

***GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J***  
-----  
***LINN COUNTY, OREGON***

***Financial Statements and Additional Information***  
***Year Ended June 30, 2020***

*Prepared By*

*Business Services Department*  
*Russell Allen, Executive Director of Business and Operations*  
*Ashley Netzel, Controller*

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***BOARD OF EDUCATION***

<b><u>Name</u></b>	<b><u>Position</u></b>	<b><u>Term Expiration</u></b>
Jennifer Ward	Board Chair	June 30, 2021
Kim Butzner	Board Vice-Chair	June 30, 2021
Michael Thomson	Board Member	June 30, 2023
Eric Aguinaga	Board Member	June 30, 2023
Pat Eastman	Board Member	June 30, 2021

All Board members receive mail at the address below.

***ADMINISTRATION***

Russell Allen, Executive Director of Business and Operations  
Ashley Netzel, Controller

Administrative Office  
718 7<sup>th</sup> Avenue SW  
Albany, Oregon 97321

***FINANCIAL SECTION***



## GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

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475 Cottage Street NE, Suite 200 • Salem, Oregon 97301-3814

### ***INDEPENDENT AUDITOR'S REPORT***

School Board  
Greater Albany Public School District No. 8J  
Albany, Oregon

#### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Greater Albany Public School District No. 8J, Linn County, Oregon (the District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

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

#### ***Auditor's Responsibility***

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

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

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

#### ***Basis for Qualified Opinion on the Governmental Activities***

Management has not obtained an actuarial valuation of the postemployment benefit obligation related to the early retirement plan and implicit healthcare subsidy in accordance with GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That are not Within the Scope of GASB Statement No. 68* and

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Accounting principles generally accepted in the United States of America require that actuarially determined annual required contributions related to postemployment benefits, attributable to employee services already rendered be recorded as expenses as employees earn the benefits, which, if not funded, would increase the liabilities, reduce the net position, and change the expenses of the governmental activities. The amount by which this departure would affect net position, liabilities and expenses of the governmental activities is not reasonably determinable.

### ***Qualified Opinion on the Governmental Activities***

In our opinion, except for the effects, if any, of the matter described in the Basis for Qualified Opinion on the Governmental Activities paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of Greater Albany Public School District No. 8J, as of June 30, 2020, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Unmodified Opinion on the Major Funds and Aggregate Remaining Fund Information***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the major funds and the aggregate remaining fund information for Greater Albany Public School District No. 8J, as of June 30, 2020, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

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

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

#### ***Other Supplementary Information***

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

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

***Reports on Other Legal and Regulatory Requirements***

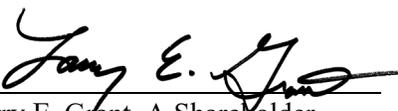
*Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2020, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Other Reporting Required by Oregon Minimum Standards*

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 31, 2020, on our consideration of the District's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

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

By:   
Larry E. Grant, A Shareholder  
December 31, 2020

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2020**

As management of Greater Albany Public School District No. 8J (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2020.

**FINANCIAL HIGHLIGHTS**

- In the government-wide statements, the net position of the District at June 30, 2020 was a surplus \$54.5 million. Net position is composed of net investment in capital assets of \$129.6 million, restricted for debt service, student activities and grants and projects of \$6.2 million, and a deficit unrestricted net position of \$81.4 million.
- The District's total net position increased by \$5.8 million for the fiscal year.
- The District's governmental funds reported a combined ending fund balance of \$64.2 million, a decrease of \$68.0 million from the prior year. These amounts are available to use, in accordance with applicable restrictions on the nature of the expenditures.
- At the end of the fiscal year, fund balance for the General Fund was \$11.4 million, which represents about 11.8 percent of total General Fund expenditures.
- Total cost of all the District's programs was \$133.4 million for the fiscal year, an increase of \$5.4 million (4.2 percent) from the prior year.
- The District's total long-term liabilities increased by \$9.2 million (3.3 percent) during the 2019-20 fiscal year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This Management's Discussion and Analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

## **Government-wide financial statements**

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

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

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

In the government-wide financial statements, all the District's activities are shown as governmental activities.

**Governmental Activities.** The District's basic functions are shown here, such as regular and special education, child nutrition services, transportation, and administration. These activities are primarily financed through Oregon's State School Fund, property taxes, and other intergovernmental revenues.

The government-wide financial statements can be found on pages 15 and 16 of this report.

## **Fund financial statements**

The *fund financial statements* provide more detailed information about the District's funds, focusing on its most significant or "major" funds, not the District as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District maintains four fund types: general operating, special revenue, debt service and capital projects. The fund financial statements are found on pages 17 through 22.

## **Notes to financial statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23 through 51 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Statement of Net Position.** Net position may serve as a useful indicator of a government’s financial position over time. In the case of the District, net position totaled \$54.5 million on June 30, 2020.

Net investment in capital assets, which consist of the District’s land, buildings, building improvements, site improvements, construction in progress, vehicles, and equipment less related debt. The District uses the capital assets to provide services to students and other District residents; consequently, these assets are not available for future spending. Although the District’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources (generally property taxes), since the capital assets themselves cannot be used to liquidate these liabilities. The remaining assets consist mainly of investments, cash, and grants and property taxes receivable.

The District’s long-term liabilities, which include repayment of long-term debt, PERS net pension liability, and early retirement stipends, comprise approximately 92.6 percent of its total liabilities. Current liabilities consist almost entirely of payables on accounts and accrued payroll benefits.

**Greater Albany Public School District No. 8J  
Statements of Net Position  
June 30,**

	<u>2020</u>	<u>2019</u>	<u>Change</u>
Current and other assets	\$ 89,571,078	\$ 147,839,528	\$ (58,268,450)
Capital assets, net	258,041,852	174,175,484	83,866,368
<i>Total assets</i>	<u>347,612,930</u>	<u>322,015,012</u>	<u>25,597,918</u>
Deferred outflows	28,126,581	30,182,120	(2,055,539)
<i>Total assets and deferred outflows</i>	<u>375,739,511</u>	<u>352,197,132</u>	<u>23,542,379</u>
Current liabilities	23,368,958	15,097,292	8,271,666
Long-term liabilities	293,085,275	283,854,701	9,230,574
<i>Total liabilities</i>	<u>316,454,233</u>	<u>298,951,993</u>	<u>17,502,240</u>
Deferred inflows	4,829,970	4,621,926	208,044
<i>Total liabilities and deferred inflows</i>	<u>321,284,203</u>	<u>303,573,919</u>	<u>17,710,284</u>
Net position:			
Net investment in capital assets	129,618,640	114,989,828	14,628,812
Restricted	6,229,270	120,579,099	(114,349,829)
Unrestricted	(81,392,602)	(186,945,714)	105,553,112
<i>Total net position</i>	<u>\$ 54,455,308</u>	<u>\$ 48,623,213</u>	<u>\$ 5,832,095</u>

**Statement of Activities.** During the 2019-20 fiscal year, the District's net position increased by \$5.8 million.

**Greater Albany Public School District No. 8J**  
**Statements of Activities**  
**Years Ended June 30,**

	<u>2020</u>	<u>2019</u>	<u>Change</u>
Revenues			
Program revenues			
Charges for services	\$ 2,086,625	\$ 3,271,628	\$ (1,185,003)
Operating grants and contributions	11,822,178	14,428,340	(2,606,162)
Capital grants and contributions	7,108,371	-	7,108,371
General revenues			
Property taxes	39,072,969	37,429,588	1,643,381
State school fund	68,805,425	64,697,184	4,108,241
Other	10,383,030	11,697,754	(1,314,724)
<i>Total revenues</i>	<u>139,278,598</u>	<u>131,524,494</u>	<u>7,754,104</u>
Expenses			
Instructional services	76,969,472	73,983,189	2,986,283
Support services	44,603,316	40,533,509	4,069,807
Enterprise and community services	4,293,763	4,355,643	(61,880)
Interest on long-term liabilities	7,579,952	9,145,188	(1,565,236)
<i>Total expenses</i>	<u>133,446,503</u>	<u>128,017,529</u>	<u>5,428,974</u>
Change in net position	5,832,095	3,506,965	2,325,130
Net position, beginning of year	<u>48,623,213</u>	<u>45,116,248</u>	<u>3,506,965</u>
Net position, end of year	<u>\$ 54,455,308</u>	<u>\$ 48,623,213</u>	<u>\$ 5,832,095</u>

## FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

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

At June 30, 2020, the District's governmental funds reported combined ending fund balances of \$64.2 million.

*General Fund.* The General Fund is the chief operating fund of the District. As of June 30, 2020, unassigned fund balance was \$11.4 million. As a measure of the fund's liquidity, it may be useful to compare unassigned fund balance to total fund revenues. Unassigned fund balance represents 11.7 percent of total General Fund revenues.

The fund balance increased by \$0.4 million during the current fiscal year. The change is attributed in part to an increase in revenue from state sources during the year, an increase in property taxes collected and a decrease in expenditures due to furlough days.

*Grants Fund.* The Grants Fund has a total fund balance of \$1.4 million at the end of the fiscal year. The fund balance increased \$57 thousand as a result of an increase in revenues from the prior year.

*Debt Service Fund.* The Debt Service Fund has a total fund balance of \$998 thousand at the end of the fiscal year. The fund balance decreased \$118 thousand as a result of scheduled debt payments that were made during the year.

*Capital Projects 2017 Bond Fund.* The Capital Projects 2017 Bond Fund has a total fund balance of \$43.3 million at the end of the fiscal year. The fund balance decreased \$67.8 million as a result of planned expenditures that occurred during the year.

## GENERAL FUND BUDGETARY HIGHLIGHTS

*Original budget compared to final budget.* During the year, there were two transfers of appropriations by resolution affecting the original General Fund budget.

*Final budget compared to actual results.* The most significant difference between estimated revenue and actual revenue was property tax revenue. Actual revenue was \$0.4 million higher than anticipated, mostly due to higher than expected property taxes and higher than expected Federal Forest Fees netted with a decrease in State School Fund revenue due to the prior year adjustment.

Actual total expenditures were within appropriations.

## CAPITAL ASSET AND DEBT ADMINISTRATION

**Capital assets.** The District's investment in capital assets includes land, buildings and improvements, site improvements, and equipment and vehicles. As of June 30, 2020, the District had invested \$258 million in capital assets, net of accumulated depreciation.

**Capital Assets**  
**(net of depreciation)**  
**June 30,**

	<u>2020</u>	<u>2019</u>	<u>Change</u>
Land and improvements	\$ 2,819,352	\$ 2,819,352	\$ -
Construction in progress	142,506,762	73,503,794	69,002,968
Building and improvements, equipment and vehicles	176,792,746	158,527,591	18,265,155
Accumulated depreciation	(64,077,008)	(60,675,253)	(3,401,755)
Total	<u>\$ 258,041,852</u>	<u>\$ 174,175,484</u>	<u>\$ 83,866,368</u>

Additional information on the District's capital asset activity can be found on page 32.

**Long-term debt.** During the year ended June 30, 2020, \$9.4 million of principal was paid on long-term debt. At June 30, 2020, the District had total bonded debt outstanding of \$173.5 million.

Additional information on the District's long-term debt can be found on pages 33 through 35.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The most significant economic factor for the District is the State of Oregon's State School Fund formula. The formula consists of a General Purpose Grant, a Transportation Grant, and certain local revenues. For the year ended June 30, 2020, the State School Fund General Purpose Grant provided approximately 88% of the District's General Fund revenues (98% if fund balance is excluded). Current year General Fund revenue increased by 2.6% while expenditures increased by 1.3%. Expenditures were significantly under budget as a result of furloughs that were instituted in the final quarter of 2019-2020. This resulted in an increase of the Fund Balance to \$11.4 million rather than the decline that was projected. Looking forward, the state economic forecast reveals a slow recovery and a slight increase in State School funding for the District for the next biennia.

Total enrollment in 2019-20 increased by 59 ADMw (average daily membership weighted) from the previous year. Enrollment is expected to decrease in 2020-21 as a result of the COVID-19 pandemic, and bounce back in 2021-22.

The District has analyzed its financial holdings and doesn't anticipate any liquidity problems in the next twelve months.

## REQUESTS FOR INFORMATION

This financial report is designed to present the user (citizens, taxpayers, investors, and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the District's Business Office at Greater Albany Public School District offices, located at 718 7<sup>th</sup> Avenue SW, Albany, Oregon 97321.

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J****STATEMENT OF NET POSITION**JUNE 30, 2020

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**ASSETS**

Cash and investments	\$ 78,574,076
Receivables	10,029,565
Inventories	15,301
Net OPEB asset - RHIA	952,136
Capital assets not being depreciated	
Land	2,819,352
Construction in progress	142,506,762
Capital assets, net of accumulated depreciation	
Buildings and improvements	108,220,123
Equipment and vehicles	4,495,615
	<hr/>
<i>Total Assets</i>	347,612,930

**DEFERRED OUTFLOWS OF RESOURCES**

Deferred outflows related to PERS	28,065,145
Deferred outflows related to OPEB	61,436
	<hr/>
<i>Total Deferred Outflows of Resources</i>	28,126,581
	<hr/>
<i>Total Assets and Deferred Outflows of Resources</i>	375,739,511

**LIABILITIES**

Accounts payable	10,020,290
Payroll and related liabilities	9,621,466
Retainage payable	3,238,862
Unearned revenue	71,340
Accrued interest	417,000
Noncurrent liabilities	
Due within one year	
Accrued compensated absences	339,005
Long-term debt	11,920,087
Due in more than one year	
Long-term debt	190,608,796
PERS net pension liability	89,043,204
Early retirement stipends	1,174,183
	<hr/>
<i>Total Liabilities</i>	316,454,233

**DEFERRED INFLOWS OF RESOURCES**

Deferred inflows related to PERS	4,638,511
Deferred inflows related to OPEB	191,459
	<hr/>
<i>Total Deferred Inflows of Resources</i>	4,829,970
	<hr/>
<i>Total Liabilities and Deferred Inflows of Resources</i>	321,284,203

**NET POSITION**

Net investment in capital assets	129,618,640
Restricted for	
Debt service	1,070,243
Student activities	357,127
Grants and projects	4,801,900
Unrestricted	(81,392,602)
	<hr/>
<i>Total Net Position</i>	\$ 54,455,308

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The accompanying notes are an integral part of the financial statements.

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**

**STATEMENT OF ACTIVITIES**

**YEAR ENDED JUNE 30, 2020**

	<i>Expenses</i>	<i>Program Revenues</i>		<i>Net (Expense) Revenue and Change in Net Position</i>	
		<i>Charges for Services</i>	<i>Operating Grants and Contributions</i>		<i>Capital Grants and Contributions</i>
<b>FUNCTIONS/PROGRAMS</b>					
<b>Governmental Activities:</b>					
Instructional services	\$ 76,969,472	\$ 1,431,269	\$ 8,224,498	\$ -	\$ (67,313,705)
Support services	44,603,316	120,308	919,036	7,108,371	(36,455,601)
Enterprise and community services	4,293,763	535,048	2,678,644	-	(1,080,071)
Interest on long-term liabilities	7,579,952	-	-	-	(7,579,952)
<i>Total Governmental Activities</i>	<u>\$ 133,446,503</u>	<u>\$ 2,086,625</u>	<u>\$ 11,822,178</u>	<u>\$ 7,108,371</u>	<u>(112,429,329)</u>
<b>General Revenues:</b>					
Property taxes, levied for general purposes					39,072,969
Construction excise tax					914,360
Common school fund					68,805,425
Unrestricted state and local funds					278,723
Earnings on investments					2,332,394
Miscellaneous					6,396,610
Gain on sale or compensation for loss of asset					460,943
<i>Total General Revenues</i>					<u>118,261,424</u>
<i>Change in net position</i>					5,832,095
<i>Net position - beginning</i>					<u>48,623,213</u>
<i>Net position - ending</i>					<u>\$ 54,455,308</u>

*The accompanying notes are an integral part of the financial statements.*

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**

**BALANCE SHEET - GOVERNMENTAL FUNDS**

JUNE 30, 2020

	<u>Special Revenue</u>	
	<u>General Fund</u>	<u>Grants Fund</u>
<b>ASSETS</b>		
Cash and investments	\$ 15,116,195	\$ -
Property taxes receivable	1,131,604	-
Due from other funds	5,374,327	-
Other receivables	841,103	5,068,073
Inventories	15,301	-
	<hr/>	<hr/>
<i>Total Assets</i>	\$ 22,478,530	\$ 5,068,073
	<hr/> <hr/>	<hr/> <hr/>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>		
<b>Liabilities</b>		
Accounts payable	\$ 459,172	\$ 366,001
Due to other funds	-	3,266,045
Accrued salaries and benefits	9,621,466	-
Unearned revenue	-	69,234
	<hr/>	<hr/>
<i>Total Liabilities</i>	10,080,638	3,701,280
<b>Deferred Inflows of Resources</b>		
Unavailable revenue - property taxes	1,006,913	-
<b>Fund Balances</b>		
Non-spendable		
Non-spendable inventory	15,301	-
Restricted for		
Debt service	-	-
Capital projects	-	-
Student activities	-	-
Grants and projects	-	-
Committed to		
Grants	-	1,366,793
Capital projects	-	-
Debt service	-	-
Unassigned	11,375,678	-
	<hr/>	<hr/>
<i>Total Fund Balances</i>	11,390,979	1,366,793
	<hr/> <hr/>	<hr/> <hr/>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	\$ 22,478,530	\$ 5,068,073
	<hr/> <hr/>	<hr/> <hr/>

<i>Debt Service Fund</i>	<i>Capital Projects 2017 Bond Fund</i>	<i>Other Governmental Funds</i>	<i>Total</i>
\$ 939,058	\$ 54,974,306	\$ 7,544,517	\$ 78,574,076
548,160	-	-	1,679,764
-	-	-	5,374,327
25	84,881	2,355,718	8,349,800
-	-	-	15,301
<u>\$ 1,487,243</u>	<u>\$ 55,059,187</u>	<u>\$ 9,900,235</u>	<u>\$ 93,993,268</u>
\$ -	\$ 11,768,516	\$ 665,462	\$ 13,259,151
-	-	2,108,282	5,374,327
-	-	-	9,621,466
-	-	2,106	71,340
-	11,768,516	2,775,850	28,326,284
489,286	-	-	1,496,199
-	-	-	15,301
997,957	-	-	997,957
-	43,290,671	4,165,178	47,455,849
-	-	357,127	357,127
-	-	636,722	636,722
-	-	-	1,366,793
-	-	719,405	719,405
-	-	1,709,531	1,709,531
-	-	(463,578)	10,912,100
<u>997,957</u>	<u>43,290,671</u>	<u>7,124,385</u>	<u>64,170,785</u>
<u>\$ 1,487,243</u>	<u>\$ 55,059,187</u>	<u>\$ 9,900,235</u>	<u>\$ 93,993,268</u>

The accompanying notes are an integral part of the financial statements.

