

**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED JUNE 30, 2020**



12700 SW 72<sup>nd</sup> Ave.  
Tigard, OR 97223

RIVERDALE SCHOOL DISTRICT 51J  
MULTNOMAH COUNTY, OREGON

FINANCIAL REPORT  
For the Year Ended June 30, 2020

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RIVERDALE SCHOOL DISTRICT 51J  
MULTNOMAH COUNTY, OREGON

BOARD OF EDUCATION AS OF JUNE 30, 2020

<u>NAME</u>	<u>TERM EXPIRES</u>
Carrie Banks, Chair	June 30, 2023
Joe Prats, Vice Chair	June 30, 2023
John Bogaty	June 30, 2023
Carrie Spurlock	June 30, 2021

ADMINISTRATION

Joanna M. Tobin, Interim Superintendent

11733 SW Breyman Avenue  
Portland, Oregon 97219-8409

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RIVERDALE SCHOOL DISTRICT 51J  
MULTNOMAH COUNTY, OREGON

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RIVERDALE SCHOOL DISTRICT 51J  
MULTNOMAH COUNTY, OREGON

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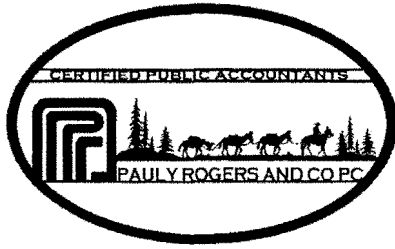
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December 14, 2020

To the Board of Directors  
Riverdale School District 51J  
Multnomah County, Oregon

## INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying basic financial statements of the governmental activities and each major fund of Riverdale School District 51J (the District), as of and for the year ended June 30, 2020, and the related notes to the basic financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

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

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

### **Auditors' Responsibility**

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

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

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

### **Opinions**

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Riverdale School District 51J 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, and required supplemental information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the Management's Discussion and Analysis or the Schedule of changes in total OPEB liability and related ratios for Health Insurance or the Schedules of Net Pension Liability and Contributions for PERS because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance on them.

Budgetary comparison schedules presented as Required Supplementary Information, as listed in the table of contents, have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting 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, and in our opinion are fairly stated in all material respect in relation to the basic financial statements taken as a whole.

### *Supplementary Information*

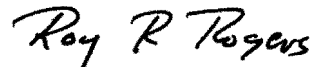
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### *Other Information*

The listing of board members containing their term expiration dates, located before the table of contents, and the other information, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 14, 2020 on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

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

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

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**RIVERDALE SCHOOL DISTRICT 51J**  
**Multnomah County, Oregon**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year ended June 30, 2020**

As management of Riverdale School District 51J (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 liabilities and deferred inflows of resources of the District exceeded its assets and deferred outflows or resources at June 30, 2020 by \$3,436,793. Of this amount, \$1,976,318 represents the District's net investment in capital assets, \$1,262,439 is restricted for various purposes and the deficit of \$6,675,550 is unrestricted.
- The District's total net position decreased \$1,328,497 for the fiscal year.
- The District's governmental funds reported a combined ending fund balance of \$2,744,511 at June 30, 2020, an increase of \$448,173.
- At the end of the fiscal year ending June 30, 2020, unassigned fund balance for the General Fund was \$1,482,072, which represents an increase of \$607,594 in comparison with the prior year.
- The District's total debt decreased by \$348,435 during the 2019-20 fiscal year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This 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:

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

**RIVERDALE SCHOOL DISTRICT 51J**  
**Multnomah County, Oregon**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year ended June 30, 2020**

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

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

**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. Riverdale School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The basic governmental fund financial statements can be found on page 3 and 5 of this report.

The District maintains six individual governmental funds. Information is presented separately in the governmental funds balance sheet and the governmental fund's statement of revenues, expenditures and changes in fund balances for the General, Special Revenues, Debt Service, Pension Obligation Bond, Capital Projects and Construction Excise Tax Funds all of which are considered to be major funds.

**RIVERDALE SCHOOL DISTRICT 51J**  
**Multnomah County, Oregon**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year ended June 30, 2020**

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found beginning on page 7 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *Required Supplementary Information* consisting of schedules detailing ten years of pension (assets)/liabilities and pension contributions and changes in other post-employment benefits liability. Required supplementary information can be found starting on page 31 of this report.

*Supplementary Information* present on pages 35-40, includes the budgetary comparisons for the non-major funds and schedules of property tax transactions and balances. *Other Information* including the schedule of expenditures of federal awards, schedules and supplemental information required by the Oregon Department of Education, and continuing disclosures for debt can be found on pages 41 - 51.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, liabilities and deferred inflows of resources of the District exceeded its assets and deferred outflows of resources by \$3,436,793 as of June 30, 2020, a decrease of \$1,328,497 during the year.

Capital assets, which consist of the District's land, buildings, building improvements, and equipment, net of accumulated depreciation, represent about 86.5 percent of total assets. The remaining assets consist mainly of investments, cash, grants and property taxes receivable. Of these assets, 13.5 percent are current assets.

The District's largest liability, which represents 92.5 percent of total liabilities, is for the repayment of long-term obligations and its proportionate share of the net pension liability. Other liabilities consist primarily of payables on accounts, salaries and benefits, and amounts received but unearned as of June 30, 2020.

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

**RIVERDALE SCHOOL DISTRICT 51J**  
**Multnomah County, Oregon**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year ended June 30, 2020**

RIVERDALE SCHOOL DISTRICT 51J STATEMENT OF NET POSITION			
	Governmental Activities		
	June 30, 2020	June 30, 2019	Increase (Decrease)
<b>ASSETS</b>			
Current Assets	\$ 3,763,618	\$ 2,933,505	\$ 830,113
Capital Assets, net of depreciation	24,112,052	24,795,890	(683,838)
Total Assets	<u>27,875,670</u>	<u>27,729,395</u>	<u>146,275</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deffered Loss on Bond Refunding	466,051	582,564	(116,513)
Net Deferred Outflow of Pension Related Resources	3,279,068	3,580,111	(301,043)
OPEB Related Deferred Outflows	11,071	20,566	(9,495)
Total Deferred Outflow of Resources	<u>3,756,190</u>	<u>4,183,241</u>	<u>(427,051)</u>
<b>LIABILITIES</b>			
Current Liabilities	2,563,610	1,571,835	991,775
PERS net pension liability	8,127,518	7,276,953	850,565
Long-Term Obligations	23,560,456	24,572,282	(1,011,826)
Total Liabilities	<u>34,251,584</u>	<u>33,421,070</u>	<u>830,514</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Net Deferred Inflow of Pension Related Resources	737,462	584,018	153,444
Total OPEB Related Deferred Inflows	79,607	15,844	63,763
Total Deferred Inflows of Resources	<u>817,069</u>	<u>599,862</u>	<u>217,207</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	1,976,318	3,555,351	(1,579,033)
Restricted	1,262,439	1,421,860	(159,421)
Unrestricted	(6,675,550)	(7,085,507)	409,957
Total Net Position	<u>\$ (3,436,793)</u>	<u>\$ (2,108,296)</u>	<u>\$ (1,328,497)</u>

**Governmental Activities.** During the current fiscal year, the District's net position decreased by \$1,328,497. Revenues increased by \$406,866 in 2019-20 compared to the previous year due primary to receiving additional grants and contributions.

Overall changes in expenses for instruction, support services and enterprise and community services saw an increase of \$1,000,488 due primarily to increases in pension and OPEB expenses and deferred interest on long-term debt.

**RIVERDALE SCHOOL DISTRICT 51J**  
**Multnomah County, Oregon**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year ended June 30, 2020**

RIVERDALE SCHOOL DISTRICT 51J CHANGES IN NET POSITION Year Ended June 30,			
	Governmental Activities		Increase
	2020	2019	(Decrease)
<b>REVENUES</b>			
Program Revenues			
Charges for Services	\$ 964,636	\$ 1,303,840	\$ (339,204)
Operating Grants and Contributions	2,173,765	1,550,669	623,096
General Revenues			
Property Taxes Levied for:			
General Purposes	3,657,572	3,516,342	141,230
Debt Service	1,625,306	1,701,046	(75,740)
Earnings on Investments	95,129	100,690	(5,561)
Other Local Sources	630,606	548,269	82,337
Intermediate Sources	689	-	689
State Sources	3,505,920	3,525,901	(19,981)
Total revenues	<u>12,653,623</u>	<u>12,246,757</u>	<u>406,866</u>
<b>EXPENSES</b>			
Instruction	7,783,220	7,173,433	609,787
Support services	4,202,582	4,348,968	(146,386)
Enterprise and Community Services	5,690	7,785	(2,095)
Facilities acquisition	6,901	2,701	4,200
Interest on Long-Term Debt	1,983,727	1,448,745	534,982
Total expenses	<u>13,982,120</u>	<u>12,981,632</u>	<u>1,000,488</u>
<b>Increase (Decrease) in Net Position</b>	(1,328,497)	(734,875)	(593,622)
Net Position - Beginning	(2,108,296)	(1,373,421)	(734,875)
Net Position - Ending	<u>\$ (3,436,793)</u>	<u>\$ (2,108,296)</u>	<u>\$ (1,328,497)</u>

**FUND FINANCIAL ANALYSIS**

The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

To further enhance this analysis, the District implemented GASB Statement No. 54 for fiscal year ending June 30, 2012. This GASB reporting requirement requires an analysis and breakdown of ending fund balance for governmental fund types between five new fund balance categories. For more information on the details behind each fund balance category see Note 1 on page 12 of this report.



**RIVERDALE SCHOOL DISTRICT 51J**  
**Multnomah County, Oregon**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year ended June 30, 2020**

At June 30, 2020, the District's governmental funds reported combined ending fund balances of \$2,744,511 an increase of \$448,173 in comparison with the prior year. Of this amount, \$1,262,439 (about 46.0 percent) of the ending fund balances constitutes restricted or assigned ending fund balance, which are amounts that are legally restricted by outside parties for a specific purpose (such as student body, debt service and capital projects). The remaining \$1,482,072 (54.0 percent) of the ending fund balances is unassigned and available for spending at the District's discretion.

**General Fund.** The General Fund is the primary operating fund of the District. As of June 30, 2020, fund balance was \$1,482,072. The fund balance increased by \$607,594 during the current fiscal year. As a measure of the fund's liquidity, it may be useful to compare general fund balance to total general fund expenditures. The fund balance represents 15.9 percent of total General Fund expenditures.

**Special Revenue.** The Special Revenue Fund accounts for revenues and expenditures of funds restricted for specific programs, such as grants, and associated student body activities as well as internal funds segregated by the Board for the food service program. Grant revenues are primarily from Federal sources. As of June 30, 2020, fund balance was \$554,229. The fund balance decreased by \$41,246 during the current fiscal year.

