-	150,000
Total Other Financing Sources (Uses)	(150,000)	(150,000)	-	150,000
Net Change in Fund Balance	(50,000)	(50,000)	133,629	183,629
Beginning Fund Balance	350,000	350,000	395,737	45,737
Ending Fund Balance	\$ 300,000	\$ 300,000	\$ 529,366	\$ 229,366

OAKLAND SCHOOL DISTRICT NO. 1

**SCHEDULE OF PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY**

PERS

Last 10 Fiscal Years*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Employer's proportion of the net pension liability (asset)	0.03828382%	0.03825422%	0.04416198%	0.04967684%	0.00049978
Employer's proportionate share of the net pension liability (asset)	\$ 5,799,494	\$ 5,156,683	\$ 6,629,739	\$ 2,852,177	-1132854
Employer's covered - employee payroll	\$ 3,295,050	\$ 3,265,885	\$ 3,050,435	\$ 2,183,660	2431422.16
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered - employee payroll	176.01%	157.90%	217.34%	130.61%	-46.59%
Plan fiduciary net position as a percentage of the total pension liability	82.1%	83.1%	80.5%	91.9%	103.6%

*This schedule is presented to illustrate the requirement to show information for 10 years. However the full 10-year trend will be presented for those years for which information is available

OAKLAND SCHOOL DISTRICT NO.1
SCHEDULE OF EMPLOYER CONTRIBUTIONS
PERS

Last 10 Fiscal Years

2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Contractually required contribution	\$ 760,499	\$ 853,008	\$ 681,162	\$ 487,611	\$ 541,964	\$ 508,403	\$ 453,171	\$ 482,118	\$ 526,469
Contributions in relation to the contractually required contribution	760,499	741,475	681,162	487,611	541,964	508,403	453,171	482,118	526,469
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's covered - employee payroll	\$ 3,295,050	\$ 3,265,885	\$ 3,050,435	\$ 2,183,660	\$ 2,431,422	\$ 2,280,857	\$ 2,398,999	\$ 2,552,239	\$ 3,702,314
Contributions as a percentage of covered - employee payroll	27.20%	27.20%	22.33%	22.33%	22.29%	22.29%	18.89%	18.89%	14.22%

OAKLAND SCHOOL DISTRICT NO. 1
SCHEDULE OF PROPORTIONATE SHARE OF THE
NET OPEB LIABILITY
OPEB RHIA
Last 10 Fiscal Years*

	2019	2018	2017
Employer's proportion of the net OPEB liability (asset)	0.02449765%	0.02590142%	0.02568426%
Employer's proportionate share of the net OPEB liability (asset)	\$ (27,346)	\$ (10,810)	\$ 6,975
Employer's covered - employee payroll	\$ 3,295,050	\$ 3,265,885	\$ 3,050,435
Employer's proportionate share of the net OPEB liability (asset) as a percentage of its covered - employee payroll	-0.83%	-0.33%	0.23%
Plan fiduciary net position as a percentage of the total OPEB liability	124.0%	108.9%	94.2%

*This schedule is presented to illustrate the requirement to show information for 10 years. However the full 10-year trend will be presented for those years for which information is available

OAKLAND SCHOOL DISTRICT NO. 1
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OPEB RHIA
Last 10 Fiscal Years

	2019	2018	2017	2016	2014	2013
Contractually required contribution	\$ 14,911	\$ 11,862	\$ 12,934	\$ 12,906	\$ 28,664	\$ 32,356
Contributions in relation to the contractually required contribution	14,911	11,862	12,934	12,906	28,664	32,356
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Employer's covered - employee payroll	\$ 3,295,050	\$ 3,265,885	\$ 3,050,435	\$ 2,183,660	\$ 3,931,540	\$ 4,954,340
Contributions as a percentage of covered - employee payroll	0.45%	0.36%	0.42%	0.59%	0.73%	0.65%

*This schedule is presented to illustrate the requirement to show information for 10 years. However the full 10-year trend will be presented for those years for which information is available

OTHER
SUPPLEMENTARY
INFORMATION

Non-Major Governmental Funds

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OAKLAND SCHOOL DISTRICT NO. 1

**COMBINING BALANCE SHEET
ALL NON-MAJOR GOVERNMENTAL FUNDS -- BY FUND TYPE**

June 30, 2019

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Non- Major Governmental Funds
<u>ASSETS:</u>				
Cash and Cash Equivalents	\$ 741,497	\$ 19,533	\$ 112,234	\$ 873,264
Due From Other Governments	7,793	-	-	7,793
Inventory-Food, Supplies & Commodities	8,610	-	-	8,610
Total Assets	<u>\$ 757,900</u>	<u>\$ 19,533</u>	<u>\$ 112,234</u>	<u>\$ 889,667</u>
<u>FUND BALANCES:</u>				
FUND BALANCES:				
Unspendable	\$ 8,610	\$ -	\$ -	\$ 8,610
Restricted for:				
Debt Service	-	19,533	-	19,533
Committed for:				
Educational Programs	126,373	-	-	126,373
Employee Benefits Programs	124,299	-	-	124,299
Equipment Acquisition	123,466	-	112,234	235,700
Food Service Program	51,703	-	-	51,703
Special Programs	27,106	-	-	27,106
Student Body Activities	120,665	-	-	120,665
Transportation Programs	175,678	-	-	175,678
Total Fund Balances	<u>757,900</u>	<u>19,533</u>	<u>112,234</u>	<u>889,667</u>
Total Fund Balances	<u>\$ 757,900</u>	<u>\$ 19,533</u>	<u>\$ 112,234</u>	<u>\$ 889,667</u>