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

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<b>FUND BALANCES</b>		\$ 64,170,785
Capital assets are not financial resources and therefore are not reported in the governmental funds:		
Cost	\$ 322,118,860	
Accumulated depreciation	<u>(64,077,008)</u>	258,041,852
A portion of the District's property taxes are collected after year-end but are not available soon enough to pay for the current year's operations, and therefore are not reported as revenue in the governmental funds.		1,496,199
Long-term liabilities not payable in the current year are not reported as governmental fund liabilities. Interest in long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due. These liabilities consist of:		
Accrued interest	(417,000)	
Accrued compensated absences	(339,005)	
Long-term debt	(202,528,883)	
Early retirement stipends	<u>(1,174,183)</u>	(204,459,071)
Long-term pension liabilities not payable in the current year are not reported as governmental fund liabilities. Actuarial changes create deferred outflows and inflows of resources. These consist of:		
PERS net pension liability	(89,043,204)	
Deferred inflows of resources related to pensions	(4,638,511)	
Deferred outflows of resources related to pensions	<u>28,065,145</u>	(65,616,570)
Long-term OPEB assets not payable in the current year are not reported as governmental fund liabilities. Actuarial changes create deferred outflows and inflows of resources. These consist of:		
Net OPEB asset - RHIA	952,136	
Deferred inflows of resources related to OPEB	(191,459)	
Deferred outflows of resources related to OPEB	<u>61,436</u>	<u>822,113</u>
<b>TOTAL NET POSITION</b>		<u><u>\$ 54,455,308</u></u>

*The accompanying notes are an integral part of the financial statements.*

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	<u>Special Revenue</u>	
	<u>General Fund</u>	<u>Grants Fund</u>
<b>REVENUES</b>		
Property taxes	\$ 25,935,490	\$ -
Construction excise tax	-	-
Intergovernmental		
Intermediate sources	99,019	248,370
State sources	69,525,437	541,088
Federal sources	280,369	4,621,971
Charges for services	290,768	-
Contributions	-	39,000
Investment earnings	595,169	57,332
Miscellaneous	263,762	1,102,048
	<hr/>	<hr/>
<i>Total Revenues</i>	96,990,014	6,609,809
<b>EXPENDITURES</b>		
Current		
Instruction	61,718,839	3,225,725
Support services	34,221,250	2,847,947
Enterprise and community services	77,259	134,978
Facilities acquisition and construction	-	-
Debt Service		
Principal	72,855	-
Interest	8,322	-
Capital outlay	235,742	374,080
	<hr/>	<hr/>
<i>Total Expenditures</i>	96,334,267	6,582,730
	<hr/>	<hr/>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	655,747	27,079
<b>OTHER FINANCING SOURCES (USES)</b>		
Issuance of long-term debt	-	-
Premium from bond issuance	-	-
Proceeds from capital leases	-	-
Transfers in	-	30,000
Transfers out	(276,197)	-
Sale of or compensation for loss of capital assets	-	-
	<hr/>	<hr/>
<i>Total Other Financing Sources (Uses)</i>	(276,197)	30,000
	<hr/>	<hr/>
<b>NET CHANGE IN FUND BALANCES</b>	379,550	57,079
<b>FUND BALANCES, beginning</b>	11,011,429	1,309,714
	<hr/>	<hr/>
<b>FUND BALANCES, ending</b>	\$ 11,390,979	\$ 1,366,793
	<hr/> <hr/>	<hr/> <hr/>

<i>Debt Service Fund</i>	<i>Capital Projects 2017 Bond Fund</i>	<i>Other Governmental Funds</i>	<i>Total</i>
\$ 12,760,829	\$ -	\$ -	\$ 38,696,319
-	-	914,361	914,361
-	25,000	-	372,389
-	7,108,371	2,313,153	79,488,049
-	-	2,620,644	7,522,984
-	-	6,169,666	6,460,434
-	-	126,669	165,669
53,244	1,440,420	343,213	2,489,378
-	642,680	479,918	2,488,408
<u>12,814,073</u>	<u>9,216,471</u>	<u>12,967,624</u>	<u>138,597,991</u>
-	-	2,508,749	67,453,313
-	-	1,015,202	38,084,399
-	-	3,647,024	3,859,261
-	730,116	-	730,116
5,930,000	-	3,343,262	9,346,117
7,002,674	-	1,916,119	8,927,115
-	85,300,449	2,646,772	88,557,043
<u>12,932,674</u>	<u>86,030,565</u>	<u>15,077,128</u>	<u>216,957,364</u>
(118,601)	(76,814,094)	(2,109,504)	(78,359,373)
-	7,450,000	-	7,450,000
-	1,523,950	-	1,523,950
-	-	780,282	780,282
-	-	1,246,197	1,276,197
-	-	(1,000,000)	(1,276,197)
-	-	600,000	600,000
<u>-</u>	<u>8,973,950</u>	<u>1,626,479</u>	<u>10,354,232</u>
(118,601)	(67,840,144)	(483,025)	(68,005,141)
1,116,558	111,130,815	7,607,410	132,175,926
<u>\$ 997,957</u>	<u>\$ 43,290,671</u>	<u>\$ 7,124,385</u>	<u>\$ 64,170,785</u>

The accompanying notes are an integral part of the financial statements.

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2020**

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**NET CHANGE IN FUND BALANCES** \$ (68,005,141)

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

Expenditures for capital assets	\$ 88,557,043	
Net book value of disposed assets	(296,041)	
Less current year depreciation	<u>(4,394,634)</u>	83,866,368

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

General financing proceeds	(8,230,282)	
Premium from bond issuance	(1,523,950)	
Debt principal repaid	9,408,184	
Amortization of bond premium	1,443,636	
Early retirement stipends	<u>219,670</u>	1,317,258

In the Statement of Activities, interest is accrued on long-term debt, whereas in the governmental funds it is recorded as an interest expenditure when due. (98,240)

Property taxes that do not meet the measurable and available criteria are not recognized as revenue in the current year in the governmental funds. In the Statement of Activities property taxes are recognized as revenue when levied. 376,649

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

Net change in PERS net pension liability	(10,208,827)	
Net change in PERS deferred outflows of resources	(2,116,975)	
Net change in PERS deferred inflows of resources	<u>(16,585)</u>	(12,342,387)

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

Net change in net OPEB liability/asset - RHIA	952,136	
Net change in OPEB deferred outflows of resources	61,436	
Net change in OPEB deferred inflows of resources	<u>(191,459)</u>	822,113

Compensated absences are recognized as an expenditure in the governmental fund when they are paid. In the Statement of Activities, compensated absences are recognized as expenses when earned. (104,525)

**CHANGE IN NET POSITION** \$ 5,832,095

*The accompanying notes are an integral part of the financial statements.*

***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***

The Greater Albany Public School District No. 8J (the District) functions as an operational education organization consisting of 19 elementary, secondary, and high schools. The District was organized under provisions of Oregon Statutes Chapter 332 for the purpose of operating elementary and secondary schools. The District's Board of Education is the basic level of government, which has financial accountability and control over all activities within District boundaries. As required by generally accepted accounting principles, these financial statements present the District (the primary government) and would include any component units. Component units, as established by the Governmental Accounting Standards Board (GASB), are separate organizations that are included in the District's reporting because of the significance of their operational or financial relationships with the District. There are no component units.

***Basis of Presentation***

*Government-wide Financial Statements*

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

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

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

*Fund Financial Statements*

The fund financial statements provide information about the District's funds. The emphasis of fund financial statements is on major governmental funds, each being displayed in a separate column. All remaining governmental funds are aggregated and reported as other governmental funds.

The District reports the following major governmental funds:

*General Fund* - This is the District's primary operating fund and accounts for all revenues and expenditures except those required to be accounted for in another fund. Principal revenue sources are property taxes and an apportionment from the State of Oregon School Support Fund.

*Grants Fund* – This fund includes Title I, IDEA, and other federally financed special project funds. The principal sources of revenue are grants from the federal and Oregon governmental agencies. The primary uses of revenue are salaries and supplies specifically requested with application for grant.

***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)***

***Basis of Presentation (Continued)***

*Fund Financial Statements (Continued)*

*Debt Service Fund* - This fund accounts for the payment of principal and interest on general obligation bonded debt. This fund's principal revenue sources are property taxes. This fund is presented as major due to the importance of the fund.

*Capital Projects 2017 Bond Fund* - This fund accounts for the accumulation of resources for construction projects. The principal revenue source is bond proceeds.

***Measurement Focus and Basis of Accounting***

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District receives value without giving equal value in exchange, include property taxes, grants, entitlements and donations. On the accrual basis of accounting, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Under terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues.

When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the District's policy is to first apply the expense toward restricted resources and then toward unrestricted resources.

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

***Cash and Investments***

The District's cash consists of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

***Property Taxes Receivable***

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

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Property Taxes Receivable (Continued)***

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

***Accounts and Other Receivables***

Special revenue fund grants receivable are comprised of claims for reimbursement of costs under various federal and state grant programs. All are considered collectible by management so no allowance for uncollectible amounts has been calculated.

***Grants***

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

***Inventories***

All inventories are valued at cost (first-in, first-out method). Inventories are recorded as expenditures when consumed rather than when purchased.

***Capital Assets***

Capital assets are recorded at historical or estimated historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at their estimated fair market value on the date donated. The District defines capital assets as individual assets with an initial cost of more than \$5,000 and an estimated life in excess of one year. The cost of routine maintenance and repairs that do not add to the value of the assets or materially extend asset lives are charged to expenditures as incurred and not capitalized.

Capital assets are depreciated using the straight-line method over the following useful lives:

Buildings and improvements	10 to 50 years
Equipment and vehicles	5 to 30 years

***Retirement Plans***

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

Certificated employees who have reached age 55 or have 30 years of PERS service, the last 15 years of which have been in Greater Albany Public School District, are eligible for early retirement benefits which are funded and charged to expenditures as payments become due to early retirees.

***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)***

***Retirement Plans (Continued)***

Classified employees who have reached age 58 or have 30 years of PERS service, the last 15 years of which have been in Greater Albany Public School District, are eligible for early retirement benefits which are funded and charged to expenditures as payments become due to early retirees.

***Other Postemployment Benefits***

The District currently maintains an early retirement program which provides for payment of stipends and/or health insurance benefits to qualified employees. The District's employees who elect retirement are entitled to participate in the District's group medical insurance plan as provided by Oregon Revised Statutes.

***Compensated Absences***

It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave payment as the District does not have a policy to pay any amounts when employees separate from service with the District. All unused vacation pay is accrued when earned in the government-wide financial statements. These obligations will be paid from the fund from which employee wages are charged. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignation and retirements. Compensated absences will be paid from general revenues and are expected to be paid within 12 months.

***Governmental Fund Balances***

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

Governmental fund type fund balances are classified as follows:

- **Nonspendable** – Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact. Resources in nonspendable form include inventories, prepaids and deposits, and assets held for resale.
- **Restricted** – Amounts that can be spent only for specific purposes when the constraints placed on the use of these resources are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed** – Amounts that can be used only for specific purposes determined by a formal action (resolution) of the Board of Education. The Board of Education can modify or rescind the commitment at any time through taking a similar formal action.
- **Assigned** - Amounts that are constrained by the District's intent to use them for a specific purpose, but are neither restricted nor committed, are reported as assigned fund balance. Intent is expressed when the School Board approves which resources should be "reserved" during the adoption of the annual budget. The District's Director of Business Services uses that information to determine whether those resources should be classified as assigned or unassigned for presentation in the District's Annual Financial Report.

***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)***

***Governmental Fund Balances (Continued)***

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

***Definitions of Governmental Fund Types***

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

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

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

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

***Long-term Debt***

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

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

***Budget***

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

***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)***

***Budget (Continued)***

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

Supplemental budgets less than 10% of a fund's original budget may be adopted by the Board at a regular meeting. A supplemental budget greater than 10% of a fund's original budget requires hearings before the public, publication in newspapers and approval by the Board. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control (major function levels) with Board approval. During the year, one appropriation transfer was made and one supplemental budget was adopted. Appropriations lapse at the end of each fiscal year.

***Deferred Outflows/Inflows of Resources***

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) so will not be recognized as an outflow of resources (expense) until that time. The statement of net position reports one type related to the RHIA net OPEB liability or asset and one type related to the PERS net pension liability. These amounts are deferred and recognized as an outflow of resources in the period the amounts become available.

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

***Use of Estimates***

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

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
 NOTES TO BASIC FINANCIAL STATEMENTS (Continued)  
 YEAR ENDED JUNE 30, 2020

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**CASH AND INVESTMENTS**

The District maintains an internal cash and investments pool that is available for use by all funds. Each fund’s portion of the pool is displayed in the basic financial statements as “cash and investments.”

Cash and investments are comprised of the following as of June 30, 2020:

**Cash and Deposits**

Cash on hand	\$ 18,960
Cash on deposit with financial institutions	10,255,093
Amounts held in escrow, restricted for debt service	26,507
State Treasurer's Investment Pool	47,840,881
U.S. Treasury Securities	20,432,635
	<hr/>
	<u>\$ 78,574,076</u>

*Deposits*

At year-end, the District’s deposits with various financial institutions had a bank value of \$11,271,089 and a book value of \$10,255,093. All deposits not covered by FDIC insurance are covered by the Public Funds Collateralization Program (PFCP) of the State of Oregon. The PFCP is a shared liability structure for participating bank depositories, better protecting public funds though still not guaranteeing that all funds are 100 percent protected. Barring any exceptions, a bank depository is required to pledge collateral valued at 10 percent of their quarter-end public fund deposits if they are well capitalized, 25 percent of their quarter-end public fund deposits if they are adequately capitalized, or 110 percent of their quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110 percent by the Office of the State Treasurer. In the event of a participating bank failure, the entire pool of collateral pledged by all qualified Oregon public funds bank depositories is available to repay deposits of public funds of government entities.

*Custodial Credit Risk - Deposits*

Custodial credit risk for deposits is the risk that in the event of a bank failure, the District’s deposits may not be returned. The Federal Depository Insurance Corporation (FDIC) provides insurance for the District’s deposits with financial institutions up to \$250,000 each for the aggregate of all demand deposits and the aggregate of all time deposits at each institution. Deposits in excess of FDIC coverage with institutions with institutions participating in the Oregon Public Funds Collateralization Program (PFCP) are collateralized with securities held by the Federal Home Loan Bank of Seattle in the name of the institution. As of June 30, 2020, \$11,021,089 of the District’s bank balances were exposed to custodial credit risk as they were collateralized with securities held by the pledging financial institution’s agent, but not in the District’s name.