**Debt Service Fund.** As of June 30, 2020, the restricted fund balance was \$316,943. The fund balance decreased by \$122,586 from the prior year, as debt service expenditures were higher than property tax revenues collected.

**Pension Obligation Bond Fund.** As of June 30, 2020, the restricted fund balance was \$231,093. The fund balance increased by \$9,647 from the prior year, as debt service expenditures were slightly lower than internal service revenues collected.

**Capital Projects Fund.** The Capital Projects Fund has a restricted fund balance of \$67,438, all of which is dedicated for ongoing capital improvement projects.

**Construction Excise Tax Fund.** The Capital Projects Fund has a restricted fund balance of \$92,736, all of which is dedicated for ongoing capital improvement projects.

**BUDGETARY HIGHLIGHTS**

The budget for the General Fund was adopted by the Board on June 17, 2019. During the year, there were no appropriation transfers done for the 2019-20 budget.

**RIVERDALE SCHOOL DISTRICT 51J**  
**Multnomah County, Oregon**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year ended June 30, 2020**

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets.** The District's investment in capital assets includes land, buildings and improvements, and equipment. As of June 30, 2020, the District had invested \$24,112,052 in capital assets, net of depreciation, as shown in the following table. The total capital assets net of depreciation decreased overall by \$683,838, due to depreciation expense.

RIVERDALE SCHOOL DISTRICT 51J			
CAPITAL ASSETS			
(net of depreciation)			
	Governmental Activities		
	June 30, 2020	June 30, 2019	Increase (Decrease)
Land	\$ 7,521	\$ 7,521	\$ -
Building and improvements	23,975,466	24,634,762	(659,296)
Equipment	129,065	153,607	(24,542)
Total Capital Assets, net of depreciation	<u>\$ 24,112,052</u>	<u>\$ 24,795,890</u>	<u>\$ (683,838)</u>

Additional information regarding the District's capital assets can be found in the notes to the financial statements of this report.

**Long-term Debt.** At the end of the current fiscal year, the District had \$24,975,938 in outstanding debt. This is a decrease of \$346,435 from prior year, as the District is continuing to pay down other outstanding obligations and with the offset of deferred interest.

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

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The most significant economic factor for the District is the financial condition of Oregon's State School Fund (SSF). For the year ended June 30, 2020, the State School Fund – General Support provided about 94 percent of the District's General Fund resources. The Oregon Legislature passed a statewide education budget of \$9.0 billion for the 2019-21 biennium. SSF support payments are made to districts based on that budget. However, the budget is contingent upon a forecast of Oregon's continued economic recovery and the projected tax receipts based associated with that forecast. In March of 2020 Oregon declared a state of emergency due to the Covid-19 global pandemic. Many businesses were shut down and forecasted income tax revenue declined sharply.

**RIVERDALE SCHOOL DISTRICT 51J**  
**Multnomah County, Oregon**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year ended June 30, 2020**

The District immediately put into place cost saving measures to mitigate anticipated reductions to the SSF and other education grants. In August of 2020, the Oregon legislature voted to largely hold the SSF harmless for the 2019-21 biennium by drawing down emergency funds and reducing other education grants. This decision mitigated most of the negative financial impact to the District for fiscal year 2020-21. Because many of the state level emergency and reserve funds were drawn down, there remains concern about the 2021-23 biennium and the long-term impact of income loss related to the Covid-19 pandemic.

Employer rates for the Public Employees Retirement System (PERS) will increase significantly for the 2019-2021 biennium; a result of a decrease in investment earnings and the Oregon Supreme Court's Moro decision which reversed a significant portion of the reductions the 2013 Oregon Legislature made to future Cost of Living Adjustments. The rates beginning July 1, 2019 for the 2019-2021 biennium are 21.18% of salary covered under the plan for Tiers 1 and 2 employees and 15.73% for employees covered under the Oregon Public Services Retirement Plan (OPSRP). Current actuarial projections show slight decreases in the next two biennia. Market performance through the end of 2019 was used to set the 2021-2022 rates and therefore does not include the financial impact of the Covid-19 pandemic. The next rate setting action for the PERS system will be based on market performance through December of 2021 for the 2023-25 biennium. The projected contribution rate for the 2021-23 biennium is 14.67% of salary covered under the plan for Tiers 1 and 2 employees and 11.56% for employees covered under the Oregon Public Services Retirement Plan (OPSRP).

Student membership is expected to remain stable at the grade school and at the high school over the next several years. Reduction in resident and transfer student membership creates financial burden upon the district.

The 2020-21 adopted budget reflects challenging economic times. The budget will focus on restructuring and maintenance of staffing with great anticipation of greater funding with the Oregon's new funding Student Success Act to begin in 2020-21.

The District's Budget Committee and School Board considered all of these factors while preparing the District's budget for the 2020-21 fiscal year.

**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 Business Manager, Riverdale School District #51J, 11733 S Breymann Avenue, Portland, Oregon 97219.

RIVERDALE SCHOOL DISTRICT 51J  
MULTNOMAH COUNTY, OREGON

THE BASIC FINANCIAL STATEMENTS

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**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

**STATEMENT OF NET POSITION**  
**June 30, 2020**

	<b>Governmental Activities</b>
<b>Assets</b>	
Current:	
Cash and Cash Equivalents	\$ 3,122,524
Taxes Receivable	150,801
Accounts Receivable	490,293
Non-Current:	
Capital Assets:	
Non-Depreciable	7,521
Depreciable, Net of Depreciation	24,104,531
Total Assets	27,875,670
<b>Deferred Outflows of Resources</b>	
Deferred Loss on Bond Refunding	466,051
Pension Related Deferrals (PERS)	3,279,068
OPEB Related Deferrals (Health Care)	11,071
Total Assets and Deferred Outflows	31,631,860
<b>Liabilities</b>	
Current Liabilities:	
Accounts Payable	67,945
Accrued Payroll	716,224
Accrued Interest	11,359
Accrued Vacation	2,169
Other Liabilities:	
Unearned Revenue	101,138
Current Portion, Long-term Debt:	
Bonds Payable	1,664,775
Total Current Liabilities	2,563,610
Long-term Debt:	
Deferred Interest on Bonds	7,344,475
OPEB Obligation (Health Insurance)	249,293
Net Pension Liability (PERS)	8,127,518
Premium on Bonds Payable	675,429
Bonds Payable	15,291,259
Total Non-current Long-term Debt	31,687,974
Total Liabilities	34,251,584
<b>Deferred Inflows of Resources</b>	
Pension Related Deferrals (PERS)	737,462
OPEB Related Deferrals (Health Care)	79,607
Total Liabilities and Deferred Inflows of Resources	35,068,653
<b>Net Position</b>	
Net Investment in Capital Assets	1,976,318
Restricted for:	
Student Services	554,229
Debt Service	548,036
Capital Projects	160,174
Unrestricted	(6,675,550)
Total Net Position	\$ (3,436,793)

See accompanying notes to the basic financial statements.

**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

**STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2020**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense)</u> <u>Revenue and</u> <u>Changes in</u> <u>Net Position</u>
		<u>Charges for</u> <u>Services</u>	<u>Operating</u> <u>Grants and</u> <u>Contributions</u>	<u>Governmental</u> <u>Activities</u>
Instruction	\$ 7,783,220	\$ 961,748	\$ 2,041,586	\$ (4,779,886)
Support Services	4,202,582	2,737	132,000	(4,067,845)
Community Services	5,690	151	179	(5,360)
Facilities Acquisition and Construction	6,901	-	-	(6,901)
Interest on long-term debt	<u>1,983,727</u>	<u>-</u>	<u>-</u>	<u>(1,983,727)</u>
Total Governmental Activities	<u>\$ 13,982,120</u>	<u>\$ 964,636</u>	<u>\$ 2,173,765</u>	<u>(10,843,719)</u>
General Revenues:				
Property Taxes - General				3,647,512
Property Taxes - Debt Service				1,625,306
Local Revenue				644,716
County Revenue				689
State Sources				3,505,920
Earnings on Investments				95,129
Miscellaneous				<u>(4,050)</u>
Total General Revenues				<u>9,515,222</u>
		Change in Net Position		(1,328,497)
		Net Position - Beginning		<u>(2,108,296)</u>
		Net Position - Ending		<u>\$ (3,436,793)</u>

See accompanying notes to the basic financial statements.

**RIVERDALE SCHOOL DISTRICT 51J  
MULTNOMAH COUNTY, OREGON**

**BALANCE SHEET - GOVERNMENTAL FUNDS  
June 30, 2020**

	GENERAL	SPECIAL REVENUE	DEBT SERVICE	PENSION OBLIGATION BOND	CAPITAL PROJECTS	CONSTRUCTION EXCISE TAX	TOTALS
<b>ASSETS:</b>							
Cash and Investments	\$ 2,131,769	\$ 286,434	\$ 311,454	232,693	\$ 67,438	92,736	\$ 3,122,524
Receivables:							
Taxes	102,579	-	48,222	-	-	-	150,801
Accounts	200,656	289,582	55	-	-	-	490,293
Total Assets	<u>\$ 2,435,004</u>	<u>\$ 576,016</u>	<u>\$ 359,731</u>	<u>\$ 232,693</u>	<u>\$ 67,438</u>	<u>\$ 92,736</u>	<u>\$ 3,763,618</u>
<b>LIABILITIES:</b>							
Accounts Payable	\$ 60,157	\$ 6,188	\$ -	1,600	\$ -	-	\$ 67,945
Payroll Liabilities	716,224	-	-	-	-	-	716,224
Unearned Revenue	85,539	15,599	-	-	-	-	101,138
Total Liabilities	<u>861,920</u>	<u>21,787</u>	<u>-</u>	<u>1,600</u>	<u>-</u>	<u>-</u>	<u>885,307</u>
<b>DEFERRED INFLOW OF RESOURCES:</b>							
Unavailable Property Taxes Revenue	91,012	-	42,788	-	-	-	133,800
Total Deferred Inflow of Resources	<u>91,012</u>	<u>-</u>	<u>42,788</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>133,800</u>
<b>FUND BALANCE:</b>							
Restricted for:							
Student Services	-	554,229	-	-	-	-	554,229
Debt Service	-	-	316,943	231,093	-	-	548,036
Capital Projects	-	-	-	-	67,438	92,736	160,174
Unassigned	1,482,072	-	-	-	-	-	1,482,072
Total Fund Balance	<u>1,482,072</u>	<u>554,229</u>	<u>316,943</u>	<u>231,093</u>	<u>67,438</u>	<u>92,736</u>	<u>2,744,511</u>
Total Liabilities, Deferred Inflow of Resources, and Fund Balance	<u>\$ 2,435,004</u>	<u>\$ 576,016</u>	<u>\$ 359,731</u>	<u>\$ 232,693</u>	<u>\$ 67,438</u>	<u>\$ 92,736</u>	<u>\$ 3,763,618</u>

See accompanying notes to the basic financial statements.