OAKLAND SCHOOL DISTRICT NO. 1

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE

For the Fiscal Year Ended June 30, 2019

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Non- Major Governmental Funds
Earnings on Investments	\$ 29	\$ -	\$ -	\$ 29
Fees and Charges	246,040	-	-	246,040
Miscellaneous Revenue	48,810	13,506	-	62,316
State Aid	150,387	-	-	150,387
Federal Aid	530,584	-	-	530,584
Total Revenues	975,850	13,506	-	989,356
<u>EXPENDITURES:</u>				
Current:				
Instruction	816,661	-	-	816,661
Support Services	257,546	-	-	257,546
Enterprise and Community Services	216,893	-	-	216,893
Capital Outlay:				
Instruction	26,867	-	-	26,867
Support Services	15,521	-	27,766	43,287
Debt Service	131,175	46,795	-	177,970
Total Expenditures	1,464,663	46,795	27,766	1,539,224
Excess (Deficiency) of Revenues				
Over Expenditures	(488,813)	(33,289)	(27,766)	(549,868)
<u>OTHER FINANCING SOURCES (USES):</u>				
Interfund Transfers In	581,500	40,000	70,000	691,500
Total Other Financing Sources (Uses)	581,500	40,000	70,000	691,500
Net Change in Fund Balance	92,687	6,711	42,234	141,632
Beginning Fund Balance	665,213	12,822	70,000	748,035
Ending Fund Balance	\$ 757,900	\$ 19,533	\$ 112,234	\$ 889,667

OTHER
SUPPLEMENTARY
INFORMATION

Non-Major Special Revenue Funds

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OAKLAND SCHOOL DISTRICT NO. 1

**COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS**

June 30, 2019

	<u>Scholarship Fund #201</u>	<u>Athletic Fund #202</u>	<u>Grant And Projects Fund #204</u>	<u>Textbook Reserve Fund #205</u>	<u>Early Retirement Fund #206</u>	<u>Student Body Funds #208</u>	<u>Cafeteria Fund #210</u>	<u>Transportation Fund #217</u>	<u>Computer Replacement Fund #220</u>	<u>Unemployment Fund #250</u>	<u>Totals</u>
ASSETS:											
Cash and Cash Equivalents	\$ 45,916	\$ 27,106	\$ 4,510	\$ 68,154	\$ 92,085	\$ 120,665	\$ 51,703	\$ 175,678	\$ 123,466	\$ 32,214	\$ 741,497
Due From Other Governments	-	-	7,793	-	-	-	-	-	-	-	7,793
Inventory-Food, Supplies & Commodities	-	-	-	-	-	-	8,610	-	-	-	8,610
Total Assets	\$ 45,916	\$ 27,106	\$ 12,303	\$ 68,154	\$ 92,085	\$ 120,665	\$ 60,313	\$ 175,678	\$ 123,466	\$ 32,214	\$ 757,900
FUND BALANCES:											
FUND BALANCES:											
Unspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,610	\$ -	\$ -	\$ -	\$ 8,610
Committed for:											
Educational Programs	45,916	-	12,303	68,154	-	-	-	-	-	-	126,373
Employee Benefits Programs	-	-	-	-	92,085	-	-	-	-	32,214	124,299
Equipment Acquisition	-	-	-	-	-	-	-	-	123,466	-	123,466
Food Service Program	-	-	-	-	-	-	51,703	-	-	-	51,703
Special Programs	-	27,106	-	-	-	-	-	-	-	-	27,106
Student Body Activities	-	-	-	-	-	120,665	-	-	-	-	120,665
Transportation Programs	-	-	-	-	-	-	-	175,678	-	-	175,678
Total Fund Balances	45,916	27,106	12,303	68,154	92,085	120,665	60,313	175,678	123,466	32,214	757,900
Total Fund Balances	\$ 45,916	\$ 27,106	\$ 12,303	\$ 68,154	\$ 92,085	\$ 120,665	\$ 60,313	\$ 175,678	\$ 123,466	\$ 32,214	\$ 757,900

OAKLAND SCHOOL DISTRICT NO.1

Combining Statement of Revenues,

Expenditures, and Changes in Fund Balances

NON-MAJOR SPECIAL REVENUE FUNDS

For the Fiscal Year Ended June 30, 2019

	Fund #201	Fund #202	Fund #204	Fund #205	Fund #206	Fund #210	Fund #217	Fund #220	Fund #250	Totals
REVENUES:										
Earnings on Investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29	\$ -	\$ -	\$ -	\$ 29
Fees and Charges	-	38,740	1,800	-	-	28,741	-	-	-	246,040
Miscellaneous Revenue	23,139	8,968	15,864	750	-	89	-	-	-	48,810
State Aid	-	-	143,986	-	-	6,401	-	-	-	150,387
Federal Aid	-	-	369,011	-	-	161,573	-	-	-	530,584
Total Revenues	23,139	47,708	530,661	750	176,788	196,804	-	-	-	975,850
EXPENDITURES:										
Current:										
Instruction	22,901	182,461	373,465	74,948	-	162,822	-	-	64	816,661
Support Services	-	-	133,576	-	105,214	-	620	-	-	257,546
Enterprise and Community Services	-	-	152	-	-	216,741	-	-	-	216,893
Capital Outlay:										
Instruction	-	-	26,867	-	-	-	-	-	-	26,867
Support Services	-	-	-	-	-	-	9,500	6,021	-	15,521
Debt Service	-	-	-	-	-	-	131,175	-	-	131,175
Total Expenditures	22,901	182,461	534,060	74,948	105,214	162,822	217,361	24,157	64	1,464,663
Excess (Deficiency) of Revenues	238	(134,753)	(3,399)	(74,948)	(104,464)	13,966	(20,557)	(140,675)	(64)	(488,813)
Over Expenditures										
OTHER FINANCING SOURCES (USES):										
Interfund Transfers In	-	130,000	-	50,000	150,000	-	176,500	75,000	-	581,500
Total Other Financing Sources (Uses)	-	130,000	-	50,000	150,000	-	176,500	75,000	-	581,500
Net Change in Fund Balance	238	(4,753)	(3,399)	(24,948)	45,536	13,966	(20,557)	35,825	(64)	92,687
Beginning Fund Balance	45,678	31,859	15,702	93,102	46,549	106,699	80,870	139,853	32,278	665,213
Ending Fund Balance	\$ 45,916	\$ 27,106	\$ 12,303	\$ 68,154	\$ 92,085	\$ 120,665	\$ 60,313	\$ 175,678	\$ 32,214	\$ 757,900