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED JUNE 30, 2020**

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**CASH AND INVESTMENTS (Continued)**

*Investments*

As of June 30, 2020, the District held the following investments and maturities:

<u>Investment type</u>	<u>Fair Value</u>	<u>Weighted average maturity in years</u>	<u>% of investment portfolio</u>
State Treasurer's Investment Pool	\$ 47,840,881	0.003	70.1%
U.S. Treasury Securities	20,432,635	0.445	29.9%
	<u>\$ 68,273,516</u>	<u>0.448</u>	<u>100.0%</u>

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

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

*Interest Rate Risk*

In accordance with its investment policy, the District manages its exposure to declines in fair value of its investments by structuring the investment portfolio, so that securities mature to meet the cash flow needs of ongoing operations. The District's investment policy also limits investments as follows:

<u>Investment type</u>	<u>Maximum % of portfolio</u>
U.S. Treasury Obligations	100.0%
U.S. Government Agency Securities	100.0%
Banker's Acceptances	25.0%
Certificate of Deposits	10.0%
Commercial Paper	10.0%
Corporate Notes	20.0%
Local Government Investment Pool	100.0%

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

***CASH AND INVESTMENTS (Continued)***

*Custodial Risk - Investments*

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District minimizes custodial credit risk by limiting investments to the types of securities allowed by law; and pre-qualifying the financial institutions, brokers/dealers, intermediaries and advisors with which the District will do business.

The District's credit risk policy adheres to State of Oregon law. Oregon Revised Statutes do not limit investments as to credit rating for securities purchased from U.S. government agencies.

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

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED JUNE 30, 2020**

**CAPITAL ASSETS**

Capital assets activity for the year was as follows:

	<i>Balance</i> <i>July 1, 2019</i>	<i>Additions</i>	<i>Deletions</i>	<i>Balance</i> <i>June 30, 2020</i>
Capital assets not being depreciated:				
Land	\$ 2,819,352	\$ -	\$ -	\$ 2,819,352
Construction in progress	73,503,794	83,932,259	(14,929,291)	142,506,762
<i>Total capital assets not being depreciated</i>	76,323,146	83,932,259	(14,929,291)	145,326,114
Capital assets being depreciated:				
Buildings and improvements	140,874,580	18,554,330	(1,000,180)	158,428,730
Site improvements	6,312,102	21,937	-	6,334,039
Equipment and vehicles	11,340,909	977,808	(288,740)	12,029,977
<i>Total capital assets being depreciated</i>	158,527,591	19,554,075	(1,288,920)	176,792,746
Less accumulated depreciation for:				
Buildings and improvements	(51,859,360)	(3,361,938)	704,139	(54,517,159)
Site improvements	(1,855,085)	(170,402)	-	(2,025,487)
Equipment and vehicles	(6,960,808)	(862,294)	288,740	(7,534,362)
<i>Total accumulated depreciation</i>	(60,675,253)	(4,394,634)	992,879	(64,077,008)
<i>Total capital assets being depreciated, net</i>	97,852,338	15,159,441	(296,041)	112,715,738
<i>Total capital assets, net</i>	\$ 174,175,484	\$ 99,091,700	\$ (15,225,332)	\$ 258,041,852

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

<i>Program</i>	
Instructional services	\$ 2,856,843
Support services	1,447,643
Enterprise and community services	90,148
<i>Total</i>	\$ 4,394,634

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED JUNE 30, 2020**

**LONG-TERM DEBT**

The following is a summary of long-term debt transactions during the year ended June 30, 2020:

	<i>Original Issue</i>	<i>Balance July 1, 2019</i>	<i>Additions</i>	<i>Reductions</i>	<i>Balance June 30, 2020</i>	<i>Due Within One Year</i>
<b>GO Bonds</b>						
GO Bond Series 2017	\$ 151,550,000	\$ 141,210,000	\$ -	\$ (5,930,000)	\$ 135,280,000	\$ 6,755,000
GO Bond Series 2020	7,450,000	-	7,450,000	-	7,450,000	-
<i>Total GO Bonds</i>	<u>159,000,000</u>	<u>141,210,000</u>	<u>7,450,000</u>	<u>(5,930,000)</u>	<u>142,730,000</u>	<u>6,755,000</u>
<b>Pension Bond</b>						
PERS Bond 2004	45,855,000	33,310,000	-	(2,495,000)	30,815,000	2,815,000
<b>Other Debt</b>						
QZAB Series 2004	20,860,000	96,773	-	(96,773)	-	-
QZAB Series 2007	39,496,166	250,000	-	(62,500)	187,500	62,500
Capital One FF&C 2014	4,162,000	85,330	-	(27,595)	57,735	28,435
<i>Total Other Debt</i>	<u>64,518,166</u>	<u>432,103</u>	<u>-</u>	<u>(186,868)</u>	<u>245,235</u>	<u>90,935</u>
<b>Bond Premium</b>						
Bond Premium - 2017	28,449,373	25,604,436	-	(1,422,469)	24,181,967	1,422,469
Bond Premium - 2020	1,523,950	-	1,523,950	(21,167)	1,502,783	88,399
<i>Total Bond Premium</i>	<u>29,973,323</u>	<u>25,604,436</u>	<u>1,523,950</u>	<u>(1,443,636)</u>	<u>25,684,750</u>	<u>1,510,868</u>
<b>Capital Leases</b>						
	7,260,426	3,069,932	780,282	(796,316)	3,053,898	748,284
<i>Total</i>	<u>\$ 306,606,915</u>	<u>\$ 203,626,471</u>	<u>\$ 9,754,232</u>	<u>\$ (10,851,820)</u>	<u>\$ 202,528,883</u>	<u>\$ 11,920,087</u>

Future debt service requirements for general obligation bonds are as follows:

<i>Fiscal Year Ending June 30,</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2021	\$ 6,755,000	\$ 7,169,304	\$ 13,924,304
2022	7,640,000	6,753,950	14,393,950
2023	8,430,000	6,381,950	14,811,950
2024	9,275,000	5,970,450	15,245,450
2025	10,175,000	5,516,700	15,691,700
2026-2030	39,770,000	20,265,850	60,035,850
2031-2035	39,610,000	11,550,250	51,160,250
2036-2040	21,075,000	1,601,750	22,676,750
	<u>\$ 142,730,000</u>	<u>\$ 65,210,204</u>	<u>\$ 207,940,204</u>

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED JUNE 30, 2020**

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**LONG-TERM DEBT (Continued)**

Future debt service requirements for pension bonds are as follows:

<i>Fiscal Year Ending June 30,</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2021	\$ 2,815,000	\$ 1,698,759	\$ 4,513,759
2022	3,160,000	1,546,102	4,706,102
2023	3,530,000	1,373,155	4,903,155
2024	3,935,000	1,178,017	5,113,017
2025	4,370,000	960,490	5,330,490
2026-2030	13,005,000	1,326,976	14,331,976
	<u>\$ 30,815,000</u>	<u>\$ 8,083,499</u>	<u>\$ 38,898,499</u>

*Notes from Direct Borrowings*

QZAB 2007 Series: Upon default the seller may declare all amounts payable by the district due. Upon terminating this agreement, the seller may accelerate all outstanding payments. The Seller may take whatever action at law or in equity necessary or desirable to enforce its rights under this agreement.

No other significant default or termination clauses are included in the agreement for this obligation or any of the other obligations listed above for the District.

Future debt service requirements for direct borrowings are as follows:

<i>Fiscal Year Ending June 30,</i>	<i>QZAB Series 2007</i>		<i>Capital One FF&amp;C 2014</i>		<i>Total</i>
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>	
2021	\$ 62,500	\$ -	\$ 28,435	\$ 1,530	\$ 92,465
2022	62,500	-	29,300	665	92,465
2023	62,500	-	-	-	62,500
	<u>\$ 187,500</u>	<u>\$ -</u>	<u>\$ 57,735</u>	<u>\$ 2,195</u>	<u>\$ 247,430</u>

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
 NOTES TO BASIC FINANCIAL STATEMENTS (Continued)  
 YEAR ENDED JUNE 30, 2020

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**LONG-TERM DEBT (Continued)**

*Capital Leases*

The District has entered into annual master equipment lease/purchase agreements as lessee for financing the acquisition of school buses using eight year leases. The currently leased buses have a total cost of approximately \$5,230,000 and were capitalized over ten years and have accumulated depreciation of approximately \$1,940,000. The capital lease obligations were paid from the Bus Replacement Fund.

Future debt service requirements for leases are as follows:

<i>Fiscal Year Ending June 30,</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2021	\$ 748,284	\$ 80,531	\$ 828,815
2022	649,588	62,258	711,846
2023	562,523	45,383	607,906
2024	421,029	30,646	451,675
2025	338,092	18,763	356,855
2026-2030	334,382	11,699	346,081
	<u>\$ 3,053,898</u>	<u>\$ 249,280</u>	<u>\$ 3,303,178</u>

**COMPENSATED ABSENCES**

The General Fund is the primary fund where the compensated absences liability is liquidated. Substantially all amounts are expected to be liquidated within one year.

Compensated absences activity for the year is as follows:

<i>Outstanding July 1, 2019</i>	<i>Increases</i>	<i>Decreases</i>	<i>Outstanding June 30, 2020</i>	<i>Amount Due in One Year</i>
\$ 234,480	\$ 373,387	\$ 268,862	\$ 339,005	\$ 339,005

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED JUNE 30, 2020**

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**INTERFUND ACTIVITY**

The composition of interfund activity for the year ended June 30, 2020, is as follows:

	<u><i>Due from Other Funds</i></u>	<u><i>Due to Other Funds</i></u>
General Fund	\$ 5,374,327	\$ -
Grants Fund	-	3,266,045
Non-major Funds	-	2,108,282
<i>Total Funds</i>	<u>\$ 5,374,327</u>	<u>\$ 5,374,327</u>

	<u><i>Transfers In</i></u>	<u><i>Transfers Out</i></u>
General Fund	\$ -	\$ 276,197
Grants Fund	30,000	-
Non-major Funds	1,246,197	1,000,000
<i>Total Funds</i>	<u>\$ 1,276,197</u>	<u>\$ 1,276,197</u>

The due to and due from designation is used to report negative cash balance in the form of a transfer between the General fund and the fund with a negative cash balance as of the fiscal year end. The anticipation of future revenues will be used as an offset.

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**PENSION PLANS**

The District offers an early retirement incentive, providing stipend amounts to retirees, as well as contributes to the Oregon Public Employees Retirement System.

**Early Retirement Incentives (Stipends)**

**Description** - The District maintains a single-employer early retirement supplement program for eligible employees of the District. Expenditures are recorded as the incentive payments are incurred. In order to qualify for the plan, an employee must be eligible for retirement under PERS. Eligible employees will be paid for a specified time. The amount of compensation per month is equal to 1 % of the contractual yearly salary the retiree would have received if fully employed with the District, along with related insurance premiums. Early retirement program costs are recorded as expenditures and funded on a pay as you go basis. The actuarial present value of vested and non-vested accumulated benefits as well as annual contributions required are not available as no GASB 73 study has been done. At June 30, 2020, the estimated liability is \$1,174,183, which has been accrued in the statement of net position. Total expenses for the year ending June 30, 2020 were \$219,670. The District does not issue a standalone report for this plan.

***PENSION PLANS (Continued)***

**PERS Pension (Chapter 238)**

The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.

**Pension Benefits** - The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if it results in greater benefits.

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

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

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

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

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

***PENSION PLAN (Continued)***

**Oregon Public Service Retirement Plan Pension Program (OPSRP DB)**

The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003. The 2003 Oregon Legislature passed PERS reform legislation that essentially created a new retirement plan for employees hired on or after August 29, 2003. These employees became members of the Oregon Public Service Retirement Plan (OPSRP). OPSRP is a hybrid retirement plan with two components: the Pension Program (defined benefit plan) and the Individual Account Program (defined contribution; established and maintained as a tax-qualified governmental defined contribution plan). OPSRP is administered by PERS.

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

*Police and fire:* 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.

*General service:* 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

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

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

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

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

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED JUNE 30, 2020**

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**PENSION PLAN (Continued)**

**Contributions**

PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2017 actuarial valuation, which became effective July 1, 2019. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2020 were \$10,225,604, excluding amounts to fund employer specific liabilities. Employer pension expense of \$12,342,387 was recognized during the reporting period.

At June 30, 2020 the District reported a net pension liability of \$89,043,204 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019, the District's proportion was 0.515 percent, a decrease from 0.520 in the prior year.

At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<i>Deferred Outflow of Resources</i>	<i>Deferred (Inflow) of Resources</i>	<i>Net</i>
Difference between expected and actual experience	\$ 4,910,470	\$ -	
Changes in assumptions	12,079,727	-	
Changes in proportionate share	849,344	(866,746)	
Net difference between projected and actual earnings on pension plan investments	-	(2,524,284)	
Differences between District contributions and proportionate share of contributions	-	(1,247,481)	
Subtotal - Amortized deferrals (below)	17,839,541	(4,638,511)	<u>\$ 13,201,030</u>
District contributions subsequent to measurement date	10,225,604	-	
Net deferred outflow (inflow) of resources	<u>\$ 28,065,145</u>	<u>\$ (4,638,511)</u>	

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
 NOTES TO BASIC FINANCIAL STATEMENTS (Continued)  
 YEAR ENDED JUNE 30, 2020

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**PENSION PLAN (Continued)**

**Contributions (Continued)**

Deferred outflows of resources related to PERS of \$10,225,604 resulting from the District’s contributions subsequent to the measurement date will be recognized as a reduction of the net PERS liability in the year June 30, 2021. Other amounts reported as deferred outflows or inflow of resources related to PERS will be recognized in pension expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2021	\$ 8,191,421
2022	566,855
2023	2,482,282
2024	1,867,127
2025	93,345
Total	<u>\$ 13,201,030</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB Statement No. 68 reporting summary dated March 4, 2020. Oregon PERS produces an independently audited CAFR which can be found at:

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

**Actuarial Valuations**

The employer contribution rates effective July 1, 2019 through June 30, 2021, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), and (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

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

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
 NOTES TO BASIC FINANCIAL STATEMENTS (Continued)  
 YEAR ENDED JUNE 30, 2020

**PENSION PLAN (Continued)**

**Actuarial Methods and Assumptions**

Valuation date	December 31, 2017
Measurement date	June 30, 2019
Experience study	2016, published July 26, 2017
Actuarial Assumptions	
Actuarial cost method	Entry age normal
Inflation Rate	2.50%
Long-term expected rate of return	7.20%
Discount rate	7.20%
Projected salary increases	3.50%
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><b>Healthy retirees and beneficiaries:</b>                      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><b>Disabled retirees:</b>                      RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.</p>

(Source: June 30, 2019 PERS CAFR; page 71)

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 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 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 the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

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

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
 NOTES TO BASIC FINANCIAL STATEMENTS (Continued)  
 YEAR ENDED JUNE 30, 2020

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**PENSION PLAN (Continued)**

**Actuarial Methods and Assumptions (Continued)**

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

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

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

(Source: June 30, 2019 PERS CAFR; page 70)

**Assumed Asset Allocation**

Asset Class/Strategy	OIC Policy Range	Current Year Target
Cash	0.0 - 3.0%	0.0%
Debt Securities	15.0 - 25.0	20.0
Public Equity	32.5 - 42.5	37.5
Real Estate	9.5 - 15.5	12.5
Private Equity	13.5 - 21.5	17.5
Alternative Equity	0.0 - 12.5	12.5
Opportunity Portfolio	0.0 - 3.0	0.0
<b>Total</b>		<b>100.0%</b>

(Source: June 30, 2019 PERS CAFR; page 100)

**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 2017 the PERS Board reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and the Oregon Investment Council’s (OIC) investment advisors. The table below shows Milliman’s assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC’s description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

(Source: June 30, 2019 PERS CAFR; page 70)

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED JUNE 30, 2020**

**PENSION PLAN (Continued)**

**Long-Term Expected Rate of Return (Continued)**

Asset Class	Target Allocation *	Annual Arithmetic Return	Compound Annual (Geometric) Return	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 Market 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 Funds - 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.				
* The arithmetic mean is a component that goes into calculating the geometric mean. Expected rates of return are presented using the geometric mean, which the Board uses in setting the discount rate.				

(Source: June 30, 2019 PERS CAFR; page 74; Table 31)

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
 NOTES TO BASIC FINANCIAL STATEMENTS (Continued)  
 YEAR ENDED JUNE 30, 2020

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**PENSION PLAN (Continued)**

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

	<u>1% Decrease</u> <u>(6.20%)</u>	<u>Discount Rate</u> <u>(7.20%)</u>	<u>1% Increase</u> <u>(8.20%)</u>
District's proportionate share of the net pension liability (asset)	\$ 142,594,790	\$ 89,043,204	\$ 44,227,903

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

<http://www.oregon.gov/PERS/pages/index.aspx>

**OPSRP Individual Account Program (OPSRP IAP)**

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

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

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

**Contributions** – The District pays or “picks up” 6 percent of the licensed employees’ covered payroll. The District paid \$1,968,691 in employee contributions for the year ended June 30, 2020.