**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**  
**RECONCILIATION TO GOVERNMENTAL FUNDS**  
**BALANCE SHEET TO STATEMENT OF NET POSITION**

June 30, 2020

<b>Total Fund Balances</b>	<b>\$ 2,744,511</b>
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Amounts reported for governmental activities in the Statement of Net Position are different because:

The net PERS pension asset (liability) is the difference between the total pension liability and the assets set aside to pay benefits earned to past and current employees and beneficiaries.	(8,127,518)
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Deferred inflows and outflows of resources related to the pension plan include differences between expected and actual experience, changes of assumptions, differences between projects and actual earning, and contributions subsequent to the measurement date.

Pension Related Deferred Outflows (PERS)	3,279,068
Pension Related Deferred Inflows (PERS)	(737,462)

The net OPEB asset (liability) for Health Care is the difference between the total OPEB liability and the assets set aside to pay benefits earned to past and current employees and beneficiaries.	(249,293)
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Deferred inflows and outflows of resources related to the OPEB plan include differences between expected and actual experience, changes of assumptions, differences between projects and actual earning, and contributions subsequent to the measurement date.

OPEB Related Deferred Outflows (Health Care)	11,071
OPEB Related Deferred Inflows (Health Care)	(79,607)

Deferred outflows of resources related to the book loss on refunding of GO Bonds are reflected on the government-wide financial statements and amortized over the life of the new bonds.	466,051
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Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds.

Non-Depreciable Capital Assets	\$ 7,521		
Depreciable Capital Assets	33,407,212		
Accumulated Depreciation	<u>(9,302,681)</u>		24,112,052

Delinquent property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.	133,800
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Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	(11,359)
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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 Compensated Absences	\$ (2,169)		
Bonds Payable	(16,956,034)		
Premium on Bonds Payable	(675,429)		
Deferred Interest on Bonds Payable	<u>(7,344,475)</u>		<u>(24,978,107)</u>

<b>Total Net Position</b>	<b>\$ <u>(3,436,793)</u></b>
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See accompanying notes to the basic financial statements.

**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

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

For the Year Ended June 30, 2020

	GENERAL	SPECIAL REVENUE	DEBT SERVICE	PENSION OBLIGATION BOND	CAPITAL PROJECTS	CONSTRUCTION EXCISE TAX	TOTAL
REVENUES:							
From Local Sources	\$ 6,213,288	\$ 389,801	\$ 1,648,735	465,552	\$ 2,412	10,060	\$ 8,729,848
From Intermediate Sources	61,418	-	-	-	-	-	61,418
From State Sources	3,550,356	119,634	-	-	-	-	3,669,990
From Federal Sources	84,473	128,099	-	-	-	-	212,572
Total Revenues	9,909,535	637,534	1,648,735	465,552	2,412	10,060	12,673,828
EXPENDITURES:							
Current:							
Instruction	5,925,693	559,068	-	-	-	-	6,484,761
Support Services	3,361,151	130,068	-	-	-	10,807	3,502,026
Enterprise and Community Services	-	4,741	-	-	-	-	4,741
Capital Outlay	-	-	-	-	6,901	-	6,901
Debt Service	-	-	1,771,321	455,905	-	-	2,227,226
Total Expenditures	9,286,844	693,877	1,771,321	455,905	6,901	10,807	12,225,655
Excess of Revenues Over, (Under) Expenditures	622,691	(56,343)	(122,586)	9,647	(4,489)	(747)	448,173
Other Financing Sources:							
Transfers In	-	15,097	-	-	-	-	15,097
Transfers Out	(15,097)	-	-	-	-	-	(15,097)
Total Other Financing Sources (Uses)	(15,097)	15,097	-	-	-	-	-
Net Change in Fund Balance	607,594	(41,246)	(122,586)	9,647	(4,489)	(747)	448,173
Beginning Fund Balance	874,478	595,475	439,529	221,446	71,927	93,483	2,296,338
Ending Fund Balance	\$ 1,482,072	\$ 554,229	\$ 316,943	231,093	\$ 67,438	92,736	\$ 2,744,511

See accompanying notes to the basic financial statements.

**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

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

**For the Year Ended June 30, 2020**

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<b>Net Change in Fund Balance</b>	<b>\$ 448,173</b>
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Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Depreciation expense	(679,788)	
Capital asset deletions	<u>(4,050)</u>	(683,838)

The pension expense represents the changes in net pension liability from year to year due to changes in total pension liability and the fair value of pension plan net position available to pay pension benefits. (PERS)		(1,305,052)
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The OPEB expense represents the changes in net OPEB liability from year to year due to changes in total OPEB liability and the fair value of OPEB plan net position available to pay OPEB benefits. (Health Insurance)		(25,235)
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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 proceeds exceeded repayments:

Principal repaid (net)		1,049,407
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Governmental funds report the effect of, premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

Amortization of Premiums, GO Bonds		128,503
Defeasance of Debt, GO Bonds		(116,513)

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

Accretion of Deferred Interest on Bonds Payable		(829,475)
Other Accrued Interest on Long-Term Debt		23,567

Accrued Vacation, OPEB Obligation & Pension Obligation are recognized as expenditures in the governmental funds when they are paid. In the Statement of Activities these liabilities are recognized as expenditures when earned. In the current year, changes in these liabilities are as follows:

Accrued Vacation		(1,879)
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Because some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered as "available" revenues in the governmental funds, and are instead recorded as deferred inflows of resources. They are, however, recorded as revenues in the Statement of Activities.

		<u>(16,155)</u>
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<b>Change in Net Position</b>	<b>\$ <u>(1,328,497)</u></b>
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See accompanying notes to the basic financial statements.

RIVERDALE SCHOOL DISTRICT 51J  
MULTNOMAH COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

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**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Basic Financial Statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies are described below.

**A. THE FINANCIAL REPORTING ENTITY**

The Riverdale School District 51J (the District) was established in 1888 with the Riverdale Grade School in the Dunthorpe neighborhood. Riverdale High School was added to the District starting with the 1996-1997 school year and its location is just two miles from the Grade School. The Riverdale Grade School building was replaced in 2009. The District Offices are located at the Grade School. The board is composed of five elected members who serve four-year terms. The Board supervises a Superintendent who is the chief administrative officer and executes the Board's policies and programs.

The District is independent and is not included as a part of any other financial reporting entity. Accounting principles generally accepted in the United States of America require that these basic financial statements present the District and all component units, if any. Component units, as established by the Governmental Accounting Standards Board (GASB) Statement 61, 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 various governmental agencies that provide service within the District's boundaries, however the District is not financially accountable for any of these entities, and therefore, none of them are considered component units or included in these basic financial statements.

**B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION**

**Government Wide Financial Statements (GWFS)**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) display information about the District as a whole.

The government-wide basic financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with GASB Statement No. 33 "Accounting and Financial Reporting for Non-exchange Transactions." Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

All direct expenses are reported by function in the Statement of Activities. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Program revenues derive directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole. Program revenues reduce the cost of the function to be financed from the general revenues and include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

---

**B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (CONTINUED)**

**Government Wide Financial Statements (GWFS) - continued**

In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities.

**Fund Financial Statements**

The accounts are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

**Governmental Fund Types**

Governmental funds are used to account for general governmental activities. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, interfund transactions, and certain compensated absences which are recognized as expenditures because they will be liquidated with expendable financial resources.

Revenues susceptible to accrual are interest, state, county and local shared revenue and federal and state grants. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The following major governmental funds are reported:

**General Fund**

This is the primary operating fund and accounts for all revenues and expenditures except those required to be accounted for in another fund. The principal revenue sources are property taxes, state school fund grant, tuition, and the Riverdale School District Foundation Contribution.

**Special Revenue Funds**

These funds account for revenue sources that are legally restricted to expenditures for specific purposes such as classroom supplies and equipment, capital improvements and to supplement existing resources. The student body funds for the high school and grade school, for the purpose of supporting school activities, are a part of the special revenue funds.

**Debt Service Fund**

This fund provides for the payment of principal and interest on general obligation bonded debt. The principal revenue source is property taxes. This fund also provides for the principal and interest payments of the debt associated with paying down the PERS unfunded actuarial liability and the principal sources of revenue come from the state apportionment.

**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

---

**B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (CONTINUED)**

**Governmental Fund Types - continued**

**Capital Projects Fund**

This fund accounts for activities related to the acquisition, construction, equipping, and furnishing of facilities. Principal revenue sources are proceeds from the sale of bonds received in prior years and interest earnings.

**Pension Obligation Bond Fund**

This fund accounts for the payment of principal and interest of the PERS pension obligation bonds. The principal source of revenue is property taxes.

**Construction Excise Tax Fund**

This fund accounts for revenues and expenditures related to the construction excise tax (CET) imposed on improvements to real property that result in a new structure or additional square footage in an existing structure.

**Use of Estimates**

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

**Cash and Cash Equivalents**

The cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

**Fair Value Inputs and Methodologies and Hierarchy**

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

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

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

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



**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (CONTINUED)**

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

**Property Taxes**

Ad valorem property taxes are levied and become a lien on all taxable property as of July 1. Property taxes are payable on November 15. Collection dates are November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

Uncollected property taxes are shown in the balance sheet. Uncollected taxes are deemed by management to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established.

**Grants**

Unreimbursed grant expenditures due from grantor agencies are recorded as receivables and revenues. Cash received from grantor agencies in excess of related grant expenditures that is to be carried over to the next fiscal year is recorded as a liability, unearned revenue.

**Supply Inventories**

All supply inventories are valued at cost (first-in, first-out method). Inventories of governmental funds are recorded as expenditures when purchased. A portion of the inventory consists of donated United States Department of Agriculture (USDA) commodities. Commodities are recorded as expenditures when consumed and are stated at their fair market value based on guidelines provided by the USDA. Management believes there were no material inventories on hand at year end.

**Capital Assets**

Capital assets, which include land, buildings and improvements, and equipment, are reported in the government wide financial statements. Capital assets are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Interest incurred during construction is not capitalized. Capital assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at their estimated fair market value on the date donated. 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
Vehicles and Equipment	5 to 30 years

**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (CONTINUED)**

**Long Term Obligations**

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the governmental activities. Bond premiums and discounts, are deferred and amortized over the life of the bonds using the bonds outstanding method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

**Retirement Plans**

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

**Other Post Employment Benefits (Health Insurance and Stipends)**

The District pays a monthly stipend and the group medical, dental and vision insurance premiums for retirees who qualified for the previous post retirement plan, plus one of their dependents, if applicable. The last eligible retiree under the old plan enrolled on June 30, 2014, and only one participant remains in the OPEB Stipend plan as of June 30, 2020. The remaining liability for the OPEB Stipend is not considered to be material to the basic financial statements as of June 30, 2020. The District does not pay for any explicit retiree OPEB under GASB 75. However, an OPEB liability and deferrals for the implicit employer subsidy for Health Insurance is reported on the government wide statements. See Note 10 for more information.