OAKLAND SCHOOL DISTRICT NO. 1

**Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual**

Scholarship Fund #201

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts (Budgetary Basis) (See Note 1)	Final Budget Over (Under)
<u>REVENUES:</u>				
Miscellaneous Revenue	\$ 26,500	\$ 26,500	\$ 23,139	\$ (3,361)
Total Revenues	26,500	26,500	23,139	(3,361)
<u>EXPENDITURES:</u>				
Instruction	51,500	51,500	22,901	(28,599)
Total Expenditures	51,500	51,500	22,901	(28,599)
Net Change in Fund Balance	(25,000)	(25,000)	238	-
Beginning Fund Balance	40,000	40,000	45,678	5,678
Ending Fund Balance	\$ 15,000	\$ 15,000	\$ 45,916	\$ 5,678

OAKLAND SCHOOL DISTRICT NO. 1

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Athletic Fund #202

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts (Budgetary Basis) (See Note 1)	Final Budget Over (Under)
<u>REVENUES:</u>				
Fees and Charges	\$ 30,900	\$ 30,900	\$ 38,740	\$ 7,840
Miscellaneous Revenue	8,933	8,933	8,968	35
Total Revenues	39,833	39,833	47,708	7,875
<u>EXPENDITURES:</u>				
Instruction	194,833	194,833	182,461	(12,372)
Total Expenditures	194,833	194,833	182,461	(12,372)
Excess (Deficiency) of Revenues Over Expenditures	(155,000)	(155,000)	(134,753)	20,247
<u>OTHER FINANCING SOURCES (USES):</u>				
Interfund Transfers In	130,000	130,000	130,000	-
Total Other Financing Sources (Uses)	130,000	130,000	130,000	-
Net Change in Fund Balance	(25,000)	(25,000)	(4,753)	20,247
Beginning Fund Balance	25,000	25,000	31,859	6,859
Ending Fund Balance	\$ -	\$ -	\$ 27,106	\$ 27,106

OAKLAND SCHOOL DISTRICT NO. 1

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Grant And Projects Fund #204

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts (Budgetary Basis) (See Note 1)	Final Budget Over (Under)
<u>REVENUES:</u>				
Fees and Charges	\$ 3,000	\$ 3,000	\$ 1,800	\$ (1,200)
Miscellaneous Revenue	22,880	22,880	15,864	(7,016)
State Aid	92,500	137,500	143,986	6,486
Federal Aid	339,309	354,309	369,011	14,702
Total Revenues	457,689	517,689	530,661	12,972
<u>EXPENDITURES:</u>				
Instruction	308,632	368,632	400,332	31,700
Support Services	148,857	148,857	133,576	(15,281)
Enterprise and Community Services	200	200	152	(48)
Total Expenditures	457,689	517,689	534,060	16,371
Net Change in Fund Balance	-	-	(3,399)	(3,399)
Beginning Fund Balance	-	-	15,702	15,702
Ending Fund Balance	\$ -	\$ -	\$ 12,303	\$ 12,303

OAKLAND SCHOOL DISTRICT NO. 1

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Textbook Reserve Fund #205

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts (Budgetary Basis) (See Note 1)	Final Budget Over (Under)
<u>REVENUES:</u>				
Taxes	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
<u>EXPENDITURES:</u>				
Instruction	95,000	95,000	74,948	(20,052)
Total Expenditures	95,000	95,000	74,948	(20,052)
Excess (Deficiency) of Revenues Over Expenditures	(95,000)	(95,000)	(74,948)	20,052
<u>OTHER FINANCING SOURCES (USES):</u>				
Interfund Transfers In	50,000	50,000	50,000	-
Total Other Financing Sources (Uses)	50,000	50,000	50,000	-
Net Change in Fund Balance	(45,000)	(45,000)	(24,948)	20,052
Beginning Fund Balance	95,000	95,000	93,102	(1,898)
Ending Fund Balance	\$ 50,000	\$ 50,000	\$ 68,154	\$ 18,154

OAKLAND SCHOOL DISTRICT NO. 1

**Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual**

Early Retirement Fund #206

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts (Budgetary Basis) (See Note 1)	Final Budget Over (Under)
<u>REVENUES:</u>				
Miscellaneous Revenue	\$ 1,000	\$ 1,000	\$ 750	\$ (250)
Total Revenues	1,000	1,000	750	(250)
<u>EXPENDITURES:</u>				
Support Services	175,500	175,500	105,214	(70,286)
Total Expenditures	175,500	175,500	105,214	(70,286)
Excess (Deficiency) of Revenues Over Expenditures	(174,500)	(174,500)	(104,464)	70,036
<u>OTHER FINANCING SOURCES (USES):</u>				
Interfund Transfers In	150,000	150,000	150,000	-
Total Other Financing Sources (Uses)	150,000	150,000	150,000	-
Net Change in Fund Balance	(24,500)	(24,500)	45,536	70,036
Beginning Fund Balance	50,000	50,000	46,549	(3,451)
Ending Fund Balance	\$ 25,500	\$ 25,500	\$ 92,085	\$ 66,585