***OTHER POSTEMPLOYMENT BENEFITS (OPEB)***

**Retirement Health Insurance Account (RHIA)**

**Plan Description** – As a member of Oregon Public Employees Retirement System (OPERS) the District contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by the OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. The plan, which was established under Oregon Revised Statutes (ORS) 238.420, provided for a payment of up to \$60 per month toward the costs of Medicare companion health insurance for eligible retirees. A comprehensive annual financial report of the funds administered by the OPERS may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700 or by accessing the PERS website at:

[www.oregon.gov/PERS/](http://www.oregon.gov/PERS/).

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

**Contributions** – PERS funding policy provides for 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. Employer contribution rates for the period were based on the December 31, 2017 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2019. The District's contribution rates for the period were 0.06 percent for Tier One/Tier Two members, and 0.00 percent for OPSRP members. The District's contributions for the year ended June 30, 2020 totaled \$61,436.

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED JUNE 30, 2020**

**OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)**

**Net OPEB Liability or Asset, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to RHIA**

At June 30, 2020 the District reported an asset of \$952,136 for its proportionate share of the net OPEB asset related to RHIA. The net OPEB asset was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date. The district's proportion of the net OPEB asset was based on the District's actual, legally required contributions made during the fiscal year being compared to the total actual contributions made in the fiscal year by all employers. The District's proportionate share as of the measurement date is 0.493 percent, changed from 0.484 percent for the prior measurement date.

For the year ended June 30, 2020, the District recognized OPEB expense reduction of \$822,113 related to the RHIA. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to the RHIA OPEB from the following sources:

	<i>Deferred Outflow of Resources</i>	<i>Deferred (Inflow) of Resources</i>	<i>Net</i>
Difference between expected and actual experience	\$ -	\$ (125,558)	
Changes of assumptions	-	(986)	
Net difference between projected and actual earnings on investments	-	(58,770)	
Changes in proportionate share	-	(6,145)	
Subtotal - Amortized deferrals (below)	-	(191,459)	\$ (191,459)
Contributions subsequent to measurement date	61,436	-	
Net deferred outflow (inflow) of resources	\$ 61,436	\$ (191,459)	

Deferred outflows of resources related to RHIA of \$61,436 resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability for RHIA in the year ended June 30, 2021. Other amounts reported as deferred outflows or inflow of resources related to RHIA will be recognized in OPEB expense as follows:

<i>Year ending June 30,</i>	<i>Amount</i>
2021	\$ (98,638)
2022	(87,781)
2023	(11,095)
2024	6,055
Total	\$ (191,459)

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
 NOTES TO BASIC FINANCIAL STATEMENTS (Continued)  
 YEAR ENDED JUNE 30, 2020

**OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)**

**Actuarial Assumptions and Other Inputs**

The total OPEB liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Valuation date	December 31, 2017
Measurement date	June 30, 2019
Experience study	2016, published July 2017
Actuarial Assumptions	
Actuarial cost method	Entry age normal
Inflation Rate	2.50%
Long-term expected rate of return	7.20%
Discount rate	7.20%
Projected salary increases	3.50%
Retiree healthcare participation	Healthy retirees: 35% Disabled retirees: 20%
Healthcare cost trend rate	Not applicable.
Mortality	<p><b>Healthy retirees and beneficiaries:</b>                      RP-2014 healthy annuitant, sex distinct, generational with unisex, social security data scale, with collar adjustment and set backs as described in the valuation</p> <p><b>Active members:</b>                      RP-2014 Employees, sex distinct, generational with unisex, social security data scale, with collar adjustment and set backs as described in the valuation</p> <p><b>Disabled retirees:</b>                      RP-2014 Disabled retirees, sex- distinct, generational with Unisex, social security date scale</p>

(Source: June 30, 2019 Oregon PERS CAFR; Table 28; page 73)

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 December 31, 2016.

**OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)**

**Long-Term Expected Rate of Return**

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2017 the PERS Board reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and the Oregon Investment Council’s (OIC) investment advisors. The table below shows Milliman’s assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC’s description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption was based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. For more information on the long-term expected rate of return for each major asset class, calculated using the arithmetic and geometric means, see the breakdown in the Pension Plan footnote at page 42.

**Discount Rate** - The discount rate used to measure the total OPEB liability was 7.20 percent for the Retirement Health Insurance Account. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

**Sensitivity of the Net OPEB Liability for RHIA to Changes in the Discount Rate**

The following presents the District’s proportionate share of the net OPEB liability for the Retirement Health Insurance Account, as well as what the District’s proportionate share of the net OPEB 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 discount rate:

	<i><u>1% Decrease</u></i>	<i><u>Discount Rate</u></i>	<i><u>1% Increase</u></i>
	<i><u>(6.20%)</u></i>	<i><u>(7.20%)</u></i>	<i><u>(8.20%)</u></i>
District's proportionate share of the net OPEB liability (asset)	<u>\$ (738,151)</u>	<u>\$ (952,136)</u>	<u>\$ (1,134,466)</u>

**Sensitivity of the Net OPEB Liability for RHIA to Changes in the Healthcare Cost Trend Rates.**

The net OPEB liability (asset) of the District for RHIA is (\$952,136). The ORS stipulates a \$60 monthly payment, so there would be no change to the net OPEB liability if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rate.

**OPEB Plan Fiduciary Net Position**

Detailed information about the pension plan’s fiduciary net position is available in the separately issued OPERS financial report.

***DEFERRED COMPENSATION PLAN***

A deferred compensation plan is available to employees wherein they may execute an individual agreement with the District for amounts earned by them to not be paid until a future date when certain circumstances are met. These circumstances are: termination by reason of death, disability, resignation, or retirement. The deferred compensation plan is one which is authorized under IRC Section 457 and has been approved in its specifics by a private ruling from the Internal Revenue Service. The assets of the plan are held by the administrator for the sole benefit of the plan participants and are not considered assets or liabilities of the District.

***CONTINGENCIES AND COMMITMENTS***

The District participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The federal audits for these programs for the year ended June 30, 2020 have not been conducted. Accordingly, compliance with grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although amounts are expected to be immaterial.

A substantial portion of operating funding is received from the State of Oregon. State funding is determined through state wide revenue projections that are paid to individual school districts based on pupil counts and other factors in the state school fund revenue formula. Since these projections and pupil counts fluctuate, they can cause either increases or decreases in revenue. Additionally, economic uncertainty as a result of the COVID-19 pandemic will result in funding fluctuations at the State level. Due to these future uncertainties, the future effect on operations is not yet determinable.

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

The District is committed under various accepted bid agreements and contracts for approximately \$27.4 million for goods, services, and construction of facilities.

***RISK MANAGEMENT***

There is exposure to various risks of loss related torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Public liability and property damage claims are self-insured for the first \$100,000 of any accident and for the amount, if any, in excess of stated policy limits. The District carries commercial liability insurance for amounts not otherwise self-insured. Estimated losses on claims are charged to expense in the period the loss is determinable. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
*NOTES TO BASIC FINANCIAL STATEMENTS (Continued)*  
*YEAR ENDED JUNE 30, 2020*

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***INTERGOVERNMENTAL AGREEMENT***

In 1993 an intergovernmental agreement was entered into to build, operate, and maintain the Linn Regional Fueling Facility (LRFF) along with Linn County, the Schools of Albany, Linn-Benton Community College, and Linn-Benton-Lincoln Education Service District. The agreement specified that the land and improvements constituting the regional fueling facility shall be owned by Linn County and that the capital costs of designing and building the facility will be repaid by all parties through surcharges and capital cost payments. The capital cost payments will end when the total capital cost of the facility has been reached.

After five years of participation in the agreement, a party becomes vested as a capital cost shareholder. If, after the five-year point, a party withdraws from the agreement, the other parties agree to pay the withdrawing party an amount equal to 80% of that party's total capital cost payments. Operation and maintenance costs are shared by the parties proportionately in accordance with each party's usage of the facility. These costs are covered through surcharges and fees set by the Linn Regional Fueling Facility Board.

The District has no equity interest in the Facility, and therefore does not report an equity interest in the basic financial statements. A copy of the Linn Regional Fueling Facility's audit report may be obtained from Linn County.

***DEFICIT FUND BALANCES***

At fiscal year end, the School Nutrition Services Fund and the New Transportation Facility Fund had deficit fund balances of \$400,451 and \$63,127, respectively. The District plans to eliminate these deficit fund balances through transfers from the General Fund and Construction Excise Tax Fund, respectively.

***TAX ABATEMENTS***

The District's property tax revenues were reduced by approximately \$867,000 under agreements entered into by Linn County for the fiscal year ended June 30, 2020.

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
 NOTES TO BASIC FINANCIAL STATEMENTS (Continued)  
 YEAR ENDED JUNE 30, 2020

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**BUDGET COMPLIANCE**

**Excess of Expenditures over Appropriations**

Oregon law prohibits expenditures in excess of board approved appropriations. The board approves appropriations for each fund by major function. For the year ended June 30, 2020, expenditures exceeded appropriations as follows:

<u>Fund/Appropriation Category</u>	<u>Appropriation</u>	<u>Expenditures</u>	<u>Variance</u>
<i>Grants Fund</i>			
Enterprise and community services	\$ 126,450	\$ 134,978	\$ (8,528)
Facilities acquisition and construction	250,000	368,465	(118,465)
<i>Other governmental funds</i>			
<i>HS Graduation and College and Career Readiness Fund</i>			
Support services	793,303	822,846	(29,543)
<i>Capital Projects Fund #1</i>			
Instruction	-	67,788	(67,788)
Facilities acquisition and construction	200,000	538,634	(338,634)
<i>New Transportation Facility Fund</i>			
Support services	-	1,063,127	(1,063,127)

**NEW ACCOUNTING STANDARDS IMPLEMENTED**

GASB Statement No. 95 “*Postponement of the Effective Dates of Certain Authoritative Guidance.*” This Statement provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. This objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. The requirements of this Statement are effective immediately.

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

GASB Statement No. 84 “*Fiduciary Activities.*” This Statement establishes criteria and guidance for identifying fiduciary activities of all state and local governments for accounting and financial reporting purposes, as well as the reporting requirements for these fiduciary funds. The Statement is effective for fiscal years beginning after December 15, 2019.

GASB Statement No. 87 “*Leases.*” This Statement addresses the accounting and financial reporting for leases by governments, requiring recognition of certain lease assets and liabilities for leases that were previously classified as operating leases. The Statement is effective for fiscal years beginning after June 15, 2021.

***REQUIRED SUPPLEMENTARY INFORMATION***

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**

**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY FOR PERS  
YEAR ENDED JUNE 30, 2020**

<i>Year Ended June 30,</i>	<i>Employer's proportion of the net pension liability (NPL)</i>	<i>Employer's proportionate share of the net pension liability (NPL) (1)</i>	<i>Covered payroll (2)</i>	<i>NPL as a percentage of covered payroll</i>	<i>Plan fiduciary net position as a percentage of the total pension liability</i>
2020	0.51%	\$ 89,043,204	\$ 57,391,219	155.2%	80.2%
2019 (6)	0.52%	78,834,377	51,625,977	152.7%	82.1%
2018	0.51%	68,450,935	48,735,437	140.5%	83.1%
2017 (5)	0.52%	77,545,566	45,559,573	170.2%	80.5%
2016 (4)	0.51%	29,461,948	43,360,422	67.9%	91.9%
2015 (3)	0.52%	(11,829,435)	40,812,567	-29.0%	103.6%
2014	0.52%	26,632,086	41,745,770	63.8%	92.0%

Notes:

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

- (1) The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date.
- (2) Amounts for covered payroll use the prior year's data to match the measurement date used by the pension plan for each fiscal year.
- (3) The June 30, 2015 NPL reflects benefit changes from the Senate Bills 822 and 861.
- (4) The June 30, 2016 NPL reflects benefit changes from the Oregon Supreme Court's ruling in *Moro v. State of Oregon*, which overturned portions of Senate Bills 822 and 861.
- (5) The June 30, 2017 NPL reflects assumption changes reducing inflation rate from 2.75% to 2.50%, the long-term expected rate of return from 7.75% to 7.50%, the discount rate from 7.75% to 7.50 % and the projected salary increases from 3.75% to 3.50%.
- (6) The June 30, 2019 NPL reflects assumption changes reducing the long-term expected rate of return from 7.50% to 7.20% and the discount rate from 7.50% to 7.20%.

*See notes to required supplementary information.*

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**SCHEDULE OF CONTRIBUTIONS FOR PERS**  
**YEAR ENDED JUNE 30, 2020**

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<i>Year Ended June 30,</i>	<i>Statutorily required contribution</i>	<i>Contributions in relation to the statutorily required contribution</i>	<i>Contribution deficiency (excess)</i>	<i>Covered payroll</i>	<i>Contributions as a percent of covered payroll</i>
2020	\$ 10,225,604	\$ 10,225,604	\$ -	\$ 55,563,419	18.4%
2019	7,995,728	7,995,728	-	57,391,219	13.9%
2018	7,689,720	7,689,720	-	51,625,977	14.9%
2017	5,100,064	5,100,064	-	48,735,437	10.5%
2016	4,610,477	4,610,477	-	45,559,573	10.1%
2015	5,766,092	5,766,092	-	43,360,422	13.3%
2014	5,545,921	5,545,921	-	40,812,567	13.6%

Notes:

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

*See notes to required supplementary information.*

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY FOR RHIA**  
**JUNE 30, 2020**

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<u>Year Ended June 30,</u>	<u>District's proportion of net OPEB liability</u>	<u>District's proportionate share of the net OPEB liability (NOL) (1)</u>	<u>Covered payroll (2)</u>	<u>NOL as a percentage of covered payroll</u>	<u>Plan fiduciary net position as a percentage of the total OPEB liability</u>
2020	0.49%	\$ (952,136)	\$ 57,391,219	-1.66%	144.3%

Notes:

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

- (1) The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date.
- (2) Amounts for covered payroll use the prior year's data to match the measurement date used by the OPEB plan for each fiscal year.

*See notes to required supplementary information.*

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**SCHEDULE OF CONTRIBUTIONS FOR RHIA**  
**JUNE 30, 2020**

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<i>Year Ended June 30,</i>	<i>Statutorily required contribution</i>	<i>Contributions in relation to the statutorily required contribution</i>	<i>Contribution deficiency (excess)</i>	<i>Covered payroll</i>	<i>Contributions as a percent of covered payroll</i>
2020	\$ 61,436	\$ 61,436	\$ -	\$ 55,563,419	0.11%

Notes:

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

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J,**  
**RECONCILIATION OF BUDGETARY TO REPORTING FUNDS - COMBINING SCHEDULE OF REVENUES,**  
**EXPENDITURES, AND CHANGES IN FUND BALANCES - GENERAL FUND**  
**YEAR ENDED JUNE 30, 2020**

	<i>Budgetary funds</i>				<i>Total (reported as General Fund)</i>
	<i>General Fund</i>	<i>SAHS All- Weather Turf Field Fund</i>	<i>WAHS All- Weather Turf Field Fund</i>	<i>Eliminations</i>	
<b>REVENUES</b>					
Property taxes	\$ 25,935,490	\$ -	\$ -	\$ -	\$ 25,935,490
Intergovernmental					
Intermediate sources	99,019	-	-	-	99,019
State sources	69,525,437	-	-	-	69,525,437
Federal sources	280,369	-	-	-	280,369
Charges for services	290,768	-	-	-	290,768
Investment earnings	595,169	-	-	-	595,169
Miscellaneous	263,762	-	-	-	263,762
<i>Total Revenues</i>	<i>96,990,014</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>96,990,014</i>
<b>EXPENDITURES</b>					
Current					
Instruction	61,718,839	-	-	-	61,718,839
Support services	34,221,250	-	-	-	34,221,250
Enterprise and community services	77,259	-	-	-	77,259
Debt Service					
Principal	-	27,595	45,260	-	72,855
Interest	-	2,370	5,952	-	8,322
Capital outlay	235,742	-	-	-	235,742
<i>Total Expenditures</i>	<i>96,253,090</i>	<i>29,965</i>	<i>51,212</i>	<i>-</i>	<i>96,334,267</i>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	736,924	(29,965)	(51,212)	-	655,747
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	29,965	51,212	(81,177)	-
Transfers out	(357,374)	-	-	81,177	(276,197)
<i>Total Other Financing Sources (Uses)</i>	<i>(357,374)</i>	<i>29,965</i>	<i>51,212</i>	<i>-</i>	<i>(276,197)</i>
<b>NET CHANGE IN FUND BALANCES</b>	379,550	-	-	-	379,550
<b>FUND BALANCES, beginning</b>	11,011,429	-	-	-	11,011,429
<b>FUND BALANCES, ending</b>	\$ 11,390,979	\$ -	\$ -	\$ -	\$ 11,390,979

See notes to required supplementary information.