**Vested Compensated Absences**

Policy is to permit employees to accumulate up to 40 hours of earned but unused vacation pay benefits. There is no liability for unpaid accumulated sick leave since there is no policy to pay any amounts when employees separate from service. All vacation pay is accrued in the government wide statements.

**Net Position**

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

Net Investment in Capital Assets – consists of all capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

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

**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (CONTINUED)**

**Net Position - continued**

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

**Deferred Outflow/Inflow of Resources**

In addition to assets, the basic financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense / expenditure) until then. At June 30, 2020 there were deferred outflows representing deferred book loss on the issue of refunding bonds, PERS pension related deferrals and OPEB health insurance related deferrals reported in the Statement of Net Position.

In addition to liabilities, the basic financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. At June 30, 2020 there were deferred inflows reported in the governmental funds balance sheet representing unavailable revenue from property tax. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. At June 30, 2020, there were also deferred inflows reported in the Statement of Net Position representing PERS pension related deferrals and OPEB health insurance related deferrals.

**Fund Balance**

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions* is followed. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund-type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. Under this standard, the five fund balance classifications are nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable fund balance represents amounts that are not in a spendable form.
- Restricted fund balance represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).
- Committed fund balance represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution.
- Assigned fund balance represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body. The authority to classify portions of ending fund balance according to the categories above is delegated to the Superintendent.
- Unassigned fund balance is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

**RIVERDALE SCHOOL DISTRICT 51J**  
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**NOTES TO BASIC FINANCIAL STATEMENTS**

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**B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (CONTINUED)**

**Fund Balance - continued**

There are no nonspendable, committed, or assigned fund balances at June 30, 2020.

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

**2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Budgetary Information**

A budget is prepared and legally adopted for each governmental fund type on the modified accrual basis of accounting in the main program categories required by Oregon Local Budget Law. The budgets for all budgeted funds are adopted on a basis consistent with generally accepted accounting principles except the property taxes received after year-end are not considered budgetary resources in the funds, inventory is expensed when purchased, capital outlay is reported as an expenditure rather than capitalized, depreciation and amortization are not recorded, and debt including OPEB, vacation, and pension obligations are recorded as an expenditure when paid instead of when incurred.

The budgeting process begins by appointing Budget Committee members in early fall. Budget recommendations are developed by management through spring, with the Budget Committee meeting and approving the budget document in late spring. Public notices of the budget hearing are generally published in May or June, and the hearing is held in June. The budget is adopted, appropriations are made and the tax levy is declared no later than June 30. Expenditure budgets are appropriated at the major function level (instruction, support services, community services, debt service, contingency, and transfers) for each fund. Expenditure appropriations may not legally be over expended, except in the case of grant receipts which could not be reasonably estimated at the time the budget was adopted.

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 the fund's original budget may be adopted by the Board of Directors at a regular meeting. A supplemental budget greater than 10% of the 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). Such transfers require approval by the Board.

Budget amounts shown in the basic financial statements include the original budget amounts and appropriation adjustments approved by the Board. Appropriations lapse at the end of each fiscal year.

Expenditures of the various funds were within authorized appropriations except for the Debt Service fund, in which Interest was over expended by \$102,487.

**RIVERDALE SCHOOL DISTRICT 51J**  
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**NOTES TO BASIC FINANCIAL STATEMENTS**

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**3. CASH AND INVESTMENTS**

Cash and Investments at June 30, 2020 consisted of:

Cash	\$ 253,039
Investments	2,869,485
Total Cash & Investments	<u>\$ 3,122,524</u>

**Deposits**

Deposits with financial institutions include bank demand deposits. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury. The total bank balance per the bank statements as of June 30, 2020 was \$318,100 of which \$250,000 was covered by federal depository insurance and the remainder was collateralized by the Oregon Public Funds Collateralization Program.

**Credit Risk – Deposits**

In the case of deposits, this is the risk that in the event of a bank failure, the deposits may not be returned. There is no deposit policy for custodial credit risk. As of June 30, 2020, none of the bank balances were exposed to custodial credit risk.

**Investments**

State statutes governing cash management are followed. Statutes authorize investing in banker's acceptances, time certificates of deposit, repurchase agreements, obligations of the United States and its agencies and instrumentalities, and the Oregon State Treasurer's Local Government Investment Pool.

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

[http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-\(OSTF\).aspx](http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-(OSTF).aspx)

If the link has expired please contact the Oregon Short Term Fund directly.

**RIVERDALE SCHOOL DISTRICT 51J**  
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**NOTES TO BASIC FINANCIAL STATEMENTS**

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**3. CASH AND INVESTMENTS (CONTINUED)**

There were the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in months)</u>		
		<u>Less than 3</u>	<u>3-17</u>	<u>18-59</u>
State Treasurers Investment Pool	\$ 2,869,485	\$ 2,869,485	\$ -	\$ -
Total	\$ 2,869,485	\$ 2,869,485	\$ -	\$ -

**Interest Rate Risk - Investments**

Oregon Revised Statutes require investments to not exceed a maturity of 18 months, except when the local government has adopted a written investment policy that was submitted to and reviewed by the OSTFB. There are no investments that have a maturity date beyond three months.

**Credit Risk – Investments**

Oregon Revised Statutes do not limit investments as to credit rating for securities purchased from US Government Agencies or USGSE. The State Investment Pool is not rated.

**Concentration of Credit Risk**

At June 30, 2020, 100% of total investments were in the State Treasurer's Investment Pool. State statutes do not limit the percentage of investments in this instrument.

**4. RECEIVABLES**

Receivables at June 30, 2020 consist of amounts due from individuals and from other governments.

All receivables are current. Management believes they are fully collectible so no provision for doubtful accounts has been made.

**RIVERDALE SCHOOL DISTRICT 51J**  
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**NOTES TO BASIC FINANCIAL STATEMENTS**

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**5. CAPITAL ASSETS**

The changes in capital assets for the fiscal year ended June 30, 2020, are as follows:

	Governmental Capital Assets 7/1/2019	Additions	Deletions	Governmental Capital Assets 6/30/2020
Capital assets not being depreciated:				
Land & Land Improvements	\$ 7,521	\$ -	\$ -	\$ 7,521
Capital assets being depreciated:				
Buildings & Improvements	33,069,916	-	-	33,069,916
Vehicles and Equipment	<u>350,796</u>	<u>-</u>	<u>(13,500)</u>	<u>337,296</u>
Total	<u>33,428,233</u>	<u>-</u>	<u>(13,500)</u>	<u>33,414,733</u>
Accumulated Depreciation:				
Buildings and Improvements	8,435,154	659,296	-	9,094,450
Vehicles and Equipments	<u>197,189</u>	<u>20,492</u>	<u>(9,450)</u>	<u>208,231</u>
Total	<u>8,632,343</u>	<u>679,788</u>	<u>(9,450)</u>	<u>9,302,681</u>
Capital Assets, Net	<u>\$ 24,795,890</u>			<u>\$ 24,112,052</u>

Depreciation was allocated to the functions as follows:

Instruction	\$ 441,224
Support	238,241
Community Services	<u>323</u>
Total Depreciation Expense	<u>\$ 679,788</u>

**RIVERDALE SCHOOL DISTRICT 51J**  
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**NOTES TO BASIC FINANCIAL STATEMENTS**

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**6. OPERATING LEASE**

In June 2019, a copier lease agreement was entered into effective from July 2019 through June 2024 with monthly payments of \$1,310. The expenses for this lease during the fiscal year ending June 30, 2020 were \$16,197. Future lease payments are as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2021	15,720
2022	15,720
2023	15,720
2024	<u>15,720</u>
Total	<u>\$ 62,880</u>

**7. GROUND LEASE**

A Ground Lease with Portland School District 1J (Portland) was entered into on February 9, 2001, and was amended on June 29, 2001, for the Collins View School Site, at a cost of \$10,000 per month. The Ground Lease provides for an initial lease term of twenty years, commencing July 1, 2001 and going through June 30, 2021, with three options to extend for ten years each. Each option to extend may only be exercised within the last two years of an extension period. Should the Ground Lease remain in effect for the initial term as well as all three term extensions, the District has an option to acquire the Collins View Site at its current fair market value.

In addition to the terms mentioned in the preceding paragraph the Ground Lease will increase by 2 percent each year. Every five years the minimum rent shall be adjusted to reflect any change in the fair market rental value of the premises. Although the Ground Lease is located outside the District's boundaries, the 1996 bond measure gave the District legal authority to locate a high school outside the Districts' boundaries. The Ground Lease was within the Riverdale Board's reasonable discretion, and the May 2001 Voter Approval was in all respects regular, effective and valid. If the district terminates the lease, all improvements shall become the sole property of Portland, and Portland shall pay the District an amount equal to 75% of the fair market value of the improvements as of the date the lease terminates. The lease costs for the year were \$171,396 or \$14,283 per month.

Future lease payments are as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2021	<u>174,819</u>
Total	<u>\$ 174,819</u>



**RIVERDALE SCHOOL DISTRICT 51J**  
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**NOTES TO BASIC FINANCIAL STATEMENTS**

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**8. DEFINED BENEFIT PENSION PLAN**

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

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2019-CAFR.pdf>

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

- a. **PERS Pension (Chapter 238).** The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
  - i. **Pension Benefits.** The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results. A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.
  - ii. **Death Benefits.** Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following contributions are met:
    - member was employed by PERS employer at the time of death,
    - member died within 120 days after termination of PERS covered employment,
    - member died as a result of injury sustained while employed in a PERS-covered job, or
    - member was on an official leave of absence from a PERS-covered job at the time of death.
  - iii. **Disability Benefits.** A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
  - iv. **Benefit Changes After Retirement.** Members may choose to continue participation in their variable account after retiring and may experience annual benefit fluctuations due to changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.

**RIVERDALE SCHOOL DISTRICT 51J**  
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**NOTES TO BASIC FINANCIAL STATEMENTS**

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**8. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

- b. **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.
- i. **Pension Benefits.** This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:  
*Police and fire:* 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.  
*General service:* 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.  
A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.
- ii. **Death Benefits.** Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member. The surviving spouse may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.
- iii. **Disability Benefits.** A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

**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 \$1,299,101, excluding amounts to fund employer specific liabilities. In addition, approximately \$235,518 in employee contributions were paid or picked up by the District in 2019-2020.