OAKLAND SCHOOL DISTRICT NO. 1

**Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual**

Student Body Funds #208

For the Fiscal Year Ended June 30, 2019

	<u>Budgeted Amounts</u>		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		<u></u>
<u>REVENUES:</u>				
Earnings on Investments	\$ -	\$ -	\$ 29	\$ 29
Fees and Charges	150,000	150,000	176,759	26,759
Total Revenues	150,000	150,000	176,788	26,788
<u>EXPENDITURES:</u>				
Instruction	200,000	200,000	162,822	(37,178)
Total Expenditures	200,000	200,000	162,822	(37,178)
Net Change in Fund Balance	(50,000)	(50,000)	13,966	63,966
Beginning Fund Balance	100,000	100,000	106,699	6,699
Ending Fund Balance	\$ 50,000	\$ 50,000	\$ 120,665	\$ 70,665

OAKLAND SCHOOL DISTRICT NO. 1

**Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual**

Cafeteria Fund #210

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts (Budgetary Basis) (See Note 1)	Final Budget Over (Under)
<u>REVENUES:</u>				
Fees and Charges	\$ 24,000	\$ 24,000	\$ 28,741	\$ 4,741
Miscellaneous Revenue	250	250	89	(161)
State Aid	4,400	4,400	6,401	2,001
Federal Aid	152,000	152,000	161,573	9,573
Total Revenues	180,650	180,650	196,804	16,154
<u>EXPENDITURES:</u>				
Support Services	1,000	1,000	620	(380)
Enterprise and Community Services	236,650	236,650	216,741	(19,909)
Total Expenditures	237,650	237,650	217,361	(20,289)
Net Change in Fund Balance	(57,000)	(57,000)	(20,557)	36,443
Beginning Fund Balance	65,000	65,000	80,870	15,870
Ending Fund Balance	\$ 8,000	\$ 8,000	\$ 60,313	\$ 52,313

OAKLAND SCHOOL DISTRICT NO. 1

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Transportation Fund #217

For the Fiscal Year Ended June 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Over</u> <u>(Under)</u>
	<u>Original</u>	<u>Final</u>	<u>(See Note 1)</u>	
<u>REVENUES:</u>				
State Aid	\$ 91,823	\$ 91,823	\$ -	\$ (91,823)
Total Revenues	91,823	91,823	-	(91,823)
<u>EXPENDITURES:</u>				
Support Services	48,000	48,000	9,500	(38,500)
Debt Service	132,000	132,000	131,175	(825)
Total Expenditures	180,000	180,000	140,675	(39,325)
Excess (Deficiency) of Revenues Over Expenditures	(88,177)	(88,177)	(140,675)	(52,498)
<u>OTHER FINANCING SOURCES (USES):</u>				
Interfund Transfers In	176,500	176,500	176,500	-
Total Other Financing Sources (Uses)	176,500	176,500	176,500	-
Net Change in Fund Balance	88,323	88,323	35,825	(52,498)
Beginning Fund Balance	85,498	85,498	139,853	54,355
Ending Fund Balance	\$ 173,821	\$ 173,821	\$ 175,678	\$ 1,857

OAKLAND SCHOOL DISTRICT NO. 1

**Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual**

Computer Replacement Fund #220

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Over (Under)
	Original	Final		
<u>REVENUES:</u>				
Taxes	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
<u>EXPENDITURES:</u>				
Support Services	155,000	155,000	24,157	(130,843)
Total Expenditures	155,000	155,000	24,157	(130,843)
Excess (Deficiency) of Revenues Over Expenditures	(155,000)	(155,000)	(24,157)	130,843
<u>OTHER FINANCING SOURCES (USES):</u>				
Interfund Transfers In	75,000	75,000	75,000	-
Total Other Financing Sources (Uses)	75,000	75,000	75,000	-
Net Change in Fund Balance	(80,000)	(80,000)	50,843	130,843
Beginning Fund Balance	80,000	80,000	72,623	(7,377)
Ending Fund Balance	\$ -	\$ -	\$ 123,466	\$ 123,466

OAKLAND SCHOOL DISTRICT NO. 1

**Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual**

Unemployment Fund #250

For the Fiscal Year Ended June 30, 2019

	<u>Budgeted Amounts</u>		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		<u> </u>
<u>REVENUES:</u>				
Taxes	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>EXPENDITURES:</u>				
Instruction	<u>30,000</u>	<u>30,000</u>	<u>64</u>	<u>(29,936)</u>
Total Expenditures	<u>30,000</u>	<u>30,000</u>	<u>64</u>	<u>(29,936)</u>
Net Change in Fund Balance	(30,000)	(30,000)	(64)	29,936
Beginning Fund Balance	<u>30,000</u>	<u>30,000</u>	<u>32,278</u>	<u>2,278</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,214</u>	<u>\$ 32,214</u>

OTHER
SUPPLEMENTARY
INFORMATION

Debt Service Funds

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OAKLAND SCHOOL DISTRICT NO. 1

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual Debt Service Fund #300 (A Non-Major Fund) For the Fiscal Year Ended June 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Over</u> <u>(Under)</u>
	<u>Original</u>	<u>Final</u>	<u>(See Note 1)</u>	
<u>REVENUES:</u>				
Miscellaneous Revenue	\$ 10,000	\$ 10,000	\$ 13,506	\$ 3,506
Total Revenues	10,000	10,000	13,506	3,506
<u>EXPENDITURES:</u>				
Debt Service	47,000	47,000	46,795	(205)
Total Expenditures	47,000	47,000	46,795	(205)
Excess (Deficiency) of Revenues Over Expenditures	(37,000)	(37,000)	(33,289)	3,711
<u>OTHER FINANCING SOURCES (USES):</u>				
Interfund Transfers In	40,000	40,000	40,000	-
Total Other Financing Sources (Uses)	40,000	40,000	40,000	-
Net Change in Fund Balance	3,000	3,000	6,711	3,711
Beginning Fund Balance	5,000	5,000	12,822	7,822
Ending Fund Balance	\$ 8,000	\$ 8,000	\$ 19,533	\$ 11,533

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OTHER
SUPPLEMENTARY
INFORMATION