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**YEAR ENDED JUNE 30, 2020**

	<i>Budgeted Amounts</i>		<i>Actual Budget Basis</i>	<i>Variance with Final Budget</i>	<i>Budget to GAAP Differences</i>	<i>Actual GAAP Basis</i>
	<i>Original</i>	<i>Final</i>				
<b>REVENUES</b>						
Property taxes	\$ 25,000,000	\$ 25,000,000	\$ 25,935,490	\$ 935,490	\$ -	\$ 25,935,490
Intergovernmental						
Intermediate sources	40,000	40,000	99,019	59,019	-	99,019
State sources	70,337,742	70,337,742	69,525,437	(812,305)	-	69,525,437
Federal sources	150,000	150,000	280,369	130,369	-	280,369
Charges for services	230,000	230,000	290,768	60,768	-	290,768
Investment earnings	550,000	550,000	595,169	45,169	-	595,169
Miscellaneous	290,000	290,000	263,762	(26,238)	-	263,762
<i>Total Revenues</i>	<u>96,597,742</u>	<u>96,597,742</u>	<u>96,990,014</u>	<u>392,272</u>	<u>-</u>	<u>96,990,014</u>
<b>EXPENDITURES</b>						
Current						
Instruction	63,331,575	63,731,575	61,718,839	2,012,736	-	61,718,839
Support services	34,836,263	34,836,263	34,281,967	554,296	(60,717)	34,221,250
Enterprise and community services	119,656	119,656	77,259	42,397	-	77,259
Facilities acquisition and construction	250,000	250,000	175,025	74,975	(175,025)	-
Capital outlay	-	-	-	-	235,742	235,742
Operating contingency	2,500,000	2,100,000	-	2,100,000	-	-
<i>Total Expenditures</i>	<u>101,037,494</u>	<u>101,037,494</u>	<u>96,253,090</u>	<u>4,784,404</u>	<u>-</u>	<u>96,253,090</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(4,439,752)	(4,439,752)	736,924	5,176,676	-	736,924
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers out	(359,177)	(359,177)	(357,374)	1,803	-	(357,374)
Sale of or compensation for loss of capital assets	1,000	1,000	-	(1,000)	-	-
<i>Total Other Financing Sources (Uses)</i>	<u>(358,177)</u>	<u>(358,177)</u>	<u>(357,374)</u>	<u>803</u>	<u>-</u>	<u>(357,374)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(4,797,929)	(4,797,929)	379,550	5,177,479	-	379,550
<b>FUND BALANCE, beginning</b>	<u>9,788,490</u>	<u>9,788,490</u>	<u>11,011,429</u>	<u>1,222,939</u>	<u>-</u>	<u>11,011,429</u>
<b>FUND BALANCE, ending</b>	<u>\$ 4,990,561</u>	<u>\$ 4,990,561</u>	<u>\$ 11,390,979</u>	<u>\$ 6,400,418</u>	<u>\$ -</u>	<u>\$ 11,390,979</u>

See notes to required supplementary information.

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL - GRANTS FUND**  
**YEAR ENDED JUNE 30, 2020**

	<i>Budgeted Amounts</i>		<i>Actual Budget Basis</i>	<i>Variance with Final Budget</i>	<i>Budget to GAAP Differences</i>	<i>Actual GAAP Basis</i>
	<i>Original</i>	<i>Final</i>				
<b>REVENUES</b>						
Intergovernmental						
Intermediate sources	\$ 325,000	\$ 325,000	\$ 248,370	\$ (76,630)	\$ -	\$ 248,370
State sources	750,000	750,000	541,088	(208,912)	-	541,088
Federal sources	6,007,015	6,007,015	4,621,971	(1,385,044)	-	4,621,971
Contributions	15,000	15,000	39,000	24,000	-	39,000
Investment earnings	15,000	15,000	57,332	42,332	-	57,332
Miscellaneous	520,000	520,000	1,102,048	582,048	-	1,102,048
<i>Total Revenues</i>	<i>7,632,015</i>	<i>7,632,015</i>	<i>6,609,809</i>	<i>(1,022,206)</i>	<i>-</i>	<i>6,609,809</i>
<b>EXPENDITURES</b>						
Current						
Instruction	4,913,660	4,863,660	3,231,340	1,632,320	(5,615)	3,225,725
Support services	3,253,925	3,253,925	2,847,947	405,978	-	2,847,947
Enterprise and community services	76,450	126,450	134,978	(8,528)	-	134,978
Facilities acquisition and construction	250,000	250,000	368,465	(118,465)	(368,465)	-
Capital outlay	-	-	-	-	374,080	374,080
<i>Total Expenditures</i>	<i>8,494,035</i>	<i>8,494,035</i>	<i>6,582,730</i>	<i>1,911,305</i>	<i>-</i>	<i>6,582,730</i>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(862,020)</b>	<b>(862,020)</b>	<b>27,079</b>	<b>889,099</b>	<b>-</b>	<b>27,079</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	30,000	30,000	30,000	-	-	30,000
<b>NET CHANGE IN FUND BALANCE</b>	<b>(832,020)</b>	<b>(832,020)</b>	<b>57,079</b>	<b>889,099</b>	<b>-</b>	<b>57,079</b>
<b>FUND BALANCE, beginning</b>	<b>832,020</b>	<b>832,020</b>	<b>1,309,714</b>	<b>477,694</b>	<b>-</b>	<b>1,309,714</b>
<b>FUND BALANCE, ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,366,793</b>	<b>\$ 1,366,793</b>	<b>\$ -</b>	<b>\$ 1,366,793</b>

See notes to required supplementary information.

**BUDGETARY BASIS ACCOUNTING**

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

	<u>Budgetary Basis</u>	<u>GAAP Basis</u>
Classification of expenditures by character	The character of expenditures (current expenditures, capital outlay, debt service) is reported at the object level. Budgets and appropriations are made for each major function.	Expenditures are classified and reported by character (current expenditures, capital outlay and debt service) within the financial statements.
Long-term advances to other funds	The issuance of a new long-term interfund loan is presented in the other financing sources (uses) category. Repayment of previous advances are presented as debt service expenditures and other financing sources (uses).	Long-term interfund loans are reported on the balance sheet as advances to/from other funds and repayment of those loans reduce the related assets and liabilities.

***OTHER SUPPLEMENTARY INFORMATION***

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO.8J**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -*

*BUDGET AND ACTUAL - DEBT SERVICE FUND*

*YEAR ENDED JUNE 30, 2020*

	<i>Budgeted Amounts</i>		<i>Actual Budget</i>	<i>Variance with</i>
	<i>Original</i>	<i>Final</i>	<i>and GAAP</i> <i>Basis</i>	<i>Final Budget</i>
<b>REVENUES</b>				
Property taxes	\$ 12,635,700	\$ 12,635,700	\$ 12,760,829	\$ 125,129
Investment earnings	10,000	10,000	53,244	43,244
<i>Total Revenues</i>	12,645,700	12,645,700	12,814,073	168,373
<b>EXPENDITURES</b>				
Debt Service				
Principal	5,930,000	5,930,000	5,930,000	-
Interest	7,015,700	7,015,700	7,002,674	13,026
<i>Total Expenditures</i>	12,945,700	12,945,700	12,932,674	13,026
<b>NET CHANGE IN FUND BALANCE</b>	(300,000)	(300,000)	(118,601)	181,399
<b>FUND BALANCE, beginning</b>	300,000	300,000	1,116,558	816,558
<b>FUND BALANCE, ending</b>	\$ -	\$ -	\$ 997,957	\$ 997,957

**GREATER ALBANY PUBLIC SCHOOL DISTRICTS NO. 8J**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL - CAPITAL PROJECTS 2017 BOND FUND**  
**YEAR ENDED JUNE 30, 2020**

	<i>Budgeted Amounts</i>		<i>Actual Budget Basis</i>	<i>Variance with Final Budget</i>	<i>Budget to GAAP Differences</i>	<i>Actual GAAP Basis</i>
	<i>Original</i>	<i>Final</i>				
<b>REVENUES</b>						
Intergovernmental						
Intermediate sources	\$ -	\$ -	\$ 25,000	\$ 25,000	-	\$ 25,000
State sources	-	-	7,108,371	7,108,371	-	7,108,371
Investment earnings	1,000,000	1,000,000	1,440,420	440,420	-	1,440,420
Miscellaneous	-	-	642,680	642,680	-	642,680
<i>Total Revenues</i>	<u>1,000,000</u>	<u>1,000,000</u>	<u>9,216,471</u>	<u>8,216,471</u>	<u>-</u>	<u>9,216,471</u>
<b>EXPENDITURES</b>						
Current						
Support services	536,500	536,500	19,150	517,350	(19,150)	-
Facilities acquisition and construction	102,595,000	102,595,000	86,011,415	16,583,585	(85,281,299)	730,116
Capital outlay	-	-	-	-	85,300,449	85,300,449
<i>Total Expenditures</i>	<u>103,131,500</u>	<u>103,131,500</u>	<u>86,030,565</u>	<u>17,100,935</u>	<u>-</u>	<u>86,030,565</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(102,131,500)</b>	<b>(102,131,500)</b>	<b>(76,814,094)</b>	<b>25,317,406</b>	<b>-</b>	<b>(76,814,094)</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Issuance of long-term debt	-	-	7,450,000	7,450,000	-	7,450,000
Premium from bond issuance	-	-	1,523,950	1,523,950	-	1,523,950
<i>Total Other Financing Sources (Uses)</i>	<u>-</u>	<u>-</u>	<u>8,973,950</u>	<u>8,973,950</u>	<u>-</u>	<u>8,973,950</u>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(102,131,500)</b>	<b>(102,131,500)</b>	<b>(67,840,144)</b>	<b>34,291,356</b>	<b>-</b>	<b>(67,840,144)</b>
<b>FUND BALANCE, beginning</b>	<u>120,000,000</u>	<u>120,000,000</u>	<u>111,130,815</u>	<u>(8,869,185)</u>	<u>-</u>	<u>111,130,815</u>
<b>FUND BALANCE, ending</b>	<u>\$ 17,868,500</u>	<u>\$ 17,868,500</u>	<u>\$ 43,290,671</u>	<u>\$ 25,422,171</u>	<u>\$ -</u>	<u>\$ 43,290,671</u>

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL - SAHS ALL-WEATHER TURF FIELD FUND**  
**YEAR ENDED JUNE 30, 2020**

	<i>Budgeted Amounts</i>		<i>Actual</i>	<i>Variance with</i>
	<i>Original</i>	<i>Final</i>	<i>Budget and GAAP Basis</i>	<i>Final Budget</i>
<b>REVENUES</b>				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>				
Debt Service				
Principal	27,595	27,595	27,595	-
Interest	2,370	2,370	2,370	-
<i>Total Expenditures</i>	29,965	29,965	29,965	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>				
	(29,965)	(29,965)	(29,965)	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	29,965	29,965	29,965	-
<b>NET CHANGE IN FUND BALANCE</b>				
	-	-	-	-
<b>FUND BALANCE, beginning</b>				
	-	-	-	-
<b>FUND BALANCE, ending</b>				
	\$ -	\$ -	\$ -	\$ -

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL - WAHS ALL-WEATHER TURF FIELD FUND**  
**YEAR ENDED JUNE 30, 2020**

	<i>Budgeted Amounts</i>		<i>Actual</i>	<i>Variance with</i>
	<i>Original</i>	<i>Final</i>	<i>Budget and GAAP Basis</i>	<i>Final Budget</i>
<b>REVENUES</b>				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>				
Debt Service				
Principal	46,882	46,882	45,260	1,622
Interest	4,330	4,330	5,952	(1,622)
<i>Total Expenditures</i>	51,212	51,212	51,212	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(51,212)	(51,212)	(51,212)	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	51,212	51,212	51,212	-
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-
<b>FUND BALANCE, beginning</b>	-	-	-	-
<b>FUND BALANCE, ending</b>	\$ -	\$ -	\$ -	\$ -

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**RECONCILIATION OF BUDGETARY TO REPORTING FUNDS -**  
**COMBINING BALANCE SHEET - GENERAL FUND**  
**JUNE 30, 2020**

	<i>Budgetary funds</i>			<i>Total (reported as General Fund)</i>
	<i>General Fund</i>	<i>SAHS All- Weather Turf Field Fund</i>	<i>WAHS All- Weather Turf Field Fund</i>	
<b>ASSETS</b>				
Cash and investments	\$ 15,116,195	\$ -	\$ -	\$ 15,116,195
Property taxes receivable	1,131,604	-	-	1,131,604
Due from other funds	5,374,327	-	-	5,374,327
Other receivables	841,103	-	-	841,103
Inventories	15,301	-	-	15,301
<i>Total Assets</i>	<u>\$ 22,478,530</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,478,530</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable	\$ 459,172	\$ -	\$ -	\$ 459,172
Accrued salaries and benefits	9,621,466	-	-	9,621,466
<i>Total Liabilities</i>	10,080,638	-	-	10,080,638
<b>Deferred Inflows of Resources</b>				
Unavailable revenue - property taxes	1,006,913	-	-	1,006,913
<b>Fund Balance</b>				
Non-spendable				
Non-spendable inventories	15,301	-	-	15,301
Unassigned	11,375,678	-	-	11,375,678
<i>Total Fund Balances</i>	<u>11,390,979</u>	<u>-</u>	<u>-</u>	<u>11,390,979</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 22,478,530</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,478,530</u>

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2020**

	<i>Special Revenue</i>				
	<i>Student Activity Fund</i>	<i>Bus Replacement Fund</i>	<i>SB 1149 Energy Conservation Fund</i>	<i>E-Rate Fund</i>	<i>School Nutrition Services Fund</i>
<b>ASSETS</b>					
Cash and investments	\$ 396,391	\$ 167,908	\$ 354,908	\$ 621,987	\$ -
Other receivables	9,302	-	34,535	14,735	548,103
<i>Total Assets</i>	<u>\$ 405,693</u>	<u>\$ 167,908</u>	<u>\$ 389,443</u>	<u>\$ 636,722</u>	<u>\$ 548,103</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ 48,566	\$ -	\$ -	\$ -	\$ 111,920
Due to other funds	-	-	-	-	836,634
Unearned revenue	-	-	-	-	-
<i>Total Liabilities</i>	48,566	-	-	-	948,554
<b>Fund Balances</b>					
Restricted for					
Capital projects	-	-	-	-	-
Student activities	357,127	-	-	-	-
Grants and projects	-	-	-	636,722	-
Committed to					
Capital projects	-	167,908	389,443	-	-
Debt service	-	-	-	-	-
Unassigned	-	-	-	-	(400,451)
<i>Total Fund Balances</i>	<u>357,127</u>	<u>167,908</u>	<u>389,443</u>	<u>636,722</u>	<u>(400,451)</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 405,693</u>	<u>\$ 167,908</u>	<u>\$ 389,443</u>	<u>\$ 636,722</u>	<u>\$ 548,103</u>

<i>Special Revenue</i>		<i>Debt Service</i>	<i>Capital Projects</i>			
<i>HS Graduation and College and Career Readiness Fund</i>	<i>Outdoor School Fund</i>	<i>PERS Refinance Fund</i>	<i>Capital Projects Fund #1</i>	<i>Construction Excise Tax Fund</i>	<i>New Transportation Facility Fund</i>	<i>Total</i>
\$ -	\$ -	\$ 1,709,531	\$ 250,564	\$ 4,013,510	\$ 29,718	\$ 7,544,517
1,519,205	75,809	-	-	154,029	-	2,355,718
<u>\$ 1,519,205</u>	<u>\$ 75,809</u>	<u>\$ 1,709,531</u>	<u>\$ 250,564</u>	<u>\$ 4,167,539</u>	<u>\$ 29,718</u>	<u>\$ 9,900,235</u>
\$ 256,061	\$ 65,199	\$ -	\$ 88,510	\$ 2,361	\$ 92,845	\$ 665,462
1,263,144	8,504	-	-	-	-	2,108,282
-	2,106	-	-	-	-	2,106
<u>1,519,205</u>	<u>75,809</u>	<u>-</u>	<u>88,510</u>	<u>2,361</u>	<u>92,845</u>	<u>2,775,850</u>
-	-	-	-	4,165,178	-	4,165,178
-	-	-	-	-	-	357,127
-	-	-	-	-	-	636,722
-	-	-	162,054	-	-	719,405
-	-	1,709,531	-	-	-	1,709,531
-	-	-	-	-	(63,127)	(463,578)
<u>-</u>	<u>-</u>	<u>1,709,531</u>	<u>162,054</u>	<u>4,165,178</u>	<u>(63,127)</u>	<u>7,124,385</u>
<u>\$ 1,519,205</u>	<u>\$ 75,809</u>	<u>\$ 1,709,531</u>	<u>\$ 250,564</u>	<u>\$ 4,167,539</u>	<u>\$ 29,718</u>	<u>\$ 9,900,235</u>