**Pension Asset or Liability** – At June 30, 2020, the District reported a net pension liability of \$8,127,518 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 dated 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. As of the measurement dates of June 30, 2019 and 2018, the District's proportion was .047 percent and .048 percent, respectively. Pension expense for the year ended June 30, 2020 was \$1,305,052.

The rates in effect for the year ended June 30, 2020 were:

- (1) Tier 1/Tier 2 – 21.18%
- (2) OPSRP general services – 15.73%

**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**8. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 448,209	\$ -
Changes in assumptions	1,102,591	-
Net difference between projected and actual earnings on pension plan investments	-	(230,407)
Net changes in proportionate share	428,226	(99,984)
Differences between District contributions and proportionate share of contributions	941	(407,071)
Subtotal - Amortized Deferrals (below)	1,979,967	(737,462)
District contributions subsequent to measuring date	1,299,101	N/A
Deferred outflow (inflow) of resources	\$ 3,279,068	\$ (737,462)

The amount of contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the fiscal year ended June 30, 2021.

Subtotal amounts related to pension as deferred outflows of resources, \$1,979,967, and deferred inflows of resources, (\$737,462), net to \$1,242,505 and will be recognized in pension expense as follows:

Year ending June 30,	Amount
2021	\$ 829,909
2022	89,828
2023	200,549
2024	123,198
2025	(980)
Thereafter	-
Total	\$ 1,242,505

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated March 4, 2020. Oregon PERS produces an independently audited CAFR which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2019-CAFR.pdf>

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

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**NOTES TO BASIC FINANCIAL STATEMENTS**

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**8. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

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

**Actuarial Methods and Assumptions:**

Valuation date	December 31, 2017 rolled forward to June 30, 2019
Experience Study Report	2016, Published July 26, 2017
Actuarial cost method	Entry Age Normal
Amortization method	Amortized as a level percentage of payroll as layered amortization bases over a closed period; Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years
Asset valuation method	Market value of assets
Inflation rate	2.50 percent
Investment rate of return	7.20 percent
Discount rate	7.20 percent
Projected salary increase	3.50 percent
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision, blend based on service
Mortality	Healthy retirees and beneficiaries: RP-2014 Health annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Active members: RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Disabled retirees: RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.

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

**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**8. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Assumed Asset Allocation:**

<b>Asset Class/Strategy</b>	<b>Low Range</b>	<b>High Range</b>	<b>OIC Target</b>
Debt Securities	15.0%	25.0%	20.0%
Public Equity	32.5%	42.5%	37.5%
Real Estate	9.5%	15.5%	12.5%
Private Equity	14.0%	21.0%	17.5%
Alternative Investments	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; p. 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.

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

(Source: June 30, 2019 PERS CAFR; p. 74)

**RIVERDALE SCHOOL DISTRICT 51J**  
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**NOTES TO BASIC FINANCIAL STATEMENTS**

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**8. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Discount Rate** – The discount rate used to measure the total pension liability as of the measurement dates of June 30, 2019 and 2018 was 7.20 percent for both years, for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

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

	<u>1% Decrease (6.20%)</u>	<u>Discount Rate (7.20%)</u>	<u>1% Increase (8.20%)</u>
District's proportionate share of the net pension liability	\$ 13,015,500	\$ 8,127,518	\$ 4,036,952

**Changes Subsequent to the Measurement Date**

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

There are no changes subsequent to the June 30, 2019 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

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

*Plan Description:*

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

**RIVERDALE SCHOOL DISTRICT 51J**  
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**NOTES TO BASIC FINANCIAL STATEMENTS**

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**8. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

*Pension Benefits:*

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

*Death Benefits:*

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

*Contributions:*

Employees of the District pay six (6) percent of their covered payroll. The District did not make any optional contributions to member IAP accounts for the year ended June 30, 2020.

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

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

**9. OTHER POST-EMPLOYMENT BENEFIT PLAN – (RHIA)**

**Plan Description:**

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

**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**9. OTHER POST-EMPLOYMENT BENEFIT PLAN – (RHIA) (CONTINUED)**

**Funding Policy:**

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

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the District currently contributes 0.06% of annual covered OPERF payroll and 0.00% of OPSRP payroll under a contractual requirement in effect until June 30, 2021. Consistent with GASB Statement 75, the OPERS Board of Trustees sets the employer contribution rates as a measure of the proportionate relationship of the employer to all employers consistent with the manner in which contributions to the OPEB plan are determined. The basis for the employer's portion is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the plan with the total actual contributions made in the fiscal year of all employers. The District's contributions to RHIA for the year ended June 30, 2020 were not considered material to the basic financial statements by management.

At June 30, 2020, the District's net OPEB liability/(asset) and deferred inflows and outflows for RHIA were not considered material to the basic financial statements by management and were not accrued in the government wide statements.

**10. OTHER POST EMPLOYMENT BENEFITS – HEALTH INSURANCE**

**Post-Employment Health Care Benefits**

**Plan Description:**

The District maintains a single employer retiree benefit plan that provides post-employment health, dental, vision and life insurance benefits to eligible employees and their spouses. There are active and retired members in the plan. Benefits and eligibility for members are established through the collective bargaining agreements. The plan does not issue separate basic financial statements.

The District's post-retirement healthcare plan was established in accordance with Oregon Revised Statutes (ORS) 243.303. ORS stipulated that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees. The difference between retiree claims cost, which because of the effect of age is generally higher in comparison to all plan members, and the amount of retiree healthcare premiums represents the District's implicit employer contribution.

The District reports Other Postemployment Benefits under GASB Statement No. 75. This allows the District to report its liability for other post-employment benefits consistent with established generally accepted accounting principles and to reflect an actuarially determined liability for the present value of projected future benefits for retired and active employees on the basic financial statements.



**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**10. OTHER POST EMPLOYMENT BENEFITS – HEALTH INSURANCE (CONTINUED)**

Annual OPEB Cost and Total OPEB Liability – The annual other postemployment benefit (OPEB) cost is calculated based on the Total OPEB Liability, an amount actuarially determined in accordance with the parameters of GASB Statement No. 75. For detailed information and a table showing the components of the District's annual OPEB costs and liabilities, see page 32.

**Total Other Post Employment Benefit Liability**

The District's total pension liability and total other post-employment benefits were measured as of June 30, 2019 and determined by an actuarial valuation as of July 1, 2019.

Actuarial Methods and Assumptions - The total other post-employment benefit liability in the July 1, 2019 actuarial valuation was calculated based on the discount rate and actuarial assumptions below, and was then projected forward/backward to the measurement date. Discount Rate 3.50%, Inflation 2.50%, Salary Increases 3.5%, and Actuarial Cost Method is Entry Age Normal Level Percent of Pay. The annual premium increase was assumed to fluctuate between 5% to 6.6% until 2038 in accordance with the Society of Actuaries – Getzen Long Term Healthcare Trends Resource Model, updated 2017. Mortality rates are based on RP 2014, Employee/Healthy Annuitant, sex distinct, generational. Turnover, Disability and Retirement rate assumptions are based off the valuation of benefits under Oregon PERS.

**Changes in the Net Other Post-Employment Benefit Liability**

Total OPEB Liability at June 30, 2019	\$	297,316
Changes for the year:		
Service Cost		35,621
Interest		12,490
Changes of Assumption or other input		(75,568)
Differences between expected and actual experience		
Benefits Payments		(20,566)
Total OPEB Liability at June 30, 2020	\$	<u>249,293</u>

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

The following presents the Total OPEB Liability of the plan, calculated using the discount rate as of the measurement date, as well as what the Plan's Total OPEB Liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate. A similar sensitivity analysis is then presented for changes in the healthcare cost trend assumption:

	1% Decrease 2.50 %	Current Discount Rate 3.50%	1% Increase 4.50%
Total OPEB Liability	\$ 267,923	\$ 249,293	\$ 231,773
	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability	\$ 219,699	\$ 249,293	\$ 270,407

**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**10. OTHER POST EMPLOYMENT BENEFITS – HEALTH INSURANCE (CONTINUED)**

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB Benefits:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ (55,966)	\$ -
Changes in assumptions	(23,641)	-
Subtotal - Amortized Deferrals (below)	(79,607)	-
Benefit Payments	-	11,071
Deferred outflow (inflow) of resources	<u>\$ (79,607)</u>	<u>\$ 11,071</u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB liability in the fiscal year ended June 30, 2021.

Subtotal amounts related to OPEB as deferred outflows of resources, \$0, and deferred inflows of resources (\$79,607), will be recognized in pension expense as follows:

<u>Year ended June 30,</u>	<u>Amount</u>
2021	(11,805)
2022	(11,805)
2023	(11,805)
2024	(11,805)
2025	(11,805)
Thereafter	(20,582)
Total	<u>\$ (79,607)</u>

As of the July 1, 2019 valuation date, the following employees were covered by the benefit terms:

<b>Number of Members</b>	
Active	71
Retired	<u>1</u>
Total	72

**11. LONG-TERM OBLIGATIONS**

**General Obligation Bonds**

General Obligation bonds were issued to provide funds for the acquisition and construction of major capital facilities. On February 26, 2009, the District issued \$21,496,278 of Series 2009 General Obligation bonds to finance facility acquisition and construction. A portion of the funds received from the issuance were used to extinguish the \$1,500,000 of outstanding Series 2002 Full Faith & Credit bonds. Payment of principal and interest on the general obligation bonds are payable from the General Obligation Bonds Fund.

**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**11. LONG-TERM OBLIGATIONS (CONTINUED)**

**Pension Obligation Bonds**

On April 21, 2003, the District issued \$4,387,738 of limited tax pension obligation bonds to finance its unfunded actuarially accrued liability (UAL) with the State of Oregon Public Employees Retirement System (PERS). The issuance of the bonds was considered an advance refunding of the UAL. The actual savings realized over the life of the bonds is uncertain because of the various legislative changes and legal issues pending with the PERS system which could impact future required contribution rate. The debt service payments were charged to debt service in the Pension Obligation Bonds Fund. In the event of default, the principal and interest amount plus any other amounts owing, shall be due and payable from any general obligation bonds that allow the use of a portion of the proceeds to repay the note.

**Advance Refunding Bonds**

On April 28, 2015, \$6,910,000 in Series 2015 General Obligation Refunding Bonds were issued to provide resources for future debt service payments of \$6,910,000 for the Series 2009 A General Obligation Bonds. As a result, the refunded bonds were redeemed and the liability has been removed from the statement of net position. This advance refunding was undertaken to result in an economic gain of \$313,833. There are no significant default or termination clauses on any of the district's bonds.