Capital Improvement Funds

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OAKLAND SCHOOL DISTRICT NO. 1

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual Building & Repair Fund #400 (A Major Fund) For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts (Budgetary Basis) (See Note 1)	Final Budget Over (Under)
<u>REVENUES:</u>				
Earnings on Investments	\$ 50	\$ 50	\$ 59	\$ 9
Miscellaneous Revenue	-	-	29,808	29,808
Total Revenues	50	50	29,867	29,817
<u>EXPENDITURES:</u>				
Support Services	464,550	464,550	-	(464,550)
Total Expenditures	464,550	464,550	-	(464,550)
Excess (Deficiency) of Revenues Over Expenditures	(464,500)	(464,500)	29,867	494,367
<u>OTHER FINANCING SOURCES (USES):</u>				
Interfund Transfers In	244,500	244,500	244,500	-
Total Other Financing Sources (Uses)	244,500	244,500	244,500	-
Net Change in Fund Balance	(220,000)	(220,000)	274,367	494,367
Beginning Fund Balance	300,000	300,000	326,289	26,289
Ending Fund Balance	\$ 80,000	\$ 80,000	\$ 600,656	\$ 520,656

OAKLAND SCHOOL DISTRICT NO. 1

**Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual**

Furniture Replacement Fund #405 (A Non-Major Fund)

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts (Budgetary Basis) (See Note 1)	Final Budget Over (Under)
<u>REVENUES:</u>				
Taxes	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
<u>EXPENDITURES:</u>				
Support Services	80,000	80,000	27,766	(52,234)
Total Expenditures	80,000	80,000	27,766	(52,234)
Excess (Deficiency) of Revenues Over Expenditures	(80,000)	(80,000)	(27,766)	52,234
<u>OTHER FINANCING SOURCES (USES):</u>				
Interfund Transfers In	70,000	70,000	70,000	-
Total Other Financing Sources (Uses)	70,000	70,000	70,000	-
Net Change in Fund Balance	(10,000)	(10,000)	42,234	52,234
Beginning Fund Balance	60,000	60,000	70,000	10,000
Ending Fund Balance	\$ 50,000	\$ 50,000	\$ 112,234	\$ 62,234

OTHER
SUPPLEMENTARY
INFORMATION

Additional Supporting
Schedules

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OAKLAND SCHOOL DISTRICT NO. 1
SCHEDULE OF LONG-TERM DEBT TRANSACTIONS
For the Fiscal Year Ended June 30, 2019

OSBA QSCB, Series 2010A

Oregon School Board Association QSCB, Series 2010B held by Bank of New York Mellon Trust Company for Capital Improvements. The original balance is \$450,000 with an interest rate between 4.15-5.05% which is partially subsidized the federal government. The inception date of the loan was October 12, 2010 with annual sinking fund payments of \$45,000. The last payment is due in the fiscal year 2020.

Current Year Activity:

	Outstanding Balance July 1, 2018	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2019	Due Within One Year
Principal	\$ 81,000	\$ -	\$ 45,000	\$ 36,000	\$ 36,000
Interest	-	1,796	1,796	-	-
Total	\$ 81,000	\$ 1,796	\$ 46,796	\$ 36,000	\$ 36,000

Future Requirements:

	Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
	2020	\$ 36,000	\$ -	\$ 36,000	0.00%
Total		\$ 36,000	\$ -	\$ 36,000	

OAKLAND SCHOOL DISTRICT NO. 1
SCHEDULE OF LONG-TERM DEBT TRANSACTIONS
For the Fiscal Year Ended June 30, 2019

Santander Bank

On February 5, 2018, the District purchased two 2019 Blue Bird BBV Diesel 83 passenger busses from Western Bus Sales on a lease purchase with Santander Bank. The original balance is \$227,264 with an interest rate of 4.450%. The payments are due the 15th of August every year with the last payment due on August 15, 2027.

Current Year Activity:

	Outstanding Balance July 1, 2018	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2019	Due Within One Year
Principal	\$ 227,264	\$ -	\$ 22,778	\$ 204,486	\$ 18,970
Interest	-	5,292	5,292	-	9,100
Total	<u>\$ 227,264</u>	<u>\$ 5,292</u>	<u>\$ 28,070</u>	<u>\$ 204,486</u>	<u>\$ 28,070</u>

Future Requirements:

	Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
	2020	\$ 18,970	\$ 9,100	\$ 28,070	4.45%
	2021	19,815	8,255	28,070	4.45%
	2022	20,696	7,374	28,070	4.45%
	2023	21,617	6,453	28,070	4.45%
	2024	22,579	5,491	28,070	4.45%
	2025	23,584	4,486	28,070	4.45%
	2026	24,634	3,436	28,070	4.45%
	2027	25,730	2,340	28,070	4.45%
	2028	26,861	1,209	28,070	4.45%
Total		<u>\$ 204,486</u>	<u>\$ 48,144</u>	<u>\$ 252,630</u>	

OAKLAND SCHOOL DISTRICT NO. 1
SCHEDULE OF LONG-TERM DEBT TRANSACTIONS
For the Fiscal Year Ended June 30, 2019

Santander Bank

On July 24, 2017 the District purchased 6 new school buses from Western Bus Sales on a lease purchase with Santander Bank. The original balance is \$679,655 with an interest rate of 3.550%. The payments are due on the 24th of August of every year with the final payment due on August 24, 2026.