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2020**

	<i>Special Revenue</i>				
	<i>Student Activity Fund</i>	<i>Bus Replacement Fund</i>	<i>SB 1149 Energy Conservation Fund</i>	<i>E-Rate Fund</i>	<i>School Nutrition Services Fund</i>
<b>REVENUES</b>					
Construction excise tax	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental					
State sources	-	593,538	-	-	16,031
Federal sources	-	-	-	-	2,620,644
Charges for services	1,420,687	-	-	-	519,016
Contributions	126,669	-	-	-	-
Investment earnings	-	-	13,187	23,101	-
Miscellaneous	117	-	255,888	115,913	58,000
<i>Total Revenues</i>	1,547,473	593,538	269,075	139,014	3,213,691
<b>EXPENDITURES</b>					
Current					
Instruction	1,587,233	-	-	28,689	-
Support services	47,213	-	-	143,075	-
Enterprise and community services	-	-	-	-	3,647,024
Debt Service					
Principal	-	688,989	159,273	-	-
Interest	-	83,303	-	-	-
Capital outlay	5,890	880,282	-	-	-
<i>Total Expenditures</i>	1,640,336	1,652,574	159,273	171,764	3,647,024
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(92,863)	(1,059,036)	109,802	(32,750)	(433,333)
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from capital leases	-	780,282	-	-	-
Transfers in	-	98,000	-	-	148,197
Transfers out	-	-	-	-	-
Sale of or compensation for loss of capital assets	-	100,000	-	-	-
<i>Total Other Financing Sources (Uses)</i>	-	978,282	-	-	148,197
<b>NET CHANGE IN FUND BALANCES</b>	(92,863)	(80,754)	109,802	(32,750)	(285,136)
<b>FUND BALANCES, beginning</b>	449,990	248,662	279,641	669,472	(115,315)
<b>FUND BALANCES, ending</b>	\$ 357,127	\$ 167,908	\$ 389,443	\$ 636,722	\$ (400,451)

<i>Special Revenue</i>		<i>Debt Service</i>		<i>Capital Projects</i>			
<i>HS Graduation and College and Career Readiness Fund</i>	<i>Outdoor School Fund</i>	<i>PERS Refinance Fund</i>	<i>Capital Projects Fund #1</i>	<i>Construction Excise Tax Fund</i>	<i>New Transportation Facility Fund</i>		<i>Total</i>
\$ -	\$ -	\$ -	\$ -	\$ 914,361	\$ -		\$ 914,361
1,629,881	73,703	-	-	-	-		2,313,153
-	-	-	-	-	-		2,620,644
-	-	4,229,963	-	-	-		6,169,666
-	-	-	-	-	-		126,669
-	-	157,842	-	149,083	-		343,213
-	-	-	50,000	-	-		479,918
1,629,881	73,703	4,387,805	50,000	1,063,444	-		12,967,624
753,404	71,635	-	67,788	-	-		2,508,749
822,846	2,068	-	-	-	-		1,015,202
-	-	-	-	-	-		3,647,024
-	-	2,495,000	-	-	-		3,343,262
-	-	1,832,816	-	-	-		1,916,119
53,631	-	-	538,634	105,208	1,063,127		2,646,772
1,629,881	73,703	4,327,816	606,422	105,208	1,063,127		15,077,128
-	-	59,989	(556,422)	958,236	(1,063,127)		(2,109,504)
-	-	-	-	-	-		780,282
-	-	-	-	-	1,000,000		1,246,197
-	-	-	-	(1,000,000)	-		(1,000,000)
-	-	-	500,000	-	-		600,000
-	-	-	500,000	(1,000,000)	1,000,000		1,626,479
-	-	59,989	(56,422)	(41,764)	(63,127)		(483,025)
-	-	1,649,542	218,476	4,206,942	-		7,607,410
\$ -	\$ -	\$ 1,709,531	\$ 162,054	\$ 4,165,178	\$ (63,127)		\$ 7,124,385

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL - STUDENT ACTIVITY FUND**  
**YEAR ENDED JUNE 30, 2020**

	<i>Budgeted Amounts</i>		<i>Actual Budget Basis</i>	<i>Variance with Final Budget</i>	<i>Budget to GAAP Differences</i>	<i>Actual GAAP Basis</i>
	<i>Original</i>	<i>Final</i>				
<b>REVENUES</b>						
Charges for services	\$ 2,000,000	\$ 2,000,000	\$ 1,420,687	\$ (579,313)	\$ -	\$ 1,420,687
Contributions	130,000	130,000	126,669	(3,331)	-	126,669
Miscellaneous	5,000	5,000	117	(4,883)	-	117
<i>Total Revenues</i>	<u>2,135,000</u>	<u>2,135,000</u>	<u>1,547,473</u>	<u>(587,527)</u>	<u>-</u>	<u>1,547,473</u>
<b>EXPENDITURES</b>						
Current						
Instruction	2,174,750	2,174,750	1,593,123	581,627	(5,890)	1,587,233
Support services	95,000	95,000	47,213	47,787	-	47,213
Capital outlay	-	-	-	-	5,890	5,890
Operating contingency	200,000	200,000	-	200,000	-	-
<i>Total Expenditures</i>	<u>2,469,750</u>	<u>2,469,750</u>	<u>1,640,336</u>	<u>829,414</u>	<u>-</u>	<u>1,640,336</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(334,750)</u>	<u>(334,750)</u>	<u>(92,863)</u>	<u>241,887</u>	<u>-</u>	<u>(92,863)</u>
<b>FUND BALANCE, beginning</b>	<u>750,000</u>	<u>750,000</u>	<u>449,990</u>	<u>(300,010)</u>	<u>-</u>	<u>449,990</u>
<b>FUND BALANCE, ending</b>	<u>\$ 415,250</u>	<u>\$ 415,250</u>	<u>\$ 357,127</u>	<u>\$ (58,123)</u>	<u>\$ -</u>	<u>\$ 357,127</u>

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL - BUS REPLACEMENT FUND**  
**YEAR ENDED JUNE 30, 2020**

	<i>Budgeted Amounts</i>		<i>Actual Budget Basis</i>	<i>Variance with Final Budget</i>	<i>Budget to GAAP Differences</i>	<i>Actual GAAP Basis</i>
	<i>Original</i>	<i>Final</i>				
<b>REVENUES</b>						
Intergovernmental						
State sources	\$ 525,000	\$ 525,000	\$ 593,538	\$ 68,538	\$ -	\$ 593,538
Federal sources	100,000	100,000	-	(100,000)	-	-
<i>Total Revenues</i>	625,000	625,000	593,538	(31,462)	-	593,538
<b>EXPENDITURES</b>						
Current						
Support services	881,000	881,000	880,282	718	(880,282)	-
Debt Service						
Principal	686,700	686,700	688,989	(2,289)	-	688,989
Interest	89,500	89,500	83,303	6,197	-	83,303
Capital outlay	-	-	-	-	880,282	880,282
Operating contingency	25,800	25,800	-	25,800	-	-
<i>Total Expenditures</i>	1,683,000	1,683,000	1,652,574	30,426	-	1,652,574
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(1,058,000)	(1,058,000)	(1,059,036)	(1,036)	-	(1,059,036)
<b>OTHER FINANCING SOURCES (USES)</b>						
Proceeds from capital leases	775,000	775,000	780,282	5,282	-	780,282
Transfers in	98,000	98,000	98,000	-	-	98,000
Sale of/or compensation for loss of capital assets	10,000	10,000	100,000	90,000	-	100,000
<i>Total Other Financing Sources (Uses)</i>	883,000	883,000	978,282	95,282	-	978,282
<b>NET CHANGE IN FUND BALANCE</b>	(175,000)	(175,000)	(80,754)	94,246	-	(80,754)
<b>FUND BALANCE, beginning</b>	175,000	175,000	248,662	73,662	-	248,662
<b>FUND BALANCE, ending</b>	\$ -	\$ -	\$ 167,908	\$ 167,908	\$ -	\$ 167,908

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**

**BUDGET AND ACTUAL - SB 1149 ENERGY CONSERVATION FUND**

**YEAR ENDED JUNE 30, 2020**

	<i>Budgeted Amounts</i>		<i>Actual</i>	<i>Variance with</i>
	<i>Original</i>	<i>Final</i>	<i>Budget and GAAP Basis</i>	<i>Final Budget</i>
<b>REVENUES</b>				
Investment earnings	\$ -	\$ -	\$ 13,187	\$ 13,187
Miscellaneous	210,000	210,000	255,888	45,888
<i>Total Revenues</i>	210,000	210,000	269,075	59,075
<b>EXPENDITURES</b>				
Current				
Facilities acquisition and construction	150,000	150,000	-	150,000
Debt Service				
Principal	172,000	172,000	159,273	12,727
Operating contingency	13,000	13,000	-	13,000
<i>Total Expenditures</i>	335,000	335,000	159,273	175,727
<b>NET CHANGE IN FUND BALANCE</b>	(125,000)	(125,000)	109,802	234,802
<b>FUND BALANCE, beginning</b>	125,000	125,000	279,641	154,641
<b>FUND BALANCE, ending</b>	\$ -	\$ -	\$ 389,443	\$ 389,443

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - E-RATE FUND  
YEAR ENDED JUNE 30, 2020**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Budget and GAAP Basis</b>	<b>Final Budget</b>
<b>REVENUES</b>				
Investment earnings	\$ 2,500	\$ 2,500	\$ 23,101	\$ 20,601
Miscellaneous	250,000	250,000	115,913	(134,087)
<i>Total Revenues</i>	252,500	252,500	139,014	(113,486)
<b>EXPENDITURES</b>				
Current				
Instruction	210,000	210,000	28,689	181,311
Support services	380,000	380,000	143,075	236,925
Operating contingency	62,500	62,500	-	62,500
<i>Total Expenditures</i>	652,500	652,500	171,764	480,736
<b>NET CHANGE IN FUND BALANCE</b>	(400,000)	(400,000)	(32,750)	367,250
<b>FUND BALANCE, beginning</b>	400,000	400,000	669,472	269,472
<b>FUND BALANCE, ending</b>	\$ -	\$ -	\$ 636,722	\$ 636,722

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL - SCHOOL NUTRITION SERVICES FUND**  
**YEAR ENDED JUNE 30, 2020**

	<i>Budgeted Amounts</i>		<i>Actual</i>	<i>Variance with</i>
	<i>Original</i>	<i>Final</i>	<i>Budget and GAAP Basis</i>	<i>Final Budget</i>
<b>REVENUES</b>				
Intergovernmental				
State sources	\$ -	\$ -	\$ 16,031	\$ 16,031
Federal sources	3,148,511	3,148,511	2,620,644	(527,867)
Charges for services	764,256	764,256	519,016	(245,240)
Miscellaneous	-	-	58,000	58,000
<i>Total Revenues</i>	<u>3,912,767</u>	<u>3,912,767</u>	<u>3,213,691</u>	<u>(699,076)</u>
<b>EXPENDITURES</b>				
Current				
Enterprise and community services	<u>4,062,767</u>	<u>4,062,767</u>	<u>3,647,024</u>	<u>415,743</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(150,000)	(150,000)	(433,333)	(283,333)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>150,000</u>	<u>150,000</u>	<u>148,197</u>	<u>(1,803)</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	(285,136)	(285,136)
<b>FUND BALANCE, beginning</b>	-	-	(115,315)	(115,315)
<b>FUND BALANCE, ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (400,451)</u>	<u>\$ (400,451)</u>

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL - HS GRADUATION AND COLLEGE AND CAREER READINESS FUND**  
**YEAR ENDED JUNE 30, 2020**

	<i>Budgeted Amounts</i>		<i>Actual Budget Basis</i>	<i>Variance with Final Budget</i>	<i>Budget to GAAP Differences</i>	<i>Actual GAAP Basis</i>
	<i>Original</i>	<i>Final</i>				
<b>REVENUES</b>						
Intergovernmental						
State sources	\$ 1,980,000	\$ 1,980,000	\$ 1,629,881	\$ (350,119)	\$ -	\$ 1,629,881
<b>EXPENDITURES</b>						
Current						
Instruction	850,754	850,754	807,035	43,719	(53,631)	753,404
Support services	793,303	793,303	822,846	(29,543)	-	822,846
Facilities acquisition and construction	280,000	280,000	-	280,000	-	-
Capital outlay	-	-	-	-	53,631	53,631
Operating contingency	55,943	55,943	-	55,943	-	-
<i>Total Expenditures</i>	<u>1,980,000</u>	<u>1,980,000</u>	<u>1,629,881</u>	<u>350,119</u>	<u>-</u>	<u>1,629,881</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-	-	-
<b>FUND BALANCE, beginning</b>	-	-	-	-	-	-
<b>FUND BALANCE, ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**

**BUDGET AND ACTUAL - OUTDOOR SCHOOL FUND**

**YEAR ENDED JUNE 30, 2020**

	<i>Budgeted Amounts</i>		<i>Actual</i>	<i>Variance with</i>
	<i>Original</i>	<i>Final</i>	<i>Budget and GAAP Basis</i>	<i>Final Budget</i>
<b>REVENUES</b>				
Intergovernmental				
State sources	\$ 225,000	\$ 225,000	\$ 73,703	\$ (151,297)
<b>EXPENDITURES</b>				
Current				
Instruction	193,500	193,500	71,635	121,865
Support services	31,500	31,500	2,068	29,432
<i>Total Expenditures</i>	<u>225,000</u>	<u>225,000</u>	<u>73,703</u>	<u>151,297</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-
<b>FUND BALANCE, beginning</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**

**BUDGET AND ACTUAL - PERS REFINANCE FUND**

**YEAR ENDED JUNE 30, 2020**

	<i>Budgeted Amounts</i>		<i>Actual</i>	<i>Variance with</i>
	<i>Original</i>	<i>Final</i>	<i>Budget and GAAP Basis</i>	<i>Final Budget</i>
<b>REVENUES</b>				
Charges for services provided to other funds	\$ 4,250,000	\$ 4,250,000	\$ 4,229,963	\$ (20,037)
Investment earnings	-	-	157,842	157,842
<i>Total Revenues</i>	4,250,000	4,250,000	4,387,805	137,805
<b>EXPENDITURES</b>				
Debt Service				
Principal	2,495,000	2,495,000	2,495,000	-
Interest	1,832,816	1,832,816	1,832,816	-
<i>Total Expenditures</i>	4,327,816	4,327,816	4,327,816	-
<b>NET CHANGE IN FUND BALANCE</b>	(77,816)	(77,816)	59,989	137,805
<b>FUND BALANCE, beginning</b>	1,200,000	1,200,000	1,649,542	449,542
<b>FUND BALANCE, ending</b>	\$ 1,122,184	\$ 1,122,184	\$ 1,709,531	\$ 587,347

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL - CAPITAL PROJECTS FUND #1**  
**YEAR ENDED JUNE 30, 2020**

	<i>Budgeted Amounts</i>		<i>Actual Budget Basis</i>	<i>Variance with Final Budget</i>	<i>Budget to GAAP Differences</i>	<i>Actual GAAP Basis</i>
	<i>Original</i>	<i>Final</i>				
<b>REVENUES</b>						
Miscellaneous	\$ 50,000	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ 50,000
<b>EXPENDITURES</b>						
Current						
Instruction	-	-	67,788	(67,788)	-	67,788
Facilities acquisition and construction	200,000	200,000	538,634	(338,634)	(538,634)	-
Capital outlay	-	-	-	-	538,634	538,634
<i>Total Expenditures</i>	<u>200,000</u>	<u>200,000</u>	<u>606,422</u>	<u>(406,422)</u>	<u>-</u>	<u>606,422</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(150,000)	(150,000)	(556,422)	(406,422)	-	(556,422)
<b>OTHER FINANCING SOURCES (USES)</b>						
Sale of or compensation for loss of capital assets	-	-	500,000	500,000	-	500,000
<b>NET CHANGE IN FUND BALANCE</b>	(150,000)	(150,000)	(56,422)	93,578	-	(56,422)
<b>FUND BALANCE, beginning</b>	<u>150,000</u>	<u>150,000</u>	<u>218,476</u>	<u>68,476</u>	<u>-</u>	<u>218,476</u>
<b>FUND BALANCE, ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 162,054</u>	<u>\$ 162,054</u>	<u>\$ -</u>	<u>\$ 162,054</u>