**Deferred Interest**

As some bonds outstanding will not mature until 2020 and later, deferred interest accrues each year and is recorded as a liability in the Statement of Net Position. The balance of deferred interest is \$7,344,474 as of June 30, 2020. All bonds currently outstanding will mature by 2034.

Changes in long-term obligations outstanding are as follows:

	Interest Rates	Outstanding 7/1/2019	Debt Issued	Debt Increased	Matured and Redeemed	Outstanding 6/30/2020	Due in One Year
Pension Bond 2003	1.15-6.3%	\$ 2,494,163	\$ -	\$ -	\$ 120,010	\$ 2,374,153	\$ 119,775
GO Bonds 2009 A&B	2.5-5.77%	8,601,278	-	-	929,397	7,671,881	-
GO Bonds 2015 Refunding	4%	6,910,000	-	-	-	6,910,000	1,545,000
Total		18,005,441	-	-	1,049,407	16,956,034	1,664,775
Premium on Bonds Payable		803,932	-	-	128,503	675,429	
Deferred Interest		6,515,000	-	829,475	-	7,344,475	
Total		<u>\$25,324,373</u>	<u>\$ -</u>	<u>\$ 829,475</u>	<u>\$ 1,177,910</u>	<u>\$24,975,938</u>	

**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**11. LONG-TERM OBLIGATIONS (CONTINUED)**

Future maturities of long-term obligations are payable as follows:

2020 Year Ended 30-Jun	PENSION BOND		GO BONDS 2009 A&B	
	Principal	Interest	Principal	Interest
2021	119,775	359,678	-	-
2022	117,949	381,504	-	-
2023	116,429	403,023	-	-
2024	405,000	114,452	-	-
2025	430,000	91,732	911,555	1,183,445
2026-30	1,185,000	122,972	4,034,597	7,405,404
2031-34	-	-	2,725,729	7,729,270
<b>TOTALS</b>	<b>\$ 2,374,153</b>	<b>\$ 1,473,361</b>	<b>\$ 7,671,881</b>	<b>\$ 16,318,119</b>

Year	GO REFUNDING BOND 2015		TOTAL	
	Principal	Interest	Principal	Interest
2021	1,545,000	276,400	1,664,775	636,078
2022	1,660,000	214,600	1,777,949	596,104
2023	1,790,000	148,200	1,906,429	551,223
2024	1,915,000	76,600	2,320,000	191,052
2025	-	-	1,341,555	1,275,177
2026-30	-	-	5,219,597	7,528,376
2031-34	-	-	2,725,729	7,729,270
<b>TOTALS</b>	<b>\$ 6,910,000</b>	<b>\$ 715,800</b>	<b>\$ 16,956,034</b>	<b>\$ 18,507,280</b>

**12. PROPERTY TAX LIMITATION**

The voters of the State of Oregon imposed a constitutional limit on property taxes for schools and non-school government operations. School operations include community colleges, local school districts, and education service districts. The limitation provides that property taxes for school operations are limited to \$5.00 for each \$1,000 of property market value. This limitation does not apply to taxes levied for principal and interest on general obligation bonded debt. The result of this requirement has been that school districts have become more dependent upon state funding and less dependent upon property tax revenues as their major source of operating revenue.

The state voters further reduced property taxes by replacing the previous constitutional limits on tax bases with a rate and value limit in 1997. This reduction is accomplished by rolling property values back to their 1995-96 values less 10% and limiting future tax value growth of each property to no more than 3% per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the reductions. The State Constitution sets restrictive voter approval requirements for most tax and many fee increases and new bond issues, and requires the State to minimize the impact to school districts from the impact of the tax cuts.

**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**13. RISK MANAGEMENT**

There is exposure to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Commercial insurance is purchased to minimize exposure to these risks. Settled claims have not exceeded this commercial coverage for any of the past three fiscal years.

**14. TRANSFERS IN & OUT**

Transfers were made to fund operations.

Amounts are comprised of the following:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 15,097
Special Revenue Fund	<u>15,097</u>	<u>-</u>
	<u>\$ 15,097</u>	<u>\$ 15,097</u>

**15. COMMITMENTS AND CONTINGENCIES**

Substantially all amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although management expects such amounts, if any, 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. Due to these future uncertainties at the state level, the future effect on operations cannot be determined.

The COVID-19 outbreak in the United States has caused substantial disruption to business and local governments due to mandated and voluntary suspension of operations and stay at home orders. There is considerable uncertainty around the duration of the outbreak and the long-term impact to the overall economy. However, the District expects the reduction of economic activity to negatively impact funds received.

**16. TAX ABATEMENTS**

As of June 30, 2020, the District had tax abatements through one state allowed program that impacted their levied taxes: Child Care Facilities, Schools and Student Housing.

**Child Care Facilities, Schools, and Student Housing (ORS 307.145):**

- Child care facilities, schools, academies and student housing accommodations, owned or being purchased by incorporated charitable institutions or by incorporated religious organizations, used exclusively by such institutions or organizations for or in immediate connection with educational purposes, are exempt from taxation.

For the fiscal year ended June 30, 2020, the District had abated property taxes totaling \$644,536 under this program.

RIVERDALE SCHOOL DISTRICT 51J  
MULTNOMAH COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

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RIVERDALE SCHOOL DISTRICT NO 51JT  
MULTNOMAH COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

At June 30, 2020

PERS

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) Employer's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2020	0.047 %	\$ 8,127,518	\$ 4,693,764	173.2 %	80.2 %
2019	0.048	7,276,953	4,108,389	177.1	82.1
2018	0.046	6,174,321	4,814,455	128.2	83.1
2017	0.041	6,095,584	5,414,218	112.6	80.5
2016	0.035	1,984,929	4,219,086	47.0	91.9
2015	0.034	(768,380)	3,864,299	(19.9)	103.6
2014	0.034	1,729,885	4,269,416	40.5	92.0

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

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

SCHEDULE OF CONTRIBUTIONS

	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2020	\$ 1,299,101	\$ 1,299,101	\$ -	\$ 4,940,888	26.3 %
2019	999,043	999,043	-	4,693,764	21.3
2018	1,109,403	1,109,403	-	4,108,389	27.0
2017	739,488	739,488	-	4,814,455	15.4
2016	697,934	697,934	-	5,414,218	12.9
2015	803,450	803,450	-	4,219,086	19.0
2014	731,719	731,719	-	3,864,299	18.9

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

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



RIVERDALE SCHOOL DISTRICT  
MULTNOMAH COUNTY, OREGON  
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS  
OTHER POST EMPLOYMENT BENEFITS  
June 30, 2020

**OPEB: (HEALTH INSURANCE)**  
**SCHEDULE OF FUNDING PROGRESS**

Year Ended June, 30	OPEB Liability Beginning of Year	Service Cost	Liability Interest	Changes of Benefit Terms	Changes of Assumptions	Benefit Payments	OPEB Liability End of Year	Estimated Covered Payroll	Total OPEB Liability as a % of Covered Payroll
2020	\$ 297,316	\$ 35,621	\$ 12,490	\$ -	\$ (75,568)	\$ (20,566)	249,293	\$ N/A	* N/A
2019	274,090	34,979	10,771	-	(5,978)	(16,546)	297,316	N/A	N/A
2018	259,624	36,211	8,206	-	(14,080)	(15,871)	274,090	N/A	N/A
2017	N/A	N/A	N/A	N/A	N/A	N/A	259,624	N/A	N/A

The above table presents the most recent calculation of the post-retirement health insurance under GASB 75 and it provides information about the total plan unfunded liability.

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

\* Information not available

**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2020**

<u>GENERAL FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FROM FINAL BUDGET</u>
REVENUES:				
From Local Sources	\$ 6,028,724	\$ 6,028,724	\$ 6,213,288	\$ 184,564
From Intermediate Sources	-	-	61,418	61,418
From State Sources	3,565,738	3,565,738	3,550,356	(15,382)
From Federal Sources	45	45	84,473	84,428
Total Revenues	<u>9,594,507</u>	<u>9,594,507</u>	<u>9,909,535</u>	<u>315,028</u>
EXPENDITURES:				
Instruction	6,096,140	6,096,140 (1)	5,925,693	170,447
Support Services	3,872,193	3,872,193 (1)	3,361,151	511,042
Contingency	142,446	142,446 (1)	-	142,446
Total Expenditures	<u>10,110,779</u>	<u>10,110,779</u>	<u>9,286,844</u>	<u>823,935</u>
Excess of Revenues Over, (Under) Expenditures	(516,272)	(516,272)	622,691	1,138,963
Other Financing Sources:				
Transfers Out	<u>(15,728)</u>	<u>(15,728) (1)</u>	<u>(15,097)</u>	<u>631</u>
Total Other Financing Sources (Uses)	<u>(15,728)</u>	<u>(15,728)</u>	<u>(15,097)</u>	<u>631</u>
Net Change in Fund Balance	(532,000)	(532,000)	607,594	1,139,594
Beginning Fund Balance	<u>832,000</u>	<u>832,000</u>	<u>874,478</u>	<u>42,478</u>
Ending Fund Balance	<u>\$ 300,000</u>	<u>\$ 300,000</u>	<u>\$ 1,482,072</u>	<u>\$ 1,182,072</u>

(1) Appropriation Level

**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2020**

<u>SPECIAL REVENUE FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FROM FINAL BUDGET</u>
REVENUES:				
From Local Sources	\$ 806,798	\$ 806,798	\$ 389,801	\$ (416,997)
From State Sources	11,000	11,000	119,634	108,634
From Federal Sources	296,360	296,360	128,099	(168,261)
Total Revenues	<u>1,114,158</u>	<u>1,114,158</u>	<u>637,534</u>	<u>(476,624)</u>
EXPENDITURES:				
Instruction	1,409,695	1,409,695 (1)	559,068	850,627
Support Services	312,691	312,691 (1)	130,068	182,623
Community Services	18,500	18,500 (1)	4,741	13,759
Total Expenditures	<u>1,740,886</u>	<u>1,740,886</u>	<u>693,877</u>	<u>1,047,009</u>
Excess of Revenues Over, (Under) Expenditures	(626,728)	(626,728)	(56,343)	570,385
Other Financing Sources:				
Transfers In	15,728	15,728	15,097	(631)
Total Other Financing Sources (Uses)	<u>15,728</u>	<u>15,728</u>	<u>15,097</u>	<u>(631)</u>
Net Change in Fund Balance	(611,000)	(611,000)	(41,246)	569,754
Beginning Fund Balance	<u>711,000</u>	<u>711,000</u>	<u>595,475</u>	<u>(115,525)</u>
Ending Fund Balance	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 554,229</u>	<u>\$ 454,229</u>

(1) Appropriation Level

RIVERDALE SCHOOL DISTRICT 51J  
MULTNOMAH COUNTY, OREGON

SUPPLEMENTARY INFORMATION

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**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2020**