Current Year Activity:

	Outstanding Balance July 1, 2018	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2019	Due Within One Year
Principal	\$ 602,346	\$ -	\$ 57,975	\$ 544,371	\$ 60,033
Interest	-	21,383	21,383	-	19,325
Total	<u>\$ 602,346</u>	<u>\$ 21,383</u>	<u>\$ 79,358</u>	<u>\$ 544,371</u>	<u>\$ 79,359</u>

Future Requirements:

	Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
	2020	\$ 60,033	\$ 19,325	\$ 79,359	3.55%
	2021	62,165	17,194	79,359	3.55%
	2022	64,371	14,987	79,359	3.55%
	2023	66,657	12,702	79,359	3.55%
	2024	69,023	10,336	79,359	3.55%
	2025	71,473	7,885	79,359	3.55%
	2026	74,011	5,348	79,359	3.55%
	2027	76,637	2,721	79,359	3.55%
Total		<u>\$ 544,370</u>	<u>\$ 90,499</u>	<u>\$ 634,869</u>	

OAKLAND SCHOOL DISTRICT NO. 1
SCHEDULE OF LONG-TERM DEBT TRANSACTIONS
For the Fiscal Year Ended June 30, 2019

Santander Bank

On October 15, 2017, the District purchased two passenger busses from Western Bus Sales on a lease purchase with Santander Bank. The District purchased a 2017 Chevrolet 14-passenger bus and a 2018 Blue Bird 84-passenger bus. The original balance is \$204,639 with an interest rate of 3.400%. The payments are due the 15th of November every year with the last payment due on November 15, 2026.

Current Year Activity:

	Outstanding Balance July 1, 2018	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2019	Due Within One Year
Principal	\$ 181,484	\$ -	\$ 17,575	\$ 163,909	\$ 18,172
Interest	-	6,171	6,171	-	5,574
Total	\$ 181,484	\$ 6,171	\$ 23,746	\$ 163,909	\$ 23,746

Future Requirements:

	Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
	2020	\$ 18,172	\$ 5,574	\$ 23,746	3.40%
	2021	18,790	4,956	23,746	3.40%
	2022	19,429	4,317	23,746	3.40%
	2023	20,090	3,656	23,746	3.40%
	2024	20,773	2,973	23,746	3.40%
	2025	21,479	2,267	23,746	3.40%
	2026	22,210	1,536	23,746	3.40%
	2027	22,965	781	23,746	3.40%
Total		\$ 163,909	\$ 26,059	\$ 189,968	

OAKLAND SCHOOL DISTRICT NO. 1
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED June 30, 2019

Federal Grantor/Pass Through Grantor/ Program Title	Grant Fund	Federal CFDA Number	Grant Period	Original Program or Grant Amount	(Receivable)/ Deferred Revenue June 30, 2018	Cash Received	Expenditures	(Receivable)/ Deferred Revenue June 30, 2019
U.S. DEPARTMENT OF EDUCATION								
Passed Through Oregon Department of Education:								
Title IA - Grants to Local Education Agencies	Grants Fund	84.010	2018-19	\$ 158,976	\$ -	\$ 135,222	\$ 143,016	\$ (7,793)
Title IA - Grants to Local Education Agencies	Grants Fund	84.010	2017-18	164,190	(25,162)	42,196	17,034	-
Title 1 School Improvements Grants	Grants Fund	84.010	2016-17	196,231	-	8,205	8,205	-
Total Title I				519,397	(25,162)	185,623	168,255	(7,793)
Title II-A Teacher Quality	Grants Fund	84.367	2018-19	15,773	-	15,773	15,773	-
Title II-A Teacher Quality	Grants Fund	84.367	2017-18	13,832	(5,832)	13,832	8,000	-
Total Title II-A				29,605	(5,832)	29,605	23,773	-
Rural Education	Grants Fund	84.358	2018-19	26,907	-	26,907	26,907	-
Total Rural Education				26,907	-	26,907	26,907	-
IDEA - Special Education Grants to States(Part B Sec.611)	Grants Fund	84.027A	2017-18	98,314	-	32,905	32,905	-
IDEA - Special Education Grants to States(Part B Sec.611)	Grants Fund	84.027A	2018-19	105,575	-	85,730	85,730	-
IDEA - Enhancement & Extended Assessment Training	Grants Fund	84.027A	2018-19	1,591	-	844	844	-
IDEA - Special Ed Preschool Grant	Grants Fund	84.173	2018-19	754	-	575	575	-
IDEA - SPR & I	Grants Fund	84.027	2018-19	1,386	-	1,300	1,300	-
IDEA - Post School Outcomes	Grants Fund	84.027	2018-19	-	-	225	225	-
Total IDEA				207,620	-	121,579	121,579	-
Student Support & Academic Enrichment	Grants Fund	84.424	2018-19	10,000	-	10,000	10,000	-
Rehabilitation Services Vocational Rehabilitation Grants to States	Grants Fund	84.126A	2017-18	39,361	(6,084)	21,636	15,552	-
Total Passed through Oregon Department of Education				\$ 832,890	\$ (37,078)	\$ 395,351	\$ 366,066	\$ (7,793)
Passed through Douglas Education Service District:								
Carl Perkins Vo-Ed Basic Grants to States	Grants Fund	84.048A	2018-19	2,095	-	2,945	2,945	-
Total Passed through Douglas Education Service District				\$ 2,095	\$ -	\$ 2,945	\$ 2,945	\$ -
Total U.S. Department of Education				\$ 834,985	\$ (37,078)	\$ 398,296	\$ 369,011	\$ (7,793)
U.S. DEPARTMENT OF AGRICULTURE								
Passed Through Oregon Department of Education:								
Commodities	Cafeteria Fund	10.555	2018-19	\$ 13,456	\$ -	\$ 13,456	\$ 13,456	\$ -
National School Lunch - Breakfast	Cafeteria Fund	10.553	2018-19	51,623	-	51,623	51,623	-
National School Lunch - Section 4	Cafeteria Fund	10.555	2018-19	96,494	-	96,494	96,494	-
Summer Food Program	Cafeteria Fund	10.560	2018-19	89	(89)	89	-	-
Total National School Lunch Program				161,662	(89)	161,662	161,573	-
Total U.S. Department of Agriculture				\$ 161,662	\$ (89)	\$ 161,662	\$ 161,573	\$ -
TOTALS				\$ 996,647	\$ (37,167)	\$ 559,958	\$ 530,584	\$ (7,793)

This schedule is prepared using the modified accrual basis of accounting.