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL - CONSTRUCTION EXCISE TAX FUND**  
**YEAR ENDED JUNE 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Budget Basis</u>	<u>Variance with Final Budget</u>	<u>Budget to GAAP Differences</u>	<u>Actual GAAP Basis</u>
	<u>Original</u>	<u>Final</u>				
<b>REVENUES</b>						
Construction excise tax	\$ 600,000	\$ 600,000	\$ 914,361	\$ 314,361	\$ -	\$ 914,361
Investment earnings	25,000	25,000	149,083	124,083	-	149,083
<i>Total Revenues</i>	625,000	625,000	1,063,444	438,444	-	1,063,444
<b>EXPENDITURES</b>						
Current						
Support services	15,000	15,000	-	15,000	-	-
Facilities acquisition and construction	2,375,000	2,375,000	105,208	2,269,792	(105,208)	-
Capital outlay	-	-	-	-	105,208	105,208
Operating contingency	235,000	235,000	-	235,000	-	-
<i>Total Expenditures</i>	2,625,000	2,625,000	105,208	2,519,792	-	105,208
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(2,000,000)	(2,000,000)	958,236	2,958,236	-	958,236
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers out	(1,000,000)	(1,000,000)	(1,000,000)	-	-	(1,000,000)
<b>NET CHANGE IN FUND BALANCE</b>	(3,000,000)	(3,000,000)	(41,764)	2,958,236	-	(41,764)
<b>FUND BALANCE, beginning</b>	3,000,000	3,000,000	4,206,942	1,206,942	-	4,206,942
<b>FUND BALANCE, ending</b>	\$ -	\$ -	\$ 4,165,178	\$ 4,165,178	\$ -	\$ 4,165,178

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL - NEW TRANSPORTATION FACILITY FUND**  
**YEAR ENDED JUNE 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Budget Basis</u>	<u>Variance with Final Budget</u>	<u>Budget to GAAP Differences</u>	<u>Actual GAAP Basis</u>
	<u>Original</u>	<u>Final</u>				
<b>REVENUES</b>						
Intergovernmental						
State sources	\$ 25,000	\$ 25,000	\$ -	\$ (25,000)	\$ -	\$ -
<b>EXPENDITURES</b>						
Current						
Support services	-	-	1,063,127	(1,063,127)	(1,063,127)	-
Facilities acquisition and construction	10,000,000	10,000,000	-	10,000,000	-	-
Debt Service:						
Principal	10,000	10,000	-	10,000	-	-
Interest	15,000	15,000	-	15,000	-	-
Capital outlay	-	-	-	-	1,063,127	1,063,127
<i>Total Expenditures</i>	<u>10,025,000</u>	<u>10,025,000</u>	<u>1,063,127</u>	<u>8,961,873</u>	<u>-</u>	<u>1,063,127</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(10,000,000)	(10,000,000)	(1,063,127)	8,936,873	-	(1,063,127)
<b>OTHER FINANCING SOURCES (USES)</b>						
Proceeds from long-term debt	6,500,000	6,500,000	-	(6,500,000)	-	-
Transfers in	1,000,000	1,000,000	1,000,000	-	-	1,000,000
Sale of/or compensation for loss of capital assets	2,500,000	2,500,000	-	(2,500,000)	-	-
<i>Total Other Financing Sources (Uses)</i>	<u>10,000,000</u>	<u>10,000,000</u>	<u>1,000,000</u>	<u>(9,000,000)</u>	<u>-</u>	<u>1,000,000</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	(63,127)	(63,127)	-	(63,127)
<b>FUND BALANCE, beginning</b>	-	-	-	-	-	-
<b>FUND BALANCE, ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (63,127)</u>	<u>\$ (63,127)</u>	<u>\$ -</u>	<u>\$ (63,127)</u>

***OTHER SCHEDULES***

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**REVENUE SUMMARY – ALL FUNDS**  
**YEAR ENDED JUNE 30, 2020**

<i>Code</i>	<i>Function</i>	<i>General Fund</i>	<i>Special Revenue</i>	<i>Debt Service</i>	<i>Capital Projects</i>
<b>Revenue from Local Sources</b>					
1110	Ad Valorem Taxes Levied by District	\$ 25,935,490	\$ -	\$ 12,760,829	\$ -
1130	Construction Excise Tax Revenue	-	-	-	914,360
1200	Rev from Local Gov't'l Units Other than Districts	-	-	-	25,000
1400	Transportation Fees	10,582	-	-	-
1500	Earnings on Investments	595,169	93,621	211,085	1,589,504
1600	Food Service	-	396,514	-	-
1700	Extracurricular Activities	-	1,420,687	-	-
1910	Rentals	52,231	-	-	-
1920	Contributions and Donations From Private Sources	-	165,668	-	-
1960	Recovery of Prior Years' Expenditure	-	45,568	-	580,138
1970	Services Provided Other Funds	-	-	4,229,964	-
1980	Fees Charged to Grants	185,944	-	-	-
1990	Miscellaneous	305,773	1,608,901	-	112,542
	<i>Total Revenue from Local Sources</i>	<u>27,085,189</u>	<u>3,730,959</u>	<u>17,201,878</u>	<u>3,221,544</u>
<b>Revenue from Intermediate Sources</b>					
2101	County School Funds	99,019	-	-	-
2200	Restricted Revenue	-	248,370	-	-
	<i>Total Revenue from Intermediate Sources</i>	<u>99,019</u>	<u>248,370</u>	<u>-</u>	<u>-</u>
<b>Revenue from State Sources</b>					
3101	State School Fund - General Support	67,375,448	-	-	-
3103	Common School Fund	929,425	-	-	-
3104	State Managed County Timber	401,533	-	-	-
3199	Other Unrestricted Grants-in-Aid	495,397	-	-	-
3222	State School Fund (SSF) Transportation Equipment	-	593,538	-	-
3299	Other Restricted Grants-in-Aid	323,634	2,260,704	-	7,108,371
	<i>Total Revenue from State Sources</i>	<u>69,525,437</u>	<u>2,854,242</u>	<u>-</u>	<u>7,108,371</u>
<b>Revenue from Federal Sources</b>					
4500	Restricted Revenue From the Federal Government Through the State	-	6,755,293	-	-
4700	Through Other Intermediate Agencies	-	260,170	-	-
4801	Federal Forest Fees	278,723	-	-	-
4900	Revenue for/on Behalf of the District	1,646	227,151	-	-
	<i>Total Revenue from Federal Sources</i>	<u>280,369</u>	<u>7,242,614</u>	<u>-</u>	<u>-</u>
<b>Revenue from Other Sources</b>					
5100	Long Term Debt Financing Sources	-	780,282	-	8,973,950
5200	Interfund Transfers	-	276,197	-	1,081,177
5300	Sale of or Compensation for Loss of Fixed Assets	-	100,000	-	500,000
	<i>Total Revenue from Other Sources</i>	<u>-</u>	<u>1,156,479</u>	<u>-</u>	<u>10,555,127</u>
5400	Fund balance, beginning of year	11,011,429	2,842,162	2,766,100	115,556,233
<b>Total Resources</b>		<u>\$ 108,001,443</u>	<u>\$ 18,074,826</u>	<u>\$ 19,967,978</u>	<u>\$ 136,441,275</u>

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**EXPENDITURE SUMMARY – GENERAL FUND**  
**YEAR ENDED JUNE 30, 2020**

<i>Code</i>	<i>Function</i>	<i>Total</i>	<i>100</i>	<i>200</i>
			<i>Salaries</i>	<i>Employee Benefits</i>
<b><i>Instruction Expenditures</i></b>				
1111	Primary, K-3	\$ 23,776,990	\$ 13,445,371	\$ 9,874,204
1121	Middle/Junior High Programs	9,814,443	5,592,239	3,900,175
1122	Middle/Junior High School Extracurricular	60,346	43,982	16,364
1131	High School Programs	11,568,027	6,659,414	4,373,381
1132	High School Extracurricular	792,045	502,805	220,443
1210	Programs for the Talented and Gifted	40,414	25,002	13,944
1220	Restrictive Programs for Students with Disabilities	6,214,251	3,258,987	2,766,644
1250	Less Restrictive Programs for Students with Disabilities	5,744,710	3,241,377	2,465,273
1271	Remediation	24,070	16,301	6,527
1280	Alternative Education	1,674,488	626,305	404,697
1291	English Second Language Programs	1,884,696	1,044,472	805,308
1299	Other Programs	124,359	72,194	52,165
	<i>Total Instruction Expenditures</i>	<u>61,718,839</u>	<u>34,528,449</u>	<u>24,899,125</u>
<b><i>Support Services Expenditures</i></b>				
2110	Attendance and Social Work Services	378,594	155,440	100,069
2120	Guidance Services	2,144,355	1,214,149	867,709
2130	Health Services	494,576	271,217	219,461
2140	Psychological Services	660,285	365,898	268,985
2150	Speech Pathology and Audiology Services	1,334,918	786,204	500,178
2190	Service Direction, Student Support Services	241,373	111,568	71,757
2210	Improvement of Instruction Services	1,717,977	992,204	599,409
2220	Educational Media Services	959,162	459,450	420,596
2230	Assessment & Testing	179,130	100,539	51,488
2240	Instructional Staff Development	382,039	208,519	92,905
2310	Board of Education Services	243,005	23	8
2320	Executive Administration Services	772,411	442,830	239,995
2410	Office of the Principal Services	8,417,359	5,091,793	3,208,945
2510	Direction of Business Support Services	345,022	216,538	121,661
2520	Fiscal Services	885,253	409,319	337,821
2540	Operation and Maintenance of Plant Services	7,640,278	2,746,277	1,842,395
2550	Student Transportation Services	4,955,605	2,336,956	1,691,766
2570	Internal Services	105,354	43,228	36,831
2630	Information Services	49,336	20,694	9,353
2640	Staff Services	786,295	464,759	221,388
2660	Technology Services	1,171,347	497,783	302,870
2680	Interpretation and Translation Services	195,667	75,614	50,242
2700	Supplemental Retirement Program	222,626	179,689	42,937
	<i>Total Support Services Expenditures</i>	<u>34,281,967</u>	<u>17,190,691</u>	<u>11,298,769</u>
<b><i>Enterprise and Community Services Expenditures</i></b>				
3300	Community Services	77,259	46,155	15,332
<b><i>Facilities Acquisition and Construction Expenditures</i></b>				
4150	Building Acquisition, Construction and Improvement	175,025	-	-
<b><i>Other Uses Expenditures</i></b>				
5200	Transfers of Funds	357,374	-	-
	<b><i>Grand Total</i></b>	<u>\$ 96,610,464</u>	<u>\$ 51,765,295</u>	<u>\$ 36,213,226</u>

	<b>300</b>	<b>400</b>	<b>500</b>	<b>600</b>	<b>700</b>
	<b>Purchased</b>	<b>Supplies &amp;</b>	<b>Capital</b>	<b>Other</b>	<b>Transfers</b>
	<b>Services</b>	<b>Materials</b>	<b>Outlay</b>	<b>Objects</b>	
\$	113,803	\$ 343,612	\$ -	\$ -	\$ -
	32,673	289,356	-	-	-
	-	-	-	-	-
	69,510	462,107	-	3,615	-
	68,680	117	-	-	-
	90	1,343	-	35	-
	104,631	83,989	-	-	-
	3,497	34,563	-	-	-
	-	1,242	-	-	-
	584,191	59,295	-	-	-
	4,924	29,992	-	-	-
	-	-	-	-	-
	981,999	1,305,616	-	3,650	-
	122,827	258	-	-	-
	60,511	1,986	-	-	-
	(425)	4,044	-	279	-
	11,427	13,675	-	300	-
	46,788	1,748	-	-	-
	35,612	20,375	-	2,061	-
	13,947	108,962	-	3,455	-
	358	78,610	-	148	-
	16,545	9,963	-	595	-
	56,636	23,882	-	97	-
	94,879	1,120	-	146,975	-
	70,998	13,133	-	5,455	-
	35,307	55,689	-	25,625	-
	4,342	1,770	-	711	-
	72,531	8,580	-	57,002	-
	2,008,807	670,089	53,554	319,156	-
	250,106	574,255	-	102,522	-
	25,295	-	-	-	-
	16,313	2,651	-	325	-
	92,838	5,658	-	1,652	-
	293,942	57,041	19,711	-	-
	66,498	3,313	-	-	-
	-	-	-	-	-
	3,396,082	1,656,802	73,265	666,358	-
	11,241	4,531	-	-	-
	53,246	3,079	118,700	-	-
	-	-	-	-	357,374
\$	4,442,568	\$ 2,970,028	\$ 191,965	\$ 670,008	\$ 357,374

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**EXPENDITURE SUMMARY - SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

<b>Code</b>	<b>Function</b>	<b>Total</b>	<b>100 Salaries</b>	<b>200 Employee Benefits</b>
<b>Instruction Expenditures</b>				
1111	Primary, K-3	\$ 333,731	\$ 305,042	\$ -
1113	Elementary Extracurricular	245,566	10,864	3,625
1121	Middle/Junior High Programs	199,520	248	98
1122	Middle/Junior High School Extracurricular	174,828	3,405	626
1131	High School Programs	749,722	282,656	145,422
1132	High School Extracurricular	1,170,289	106,698	29,927
1140	Pre-Kindergarten Programs	79,860	48,187	31,673
1220	Restrictive Programs for Students with Disabilities	951,043	562,732	386,033
1250	Less Restrictive Programs for Students with Disabilities	92,688	54,127	38,360
1271	Remediation	95,603	64,350	24,248
1272	Title I	1,626,894	885,187	674,785
1280	Alternative Education	12,078	-	-
	<i>Total Instruction Expenditures</i>	<u>5,731,822</u>	<u>2,323,496</u>	<u>1,334,797</u>
<b>Support Services Expenditures</b>				
2110	Attendance and Social Work Services	698,698	364,424	268,116
2120	Guidance Services	161,212	61,394	46,768
2130	Health Services	59,679	35,123	21,751
2140	Psychological Services	8,055	-	-
2150	Speech Pathology and Audiology Services	34,325	19,741	7,325
2190	Service Direction, Student Support Services	443,936	253,930	165,696
2210	Improvement of Instruction Services	580,010	271,038	161,195
2230	Assessment & Testing	28,084	-	-
2240	Instructional Staff Development	971,460	282,986	145,221
2410	Office of the Principal Services	92,905	52,477	40,428
2490	Other Support Services - School Administration	185,627	-	-
2520	Fiscal Services	186,096	-	-
2550	Student Transportation Services	920,720	8,452	2,442
2660	Technology Services	143,075	-	-
2690	Other Support Services - Central	229,550	134,722	94,729
	<i>Total Support Services Expenditures</i>	<u>4,743,432</u>	<u>1,484,287</u>	<u>953,671</u>
<b>Enterprise and Community Services Expenditures</b>				
3100	Food Services	3,658,865	1,115,666	956,699
3300	Community Services	123,136	1,106	380
	<i>Total Enterprise and Community Services Expenditures</i>	<u>3,782,001</u>	<u>1,116,772</u>	<u>957,079</u>
<b>Facilities Acquisition and Construction Expenditures</b>				
4150	Building Acquisition, Construction and Improvement	368,465	-	-
<b>Other Uses Expenditures</b>				
5100	Debt Service	931,565	-	-
	<b>Grand Total</b>	<u>\$ 15,557,285</u>	<u>\$ 4,924,555</u>	<u>\$ 3,245,547</u>

<i>300</i>	<i>400</i>	<i>500</i>	<i>600</i>	<i>700</i>
<i>Purchased</i>	<i>Supplies &amp;</i>	<i>Capital</i>	<i>Other</i>	<i>Transfers</i>
<i>Services</i>	<i>Materials</i>	<i>Outlay</i>	<i>Objects</i>	
\$ -	\$ 28,689	\$ -	\$ -	\$ -
8,793	222,284	-	-	-
68,999	98,141	32,034	-	-
1,737	169,060	-	-	-
3,703	291,544	26,397	-	-
219,239	773,407	5,890	35,128	-
-	-	-	-	-
2,212	66	-	-	-
201	-	-	-	-
3,160	3,845	-	-	-
2,445	64,477	-	-	-
-	11,263	815	-	-
<u>310,489</u>	<u>1,662,776</u>	<u>65,136</u>	<u>35,128</u>	<u>-</u>
61,499	4,539	-	120	-
4,605	48,445	-	-	-
1,977	828	-	-	-
8,055	-	-	-	-
-	4,223	-	3,036	-
22,943	1,367	-	-	-
137,953	9,824	-	-	-
-	28,084	-	-	-
526,462	9,302	-	7,489	-
-	-	-	-	-
182,018	3,559	-	50	-
-	152	-	185,944	-
29,544	-	880,282	-	-
71,782	71,293	-	-	-
99	-	-	-	-
<u>1,046,937</u>	<u>181,616</u>	<u>880,282</u>	<u>196,639</u>	<u>-</u>
1,519,763	66,737	-	-	-
47,588	26,787	-	47,275	-
<u>1,567,351</u>	<u>93,524</u>	<u>-</u>	<u>47,275</u>	<u>-</u>
241,540	-	126,925	-	-
-	-	-	931,565	-
<u>\$ 3,166,317</u>	<u>\$ 1,937,916</u>	<u>\$ 1,072,343</u>	<u>\$ 1,210,607</u>	<u>\$ -</u>