DEBT SERVICE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FROM FINAL BUDGET
REVENUES:				
From Local Sources	\$ 1,368,834	\$ 1,368,834	\$ 1,648,735	\$ 279,901
Total Revenue	1,368,834	1,368,834	1,648,735	279,901
EXPENDITURES:				
Long-Term Debt Service:				
Redemption of Principal	929,397	929,397 (1)	929,397	-
Interest	739,437	739,437 (1)	841,924	(102,487)
Total Debt Service	1,668,834	1,668,834	1,771,321	(102,487)
Total Expenditures	1,668,834	1,668,834	1,771,321	(102,487)
Net Change in Fund Balance	(300,000)	(300,000)	(122,586)	177,414
Beginning Fund Balance	\$300,000	300,000	439,529	139,529
Ending Fund Balance	\$ -	\$ -	\$ 316,943	\$ 316,943

(1) Appropriation Level

**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2020**

PENSION OBLIGATION BOND FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FROM FINAL BUDGET
REVENUES:				
From Local Sources	\$ 257,063	\$ 257,063	\$ 465,552	\$ 208,489
Total Revenue	257,063	257,063	465,552	208,489
EXPENDITURES:				
Long-Term Debt Service:				
Redemption of Principal	120,015	120,015 (1)	120,010	5
Interest	334,448	334,448 (1)	334,295	153
Dues and Fees	1,600	1,600 (1)	1,600	-
Total Debt Service	456,063	456,063	455,905	158
Total Expenditures	456,063	456,063	455,905	158
Net Change in Fund Balance	(199,000)	(199,000)	9,647	208,647
Beginning Fund Balance	199,000	199,000	221,446	22,446
Ending Fund Balance	\$ -	\$ -	\$ 231,093	\$ 231,093

(1) Appropriation Level

**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2020**

<u>CAPITAL PROJECTS FUND</u>				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FROM FINAL BUDGET
REVENUES:				
From Local Sources	\$ 1,200	\$ 1,200	\$ 2,412	\$ 1,212
Total Revenue	1,200	1,200	2,412	1,212
EXPENDITURES:				
Facilities Acquisition and Construction	72,200	72,200 (1)	6,901	65,299
Total Expenditures	72,200	72,200	6,901	65,299
Net Change in Fund Balance	(71,000)	(71,000)	(4,489)	66,511
Beginning Fund Balance	71,000	71,000	71,927	927
Ending Fund Balance	\$ -	\$ -	67,438	\$ 67,438

(1) Appropriation Level



**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2020**

CONSTRUCTION EXCISE TAX FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FROM FINAL BUDGET
REVENUES:				
From Local Sources	\$ 11,000	\$ 11,000	\$ 10,060	\$ (940)
Total Revenue	11,000	11,000	10,060	(940)
EXPENDITURES:				
Support Services	85,000	85,000 (1)	10,807	74,193
Facilities Acquisition and Construction	13,000	13,000 (1)	-	13,000
Total Expenditures	98,000	98,000	10,807	87,193
Net Change in Fund Balance	(87,000)	(87,000)	(747)	86,253
Beginning Fund Balance	87,000	87,000	93,483	6,483
Ending Fund Balance	\$ -	\$ -	92,736	\$ 92,736

(1) Appropriation Level

**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES**  
**OF TAXES UNCOLLECTED**  
**For the Year Ended June 30, 2020**

<u>TAX YEAR</u>	<u>ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/2019</u>	<u>DEDUCT DISCOUNTS</u>	<u>ADJUSTMENTS TO ROLLS</u>	<u>ADD INTEREST</u>	<u>CASH COLLECTIONS BY COUNTY TREASURER</u>	<u>BALANCE UNCOLLECTED OR UNSEGREGATED AT 6/30/2020</u>
<u>GENERAL FUND:</u>						
CURRENT:						
2019-20	\$ 3,767,003	\$ 94,959	\$ (21,066)	\$ 1,056	\$ 3,594,658	\$ 57,376
PRIOR YEARS:						
2018-19	54,702	(10)	(3,982)	1,733	29,628	22,835
2017-18	26,263	(5)	(7,102)	1,280	8,046	12,400
2016-17	11,891	2	(1,956)	1,530	6,279	5,184
2015-16	4,689	-	(1,276)	1,038	3,468	983
Prior Years	8,729	-	(4,544)	248	632	3,801
Total Prior	106,274	(13)	(18,860)	5,829	48,053	45,203
Total General Fund	\$ 3,873,277	\$ 94,946	\$ (39,926)	\$ 6,885	\$ 3,642,711	\$ 102,579

RECONCILIATION TO REVENUE:

	<u>GENERAL FUND</u>
Cash Collections by County Treasurer Above	\$ 3,642,711
Accrual of Receivables:	
June 30, 2019	(6,018)
June 30, 2020	11,567
Taxes in Lieu	(748)
Total Revenue	\$ 3,647,512

**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES**  
**OF TAXES UNCOLLECTED**  
**For the Year Ended June 30, 2020**

<u>TAX YEAR</u>	<u>ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/2019</u>	<u>DEDUCT DISCOUNTS</u>	<u>ADJUSTMENTS TO ROLLS</u>	<u>ADD INTEREST</u>	<u>CASH COLLECTIONS BY COUNTY TREASURER</u>	<u>BALANCE UNCOLLECTED OR UNSEGREGATED AT 6/30/2020</u>
<u>DEBT SERVICE</u>						
CURRENT:						
2019-20	\$ 1,668,815	42,044	\$ (9,354)	\$ 468	\$ 1,592,466	\$ 25,419
PRIOR YEARS:						
2018-19	26,319	(5)	(1,968)	885	14,255	10,986
2017-18	13,481	(3)	(3,692)	701	4,129	6,364
2016-17	6,166	1	(1,069)	848	3,255	2,689
2015-16	2,871	-	(816)	671	2,124	602
Prior Years	6,481	-	(4,090)	156	385	2,162
Total Prior	55,318	(7)	(11,635)	3,261	24,148	22,803
Total Debt Service Fund	\$ 1,724,133	\$ 42,037	\$ (20,989)	\$ 3,729	\$ 1,616,614	\$ 48,222
RECONCILIATION OF REVENUE:						DEBT SERVICE FUND
Cash Collections by County Treasurer Above						\$ 1,616,614
Accrual of Receivables:						
June 30, 2019						(5,619)
June 30, 2020						5,434
Taxes in Lieu						8,877
Total Revenue						\$ 1,625,306

RIVERDALE SCHOOL DISTRICT 51J  
MULTNOMAH COUNTY, OREGON

OTHER INFORMATION

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**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF FUTURE REQUIREMENTS OF BONDED DEBT**  
**June 30, 2020**

FISCAL YEAR ENDING	ISSUE OF 4/3/03		ISSUE OF 2/26/09		ISSUE OF 4/28/15		TOTAL OF ALL ISSUES	
	PRINCIPAL	INTEREST 1.15-6.3%	PRINCIPAL	INTEREST 2.5 - 5.7%	PRINCIPAL	INTEREST 4.00%	PRINCIPAL	INTEREST
	DUE 6/30	DUE 6/30	DUE 6/15	DUE 12/15 & 6/15	DUE 6/30	DUE 6/30		
6/30/2021	119,775	359,678	-	-	1,545,000	276,400	1,664,775	636,078
6/30/2022	117,949	381,504	-	-	1,660,000	214,600	1,777,949	596,104
6/30/2023	116,429	403,023	-	-	1,790,000	148,200	1,906,429	551,223
6/30/2024	405,000	114,452	-	-	1,915,000	76,600	2,320,000	191,052
6/30/2025	430,000	91,732	911,555	1,183,445	-	-	1,341,555	1,275,177
6/30/2026	455,000	67,308	874,628	1,280,372	-	-	1,329,628	1,347,680
6/30/2027	480,000	41,464	838,649	1,381,351	-	-	1,318,649	1,422,815
6/30/2028	250,000	14,200	803,246	1,481,754	-	-	1,053,246	1,495,954
6/30/2029	-	-	773,453	1,581,547	-	-	773,453	1,581,547
6/30/2030	-	-	744,621	1,680,380	-	-	744,621	1,680,380
6/30/2031	-	-	718,425	1,781,575	-	-	718,425	1,781,575
6/30/2032	-	-	691,851	1,883,149	-	-	691,851	1,883,149
6/30/2033	-	-	668,198	1,981,803	-	-	668,198	1,981,803
6/30/2034	-	-	647,255	2,082,743	-	-	647,255	2,082,743
6/30/2035	-	-	-	-	-	-	-	-
	<u>\$ 2,374,153</u>	<u>\$ 1,473,361</u>	<u>\$ 7,671,881</u>	<u>\$ 16,318,119</u>	<u>\$ 6,910,000</u>	<u>\$ 715,800</u>	<u>\$ 16,956,034</u>	<u>\$ 18,507,280</u>

**RIVERDALE SCHOOL DISTRICT 51J**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF BOND TRANSACTIONS**  
**For the Year Ended June 30, 2020**

<u>ISSUE DATE</u>	<u>OUTSTANDING MATURED BONDS 7/1/2019</u>	<u>BONDS MATURED DURING YEAR</u>	<u>BONDS PAID</u>	<u>OUTSTANDING MATURED BONDS 6/30/2020</u>
4/3/2003 (a)	\$ 2,494,163	\$ 120,010	\$ 120,010	\$ 2,374,153
2/26/2009 (b)	8,601,278	929,397	929,397	7,671,881
4/28/2015 (b)	<u>6,910,000</u>	<u>-</u>	<u>-</u>	<u>6,910,000</u>
Total	<u>\$ 18,005,441</u>	<u>\$ 1,049,407</u>	<u>\$ 1,049,407</u>	<u>\$ 16,956,034</u>

(a) The PERS Bond issue of 4/3/03 debt service payments are charged to Instruction and Support Services to the PERS UAL Contribution object code in the General and Special Revenue Funds and paid out of the Pension Obligation Bonds Fund.

(b) These bonds are paid from the General Obligation Bonds Fund.