RECONCILIATION TO REVENUE:

Cash Receipts per Schedule Above	\$ 559,958
Grants Receivable/Deferred Revenue Beginning of Year	(37,167)
Grants Receivable/Deferred Revenue End of Year	7,793
Federal Revenue Recognized per Financial Statements	\$ 530,584

OAKLAND SCHOOL DISTRICT NO. 1

Oregon Department of Education Form 581-3211-C

For the Fiscal Year Ended June 30, 2019

SUPPLEMENTAL INFORMATION 2018-2019

Part A is needed for computing Oregon's full allocation for ESEA, Title 1 & other Federal Funds for Education

B. Energy Bills 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	\$ 145,187
Function 2550	\$ -

C. Replacement of Equipment - General Fund:

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

Exclude these functions:

Exclude these functions:

\$ -

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

*Object code 327 (water and sewage) has been added to Part A to be included in the Function 2540 and 2550 totals.

OAKLAND SCHOOL DISTRICT NO. 1

Audit Revenue Summary - All Funds

For the Fiscal Year Ended June 30, 2019

Revenue from Local Sources

1110	Ad Valorem Taxes Levied by District
1190	Penalties and Interest on Taxes
1312	Regular Day School Tuition - Other Dist Within State
1500	Earnings on Investments
1600	Food Service
1700	Extracurricular Activities
1920	Contributions and Donations From Private Sources
1930	Rental or Lease Payments From Private Contractors
1960	Recovery of Prior Years' Expenditue
1970	Services Provided Other Funds
1990	Miscellaneous
	Total Revenue from Local Sources

Fund 100	Fund 200	Fund 300	Fund 400
\$ 1,399,870	\$ -	\$ -	\$ -
978	-	-	-
1,480	-	-	-
90,821	29	-	59
-	28,741	-	-
-	217,298	-	-
-	39,003	-	-
-	(368)	-	-
15,924	-	-	-
-	133,629	-	-
90,680	10,175	13,506	29,808
\$ 1,599,753	\$ 428,507	\$ 13,506	\$ 29,868

Revenue from Intermediate Sources

2101	County School Funds
	Total Revenue from Intermediate Sources

Fund 100	Fund 200	Fund 300	Fund 400
\$ 9,015	\$ -	\$ -	\$ -
\$ 9,015	\$ -	\$ -	\$ -

Revenue from State Sources

3101	State School Fund - General Support
3102	State School Fund - School Lunch Match
3103	Common School Fund
3199	Other Unrestricted Grtants-In-Aid
3299	Other Restricted Grants-In-Aid
	Total Revenue from State Sources

Fund 100	Fund 200	Fund 300	Fund 400
\$ 4,677,427	\$ 1,806	\$ -	\$ -
-	1,829	-	-
59,366	-	-	-
-	19,120	-	-
-	127,631	-	-
\$ 4,736,793	\$ 150,387	\$ -	\$ -

Revenue from Federal Sources

4300	Restricted Revenue From the Federal Government
4500	Restricted Revenue From the Federal Government Through the State
4801	Federal Forest Fees
4900	Revenue for/on Behalf of the District
	Total Revenue from Federal Sources

Fund 100	Fund 200	Fund 300	Fund 400
\$ -	\$ 10,000	\$ -	\$ -
-	507,128	-	-
62,986	-	-	-
-	13,456	-	-
\$ 62,986	\$ 530,584	\$ -	\$ -

Revenue from Other Sources

5200	Interfund Transfers
5400	Resources - Beginning Fund Balance
	Total Revenue from Other Sources

Fund 100	Fund 200	Fund 300	Fund 400
\$ -	\$ 581,500	\$ 40,000	\$ 314,500
1,203,594	1,060,949	12,822	396,289
\$ 1,203,594	\$ 1,642,449	\$ 52,822	\$ 710,789

Grand Total

\$ 7,612,141	\$ 2,751,927	\$ 66,328	\$ 740,656
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OAKLAND SCHOOL DISTRICT NO. 1
Audit Expenditure Summary-General Fund #100
For the Fiscal Year Ended June 30, 2019

FUND: General Fund #100

Instruction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111	Elementary, K-5 or K-6	\$ 1,179,428	\$ 696,542	\$ 454,267	\$ 20,215	\$ 6,747	\$ -	\$ 1,657	\$ -
1121	Middle/Junior High Programs	722,127	434,132	258,713	24,588	3,888	-	806	-
1122	Middle/Junior High School Extracurricular	945	630	315	-	-	-	-	-
1131	High School Programs	1,033,304	579,279	383,336	60,409	7,613	-	2,667	-
1132	High School Extracurricular	11,984	6,732	5,252	-	-	-	-	-
1210	Programs for the Talented and Gifted	4,971	2,220	1,691	-	1,025	-	35	-
1250	Less Restrictive Programs for Students with Disabilities	427,150	227,849	133,694	60,279	5,328	-	-	-
1280	Alternative Education	16,273	918	164	14,477	714	-	-	-
Total Instruction Expenditures		\$ 3,396,181	\$ 1,948,302	\$ 1,237,432	\$ 179,968	\$ 25,316	\$ -	\$ 5,164	\$ -
Support Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2120	Guidance Services	\$ 109,542	\$ 62,935	\$ 46,507	\$ -	\$ 100	\$ -	\$ -	\$ -
2130	Health Services	225	-	-	225	-	-	-	-
2140	Psychological Services	10,000	-	-	10,000	-	-	-	-
2220	Educational Media Services	88,680	52,935	25,175	-	8,874	-	1,696	-
2240	Instructional Staff Development	16,287	-	14,674	1,556	56	-	-	-
2310	Board of Education Services	41,948	-	-	21,800	264	-	19,885	-
2320	Executive Administration Services	177,717	103,804	61,323	10,178	1,032	-	1,380	-
2410	Office of the Principal Services	529,474	310,955	180,320	24,590	2,513	-	11,097	-
2520	Fiscal Services	128,184	68,493	42,351	13,104	1,282	-	2,955	-
2540	Operation and Maintenance of Plant Services	750,887	240,187	156,181	248,438	36,067	29,348	40,667	-
2550	Student Transportation Services	311,758	142,024	87,050	8,072	37,504	23,657	13,451	-
2660	Technology Services	112,924	7,935	5,385	52,929	46,525	-	150	-
Total Support Services Expenditures		\$ 2,277,627	\$ 989,266	\$ 618,966	\$ 390,892	\$ 134,217	\$ 53,005	\$ 91,281	\$ -
Other Uses Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5200	Transfers of Funds	\$ 936,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 936,000
Total Other Uses Expenditures		\$ 936,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 936,000
Grand Total		\$ 6,609,808	\$ 2,937,568	\$ 1,856,397	\$ 570,860	\$ 159,532	\$ 53,005	\$ 96,445	\$ 936,000