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**EXPENDITURE SUMMARY – DEBT SERVICE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

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<i>Code</i>	<i>Function</i>	<i>Total</i>	<i>100 Salaries</i>	<i>200 Employee Benefits</i>
<i>Other Uses Expenditures</i>				
5100	Debt Service	\$ 17,260,490	\$ -	\$ -
	<b>Grand Total</b>	<b>\$ 17,260,490</b>	<b>\$ -</b>	<b>\$ -</b>

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<i>300</i> <i>Purchased</i> <i>Services</i>	<i>400</i> <i>Supplies &amp;</i> <i>Materials</i>	<i>500</i> <i>Capital</i> <i>Outlay</i>	<i>600</i> <i>Other</i> <i>Objects</i>	<i>700</i> <i>Transfers</i>
\$ -	\$ -	\$ -	\$ 17,260,490	\$ -
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,260,490</u>	<u>\$ -</u>

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**EXPENDITURE SUMMARY – CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2020**

<u>Code</u>	<u>Function</u>	<u>Total</u>	<u>100</u> <u>Salaries</u>	<u>200</u> <u>Employee</u> <u>Benefits</u>
<b><i>Instruction Expenditures</i></b>				
1131	High School Programs	\$ 67,747	\$ 2,049	\$ 714
1132	High School Extracurricular	41	-	-
	<i>Total Instruction Expenditures</i>	67,788	2,049	714
<b><i>Support Services Expenditures</i></b>				
2520	Business Office	550	-	-
2540	Operation and Maintenance of Plant Services	18,600	-	-
2550	Student Transportation Services	1,063,127	-	-
	<i>Total Support Services Expenditures</i>	1,082,277	-	-
<b><i>Facilities Acquisition and Construction Expenditures</i></b>				
4150	Building Acquisition, Construction, and Improvement	86,655,257	445,845	274,179
<b><i>Other Uses Expenditures</i></b>				
5100	Debt Service	81,177	-	-
5200	Transfers of Funds	1,000,000	-	-
	<i>Total Other Uses Expenditures</i>	1,081,177	-	-
	<b><i>Grand Total</i></b>	<b>\$ 88,886,499</b>	<b>\$ 447,894</b>	<b>\$ 274,893</b>

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<i>300</i>	<i>400</i>	<i>500</i>	<i>600</i>	<i>700</i>
<i>Purchased</i>	<i>Supplies &amp;</i>	<i>Capital</i>	<i>Other</i>	<i>Transfers</i>
<i>Services</i>	<i>Materials</i>	<i>Outlay</i>	<i>Objects</i>	
\$ -	\$ 64,984	\$ -	\$ -	\$ -
41	-	-	-	-
41	64,984	-	-	-
550	-	-	-	-
18,600	-	-	-	-
-	-	1,063,127	-	-
19,150	-	1,063,127	-	-
4,323,764	123,499	81,300,752	187,218	-
-	-	-	81,177	-
-	-	-	-	1,000,000
-	-	-	81,177	1,000,000
\$ 4,342,955	\$ 123,499	\$ 82,363,879	\$ 268,395	\$ 1,000,000

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**SCHEDULE OF SUPPLEMENTAL INFORMATION REQUIRED BY OREGON DEPARTMENT OF EDUCATION**  
**YEAR ENDED JUNE 30, 2020**

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

	Objects 325 & 326 & 327	
Function 2540	\$	1,209,230
Function 2550	\$	9,561

B. Replacement of Equipment – **General Fund:**  
 Include all General Fund expenditures in object 542, except for the following exclusions:

\$	5,248
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Exclude these functions:

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

***COMPLIANCE SECTION***



## GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

[www.gmscpa.com](http://www.gmscpa.com)

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475 Cottage Street NE, Suite 200 • Salem, Oregon 97301-3814

### ***INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS***

School Board  
Greater Albany Public School District No. 8J  
Albany, Oregon

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the basic financial statements of Greater Albany Public School District No. 8J, Linn County, Oregon (the District) as of and for the year ended June 30, 2020, and have issued our report thereon dated December 31, 2020.

#### ***Compliance and Other Matters***

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

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

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

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

- Expenditures were in excess of appropriations as indicated in the notes to the financial statements.
- Certain funds reported deficit fund balances as indicated in the notes to the financial statements.

***Internal Control***

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

We identified and reported a material weakness in internal controls in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards dated December 31, 2020.

***Restriction on Use***

This report is intended solely for the information and use of the school board and management of the Greater Albany Public School District No. 8J and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

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

By:   
Larry E. Grant, A Shareholder  
December 31, 2020

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2020**

<i>Federal Grantor/Pass Through Grantor/ Program Title</i>	<i>Pass Through Entity Identifying Number</i>	<i>Federal CFDA Number</i>	<i>Expenditures</i>
<b>U.S. Department of Education</b>			
<b>Passed Through Oregon Department of Education</b>			
Title I Grants to Local Educational Agencies	50395	84.010	\$ 180,643
Title I Grants to Local Educational Agencies	53274	84.010	2,036,301
Title I Grants to Local Educational Agencies	50313	84.010	67,245
Title I Grants to Local Educational Agencies	53903	84.010	45,344
Title I Grants to Local Educational Agencies	52100	84.010	78,880
<i>Subtotal Title I Grants to Local Educational Agencies</i>			2,408,413
Title IIA Supporting Effective Instruction State Grant	49313	84.367	46,577
Title IIA Supporting Effective Instruction State Grant	53536	84.367	291,124
<i>Subtotal Title IIA Improving Teaching Quality State Grants</i>			337,701
Title III English Language Acquisition Grants	50249	84.365	31,343
Title III English Language Acquisition Grants	53420	84.365	491
<i>Subtotal Title III English Language Acquisition Grants</i>			31,834
School Improvement Grant	54352	84.377	115,203
Title IV-A Student Support and Academic Enrichment Grants	50729	84.424	30,457
Title IV-A Student Support and Academic Enrichment Grants	24526	84.424	109,635
<i>Subtotal Title IV-A Student Support and Academic Enrichment Grants</i>			140,092
<i>Special Education Cluster (IDEA)</i>			
Special Education - Grants to States (IDEA, Part B)	49886	84.027	238,231
Special Education - Grants to States (IDEA, Part B)	53858	84.027	987,261
Special Education - Grants to States (IDEA, Part B)	54694	84.027	1,648
<b>Passed Through Linn Benton Lincoln ESD</b>			
Special Education - Grants to States (IDEA, Part B)	Unknown	84.027	147,100
Special Education - Grants to States (IDEA, Part B)	Unknown	84.027	510
<i>Subtotal Special Education Cluster (IDEA)</i>			1,374,750
<b>Passed Through Linn Benton Community College</b>			
Career and Technical Education - Basic Grants to States (Perkins IV)	Unknown	84.048	88,089
<b>Passed Through Willamette ESD</b>			
Migrant Education - State Grant Program (MEP)	Unknown	84.011	12,091
<b>Passed Through Oregon Department of Human Services</b>			
Rehabilitation Services - Vocational Rehabilitation	154909	84.126	113,070
<b>Total U.S. Department of Education</b>			4,621,243

*See notes to schedule of expenditures of federal awards.*

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)**  
**YEAR ENDED JUNE 30, 2020**

<i>Federal Grantor/Pass Through Grantor/ Program Title</i>	<i>Pass Through Entity Identifying Number</i>	<i>Federal CFDA Number</i>	<i>Expenditures</i>
<b>U.S. Department of Agriculture</b>			
<b>Passed through Oregon Department of Education</b>			
<i>Child Nutrition Cluster</i>			
School Breakfast Program	Unknown	10.553	\$ 508,340
National School Lunch Program	Unknown	10.555	1,184,855
National School Lunch Program Commodities	Unknown	10.555	227,151
Summer Food Service Program for Children	Unknown	10.559	642,219
<i>Subtotal Child Nutrition Cluster</i>			<u>2,562,565</u>
Child and Adult Care Food Program		10.588	58,079
<b>Passed through Linn County</b>			
<i>Forest Service Schools and Roads Cluster</i>			
Schools and Roads - Grants to States		10.665	278,723
<i>Subtotal Forest Service Schools and Roads Cluster</i>			<u>278,723</u>
<b>Total U.S. Department of Agriculture</b>			<u>2,899,367</u>
<b>U.S. Department of Health &amp; Human Services</b>			
<b>Passed through Oregon Department of Education</b>			
Title IV-E Foster Care	57163	93.658	728
<b>Total U.S. Department of Health &amp; Human Services</b>			<u>728</u>
<b>General Services Administration</b>			
<b>Passed through Oregon Department of Administrative Services</b>			
Donation of Federal Surplus Personal Property		39.003	1,646
<b>Total General Services Administration</b>			<u>1,646</u>
<b>Total Federal Expenditures</b>			<u><u>\$ 7,522,984</u></u>

See notes to schedule of expenditures of federal awards.

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2020**

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***Purpose of the Schedule***

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the District under programs of the federal government for the year ended June 30, 2020. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) Because the Schedule presents only a selected portion of the activities of the District, it is not intended to and does not present either the financial position, changes in fund balances, or the operating funds’ revenues and expenditures for the District.

***SIGNIFICANT ACCOUNTING POLICIES***

***Basis of Presentation***

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

***Indirect Cost Rate***

The District has not elected to use the 10 percent de minimis indirect cost rate as allowed under Uniform Guidance since they already have a negotiated indirect cost rate with Oregon Department of Education and are therefore not allowed to use the de minimis rate.

***Federal Financial Assistance***

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

***Major Programs***

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

***Reporting Entity***

The reporting entity is fully described in the notes to the financial statements. Additionally, the Schedule includes all federal programs administered by the District for the year ended June 30, 2020.

***Revenue and Expenditure Recognition***

The receipt and expenditure of federal awards are accounted for under the modified accrual basis of accounting. Revenues are recorded as received in cash or on the accrual basis where measurable and available. Expenditures are recorded when the liability is incurred.



## GROVE, MUELLER & SWANK, P.C.

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

School Board  
Greater Albany Public School District No. 8J  
Albany, Oregon

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining information of the Greater Albany Public School District No. 8J, Linn County, Oregon, (the District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 31, 2020.

#### ***Internal Control over Financial Reporting***

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2020-001 that we consider to be a material weakness.

#### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards*, and which is described in the accompanying schedule of findings and questioned costs as item 2020-001.

***District's Response to Findings***

The District's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

***Purpose of this Report***

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



CERTIFIED PUBLIC ACCOUNTANTS

December 31, 2020



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

School Board  
Greater Albany Public School District No. 8J  
Albany, Oregon

#### ***Report on Compliance for Each Major Federal Program***

We have audited Greater Albany Public School District No. 8J, Linn County, Oregon (the District)'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2020. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### ***Management's Responsibility***

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

#### ***Auditor's Responsibility***

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

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

#### ***Opinion on Each Major Federal Program***

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

#### ***Report on Internal Control over Compliance***

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could

have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2020-002, that we consider to be a significant deficiency.

The District's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

***Purpose of this Report***

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

  
CERTIFIED PUBLIC ACCOUNTANTS  
December 31, 2020

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2020**

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**SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of auditor's report issued:	Qualified
Internal control over financial reporting:	
• Material weakness(es) identified?	Yes
• Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	Yes

**Federal Awards**

Internal control over major federal programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that are not considered to be material weaknesses? reported	Yes
Type of auditor's report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?	Yes

Major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.010	Title I Grants to Local Educational Agencies
84.027 & 84.173	Special Education Cluster (IDEA)

Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

**FINANCIAL STATEMENT FINDINGS**

**2020-001- Material Weakness in Internal Controls over Financial Reporting - Repeat Finding from 2019**

**Criteria:** Financial Statements should be presented in conformance with generally accepted accounting principles (GAAP) to allow the auditor to render an unmodified opinion.

**Condition:** With the implementation of GASB Statements (GASBS) No. 73 and 75, actuarial valuations of early retirement stipends and other post-employment benefits (OPEB) related to the implicit medical subsidies need to be made.

**Context:** The effect of these unrecorded pension and OPEB liabilities and related actuarially determined deferred inflows and outflows on the Statement of Net Position is unknown.

**Effect:** The District's net position may be understated or overstated.

**Cause:** Management has not obtained an actuarial valuation of the pension or other post-employment benefit obligations related to stipends or the implicit healthcare subsidy in accordance with GASBS 73 and 75, respectively.

**Recommendation:** We recommend the District engage a third-party actuary to perform an actuarial valuation of the District's pension and OPEB liabilities in accordance with GASBS 73 and 75, respectively.

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)**  
**YEAR ENDED JUNE 30, 2020**

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**FINANCIAL STATEMENT FINDINGS (Continued)**

**2020-001- Material Weakness in Internal Controls over Financial Reporting - Repeat Finding from 2019 (Continued)**

**Views of responsible officials and planned corrective actions:** The District will consider obtaining an actuarial valuation from an actuarial firm in accordance with GASBS 73 and 75 for future fiscal years.

**FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**Department of Education**

**2020-002 Special Education Cluster (IDEA) – CDFA 84.027 & 84.173; Grant period: Year End June 30, 2020; Pass-through Entity Name: Oregon Department of Education. Significant Deficiency in Controls over Compliance with Unallowed and Allowable Costs/Cost Principles**

**Criteria:** Only allowable costs may be charged to the Special Education Cluster.

**Condition:** Personnel charged to the program are reviewed periodically and retrospectively to ensure only program related personnel are charged. As part of this review process, payroll transactions for certain personnel were transferred out of the program and to another fund; however, not all of the related benefit expenditures were transferred, resulting in unallowable costs being charged to the program.

**Context:** We noted three individuals whose payroll related benefit charges were erroneously left in the program after transferring the payroll transactions out of the program. Although funds were paid out of the Special Education Cluster for unapproved transactions, the amount was trivial to the program and were subsequently transferred out of the program.

**Effect:** Benefits were being paid out of the Special Education program for personnel not related to the program.

**Cause:** The payroll adjustment utility in the District’s accounting software did not include all related charges when transferring payroll transactions to another fund. The review process involved a review of the payroll distribution reports, which include original allocations of payroll charges, rather than reviewing GL detail of all remaining charges in the program.

**Recommendation:** We recommend review of the program general ledger detail periodically to identify any residual charges left behind after transferring out unrelated personnel to ensure any errors are identified and corrected in a timely manner.

**Views of responsible officials and planned corrective actions:** The District will begin performing a manual review of the grant program’s general ledger detail to ensure all residual charges are identified and corrected in a timely manner. They will also contact the developer of their accounting software to identify the cause of the payroll adjustment utility failure.

**GREATER ALBANY PUBLIC SCHOOL DISTRICT NO. 8J**  
**SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2020**

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**PRIOR YEAR FINANCIAL STATEMENT FINDINGS**

**2019-001- Material Weakness in Internal Controls over Financial Reporting - Repeat Finding from 2018**

**Criteria and condition:** Financial Statements should be presented in conformance with GAAP to allow the auditor to render an unmodified opinion. With the implementation of GASBS 73 and 75, actuarial valuations of pension and other post-employment benefits (OPEB) need to be made. Management has not obtained an actuarial valuation of the post-employment benefit obligation related to either stipends or implicit healthcare subsidy in accordance with GASB 73 and 75.

**Recommendation:** We recommend the District contact a third-party actuary to obtain an actuarial valuations of the District's OPEB Liabilities in accordance with GASBS 73 and 75.

**Current status:** The District has not yet obtained an actuarial valuation in accordance with GASBS 73 and 75; therefore, this finding is repeated for the current year.

**PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**Department of Education**

**2019-002: Title I – CDFA 84.010; Grant period: Year End June 30, 2019; Pass-through Entity Name: Oregon Department of Education. Significant Deficiency in Controls over Compliance with Unallowed and Allowable Costs/Cost Principles**

**Criteria and condition:** Payroll charges were allocated equitably between federal/nonfederal programs. When an employee was transferred to a position outside of Title I, one of her benefits was not reassigned. It continued to be paid out of the Title I program.

**Recommendation:** Review the payroll distribution reports for personnel charged to the program to ensure any errors are identified and corrected.

**Current year update:** The District has implemented the recommendations for the current year.

**2019-003- Title I – CDFA 84.010; Grant period: Year End June 30, 2019; Pass-through Entity Name: Oregon Department of Education. Significant Deficiency in Controls over Compliance with Unallowed and Allowable Costs/Cost Principles**

**Criteria and condition:** Documentation of time and effort related to this federal program could not be located or was completed incorrectly. One employee's certification was lost during construction work. The other employee did not have a certificate on file for the first period, but had two for the second certification period.

**Recommendation:** Review the attendance list against the qualifying employees to ensure everyone signed off. Scan the certification sheets into the computer to avoid loss of the originals.

**Current status:** The District has implemented the recommendations for the current year.