OAKLAND SCHOOL DISTRICT NO. 1
Audit Expenditure Summary-Special Revenue Fund #200
For the Fiscal Year Ended June 30, 2019

FUND: Special Revenue Fund #200

Instruction Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600
1111 Elementary, K-5 or K-6	\$ 55,099	\$ 12,125	\$ 1,759	\$ 7,493	\$ 33,721	\$ -	\$ -
1121 Middle/Junior High Programs	48,633	450	260	1,050	46,873	-	-
1122 Middle/Junior High School Extracurricular	30,901	16,513	7,928	2,657	2,796	-	1,007
1131 High School Programs	252,697	-	-	26,341	199,490	26,867	-
1132 High School Extracurricular	153,137	80,946	26,521	31,527	6,255	-	7,888
1210 Programs for the Talented and Gifted	2,250	-	-	10	1,657	-	583
1250 Less Restrictive Programs for Students with Disabilities	132,558	65,616	53,264	13,678	-	-	-
1272 Title I	168,255	85,134	70,553	7,439	5,128	-	-
Total Instruction Expenditures	\$ 843,530	\$ 260,784	\$ 160,286	\$ 90,194	\$ 295,921	\$ 26,867	\$ 9,478

Support Services Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600
2120 Guidance Services	\$ 14,049	\$ 9,937	\$ 4,112	\$ -	\$ -	\$ -	\$ -
2130 Health Services	512	-	-	512	-	-	-
2140 Psychological Services	10,000	-	-	10,000	-	-	-
2190 Service Direction, Student Support Services	17,677	8,542	9,135	-	-	-	-
2210 Improvement of Instruction Services	15,490	-	-	-	15,490	-	-
2240 Instructional Staff Development	602	-	-	602	-	-	-
2540 Operation and Maintenance of Plant Services	17,727	-	-	17,727	-	-	-
2550 Student Transportation Services	9,500	-	-	-	-	9,500	-
2660 Technology Services	82,296	2,580	1,746	26,907	45,042	6,021	-
2700 Supplemental Retirement Program	105,214	49,489	55,725	-	-	-	-
Total Support Services Expenditures	\$ 273,067	\$ 70,548	\$ 70,718	\$ 55,748	\$ 60,532	\$ 15,521	\$ -

Enterprise and Community Services Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600
3100 Food Services	\$ 216,741	\$ 85,215	\$ 37,572	\$ 803	\$ 90,685	\$ -	\$ 2,465
3300 Community Services	152	-	-	-	152	-	-
Total Enterprise and Community Services Expenditures	\$ 216,893	\$ 85,215	\$ 37,572	\$ 803	\$ 90,837	\$ -	\$ 2,465

Other Uses Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600
5100 Debt Service	\$ 131,175	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 131,175
Total Other Uses Expenditures	\$ 131,175	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 131,175

Grand Total

\$ 1,464,664	\$ 416,547	\$ 268,577	\$ 146,745	\$ 447,290	\$ 42,388	\$ 143,117
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OAKLAND SCHOOL DISTRICT NO. 1

Audit Expenditure Summary-Debt Service Fund #300

For the Fiscal Year Ended June 30, 2019

FUND: Debt Service Fund #300

	Totals	Object 600
Other Uses Expenditures		
5100 Debt Service	\$ 46,795	\$ 46,795
Total Other Uses Expenditures	\$ 46,795	\$ 46,795
Grand Total	<u>\$ 46,795</u>	<u>\$ 46,795</u>

OAKLAND SCHOOL DISTRICT NO. 1

Audit Expenditure Summary-Capital Projects Fund #400

For the Fiscal Year Ended June 30, 2019

FUND: Capital Projects Fund #400

Support Services Expenditures

2540 Operation and Maintenance of Plant Services

Total Support Services Expenditures

Grand Total

Totals	Object 500
\$ 27,766	\$ 27,766
\$ 27,766	\$ 27,766
<u>\$ 27,766</u>	<u>\$ 27,766</u>

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ACCOMPANYING
INFORMATION

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OAKLAND SCHOOL DISTRICT NO. 1
INDEPENDENT AUDITOR'S REPORT
REQUIRED BY OREGON STATE REGULATIONS
As of June 30, 2019

To the Governing Body of the Oakland School District No. 1
Oakland, Oregon

We have audited the basic financial statements of the Oakland School District as of and for the year ended June 30, 2019 and have issued our report thereon dated December 18, 2019. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

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

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

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

In connection with our testing nothing came to our attention that caused us to believe the 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.

OAR 162-10-0230 Internal Control

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

This report is intended solely for the information and use of the Board of Directors and management of Oakland 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.



Steve Tuchscherer, CPA
Umpqua Valley Financial
Roseburg, Oregon
December 18, 2019