Payments Made From

Pension Obligation Bond Fund	\$ 120,010
General Obligation Bond Fund	<u>929,397</u>
Total	<u>\$ 1,049,407</u>

**RIVERDALE SCHOOL DISTRICT NO. 51**  
**MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

As required by the Oregon Department of Education  
For the Year Ended June 30, 2020

Federal Grantor/Pass Through Grantor/ Program Title	Pass Through Organization	Federal CFDA Number	Pass Through Entity Number	Grant Period	Expenditures	Pass through to Sub-Recipients
<b>U.S. Department of Education</b>						
Title I -Grants to Local Educational Agencies	ODE	84.010	50475	2019-20	\$ 24,844	\$ -
Title I -Grants to Local Educational Agencies	ODE	84.010	53359	2019-20	26,125	-
Total Title I Grants to Local Educational Agencies					50,969	-
Title IIA - Improving Teacher Quality State Grants	ODE	84.367	45901	2017-18	6,437	-
Title IIA - Improving Teacher Quality State Grants	ODE	84.367	49398	2018-19	7,544	-
Title IIA - Improving Teacher Quality State Grants	ODE	84.367	53621	2019-20	7,468	-
Total Title IIA Improving Teacher Quality					21,449	-
Title IV-A Student Support and Academic Enrichment	ODE	84.424	50814	2018-19	10,000	-
Title IV-A Student Support and Academic Enrichment	ODE	84.424	54611	2019-20	10,000	-
Total Title IV-A Student Support and Academic Enrichment					20,000	-
Special Education Cluster						
Special Education Grants to States	ODE	84.027	49949	2018-19	82,141	-
Special Education Grants to States	ODE	84.027	53878	2019-20	35,346	-
Total of Special Education Grant to States, CFDA 84.027					117,487	-
Special Education Grants to States	ODE	84.173	50182	2018-19	335	-
Total of Special Education Grant to States, CFDA 84.173					335	-
<b>Total Special Education Cluster</b>					<b>117,822</b>	<b>-</b>
<b>Total U.S. Department of Education</b>					<b>210,240</b>	<b>-</b>
Child Nutrition Cluster						
Special Milk Program for Children	ODE	10.556	N/A	2019-20	2,332	-
Total Special Milk Program for Children CFDA 10.556					2,332	-
<b>Total Child Nutrition Cluster</b>					<b>2,332</b>	<b>-</b>
<b>Total U.S. Department of Agriculture</b>					<b>2,332</b>	<b>-</b>
<b>Total Federal Financial Assistance</b>					<b>\$ 212,572</b>	<b>\$ -</b>

Note: Since there was less than \$750,000 of expenditures of federal awards, no single audit was required.



# RIVERDALE SCHOOL DISTRICT NO. 51

Multnomah County, Oregon

SUPPLEMENTAL INFORMATION REQUIRED BY THE STATE OF OREGON  
DEPARTMENT OF EDUCATION  
YEAR ENDED JUNE 30, 2020

School District Business Managers and Auditors:

This page is a required part of your annual audited financial statements. Please make sure it is included.

Parts A is needed for computing Oregon's full allocation for ESEA, Title I & other Federal Funds for Education.

A. Energy Bill for Heating - **All Funds:**

Please enter your expenditures for electricity  
& heating fuel for these Functions & Objects.

	Objects 325 & 326
Function 2540	\$ 102,120
Function 2550	\$ -

B. Replacement of Equipment -- **General Fund:**

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

\$ -

Exclude these functions:

Exclude these functions:

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

# RIVERDALE SCHOOL DISTRICT NO. 51

Multnomah County, Oregon

## REVENUE SUMMARY - ALL FUNDS YEAR ENDED JUNE 30, 2020

	Fund 100	Fund 200	Fund 300	Fund 400	TOTAL
<b>Revenue from Local Sources</b>					
1111 Taxes - current year's levy	\$ 2,688,957	\$ -	\$ 1,609,151	\$ -	\$ 4,298,108
1112 Taxes - prior year's levies	38,689	-	23,067	-	61,756
1120 Taxes - local option ad valorem taxes levied by district	930,382	-	-	-	930,382
1130 Construction excise tax	-	-	-	10,060	10,060
1190 Penalties and interest on taxes	3,984	-	2,250	-	6,234
1311 Tuition from individuals	836,646	-	-	-	836,646
1510 Earnings on investments	72,184	-	20,533	2,412	95,129
1600 Food Service	-	151	-	-	151
1700 Extracurricular Activities	126,002	294,687	-	-	420,689
1910 Rentals	2,737	-	-	-	2,737
1920 Contributions and donations from private sources	1,420,342	71,650	-	-	1,491,992
1960 Recovery of prior year expenditures	79	18,736	-	-	18,815
1970 Services provided - other funds	10,444	-	459,286	-	469,730
1990 Miscellaneous	67,660	4,578	-	-	72,238
1992 Erate	15,181	-	-	-	15,181
<b>Total Revenue from Local Sources</b>	<b>6,213,287</b>	<b>389,802</b>	<b>2,114,287</b>	<b>12,472</b>	<b>8,729,848</b>
<b>Revenue from Intermediate Sources</b>					
2101 County school funds	689	-	-	-	689
2110 Intermediate tax	60,729	-	-	-	60,729
<b>Total Revenue from Intermediate Sources</b>	<b>61,418</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>61,418</b>
<b>Revenue from State Sources</b>					
3101 State School Support	3,414,515	-	-	-	3,414,515
3103 Common school fund	91,405	-	-	-	91,405
3199 Other unrestricted sources	43,796	-	-	-	43,796
3299 Other restricted grants-in-aid	640	119,634	-	-	120,274
<b>Total Revenue from State Sources</b>	<b>3,550,356</b>	<b>119,634</b>	<b>-</b>	<b>-</b>	<b>3,669,990</b>
<b>Revenue from Federal Sources</b>					
4500 Restricted Rev Fed Gov through State	84,473	128,099	-	-	212,572
<b>Total Revenue from Federal Sources</b>	<b>84,473</b>	<b>128,099</b>	<b>-</b>	<b>-</b>	<b>212,572</b>
<b>Revenue from Other Sources</b>					
5200 Interfund Transfers	-	15,097	-	-	15,097
5400 Resources - Beginning Fund Balance	874,478	595,475	660,976	165,410	2,296,339
<b>Total Revenue from Other Sources</b>	<b>874,478</b>	<b>610,572</b>	<b>660,976</b>	<b>165,410</b>	<b>2,311,436</b>
<b>Total</b>	<b>\$ 10,784,012</b>	<b>\$ 1,248,107</b>	<b>\$ 2,775,263</b>	<b>\$ 177,882</b>	<b>\$ 14,985,264</b>

# RIVERDALE SCHOOL DISTRICT NO. 51

Multnomah County, Oregon

## GENERAL FUND EXPENDITURE SUMMARY YEAR ENDED JUNE 30, 2020

### Fund: 100 General Fund

	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700	TOTAL
<b>Instruction Expenditures</b>								
1111 Elementary	\$ 1,391,225	\$ 884,802	\$ 148,722	\$ 66,965	\$ -	\$ 175	\$ -	\$ 2,491,889
1113 Elementary extracurricular	2,713	1,215	-	-	-	-	-	3,928
1121 Middle/Junior high school programs	460,627	277,981	3,695	5,195	-	-	-	747,498
1122 Middle/Junior high school extracurricular	111,259	30,886	4,950	1,624	-	1,670	-	150,389
1131 High school programs	1,090,818	735,885	8,947	55,801	-	650	-	1,892,101
1132 High school extracurricular	100,976	29,885	17,551	6,174	-	10,155	-	164,741
1210 Programs for the talented and gifted	15,290	10,207	-	-	-	-	-	25,497
1220 Restrictive programs for student with disabilities	-	-	-	-	-	-	-	-
1250	243,708	171,979	31,336	2,627	-	-	-	449,650
Less restrictive programs for student with disabilities	-	-	-	-	-	-	-	-
1260 Treatment and Habilitation	-	-	-	-	-	-	-	-
1271 Remediation	-	-	-	-	-	-	-	-
1400 Summer School Programs	-	-	-	-	-	-	-	-
<b>Total Instruction Expenditures</b>	<b>3,416,616</b>	<b>2,142,840</b>	<b>215,201</b>	<b>138,386</b>	<b>-</b>	<b>12,650</b>	<b>-</b>	<b>5,925,693</b>
<b>Support Services Expenditures</b>								
2120 Guidance services	156,356	89,333	-	2,428	-	205	-	248,322
2130 Health services	-	-	-	5,623	-	-	-	5,623
2190 Service direction, student support services	7,317	4,190	1,143	-	-	-	-	12,650
2210 Improvement of instruction services	5,500	2,827	848	-	-	-	-	9,175
2220 Educational media services	99,376	65,517	658	6,938	-	-	-	172,489
2230 Assessment and testing	40	16	-	4,188	-	-	-	4,244
2240 Instructional staff development	92,209	82,340	5,272	-	-	-	-	179,821
2310 Board of education services	-	-	29,520	794	-	-	-	30,314
2320 Executive administration services	206,896	124,495	98,674	9,073	-	5,625	-	444,763
2410 Office of the principal services	389,653	229,687	37,988	11,934	-	2,904	-	672,166
2520 Fiscal services	99,557	85,390	13,870	16,663	-	21,384	-	236,864
2540 Operation and maintenance of plant services	169,323	99,095	582,967	39,811	-	73,207	-	964,403
2550 Student transportation services	-	-	174,000	-	-	-	-	174,000
2630 Information services	55,750	19,142	16,229	6,150	-	672	-	97,943
2640 Staff services	50,548	22,836	1,115	1,605	-	89	-	76,193
2660 Technology services	-	-	20,632	11,104	-	445	-	32,181
2700 Supplemental retirement program	-	-	-	-	-	-	-	-
<b>Total Support Services Expenditures</b>	<b>1,332,525</b>	<b>824,868</b>	<b>982,916</b>	<b>116,311</b>	<b>-</b>	<b>104,531</b>	<b>-</b>	<b>3,361,151</b>
<b>Other Uses Expenditures</b>								
5200 Transfers of Funds	-	-	-	-	-	-	15,097	15,097
<b>Total Other Uses Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,097</b>	<b>15,097</b>
<b>Total 100 General Fund</b>	<b>\$ 4,749,141</b>	<b>\$ 2,967,708</b>	<b>\$ 1,198,117</b>	<b>\$ 254,697</b>	<b>\$ -</b>	<b>\$ 117,181</b>	<b>\$ 15,097</b>	<b>\$ 9,301,941</b>

**RIVERDALE SCHOOL DISTRICT NO. 51**

Multnomah County, Oregon

**SPECIAL REVENUE FUND  
EXPENDITURE SUMMARY  
YEAR ENDED JUNE 30, 2020**

**Fund: 200 Special Revenue Fund**

		Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700	TOTAL
<b>Instruction Expenditures</b>									
1111	Elementary	\$ -	\$ -	\$ 25,219	\$ 17,194	\$ -	\$ -	\$ -	\$ 42,413
1113	Elementary extracurricular	-	-	-	41,467	-	-	-	41,467
1121	Middle/Junior high school	431	194	16,692	8,225	-	-	-	25,542
1122	Middle/Junior high school extracurricular	-	-	1,805	-	-	-	-	1,805
1131	High school programs	82,712	36,172	25,825	26,584	-	28,534	-	199,827
1132	High school extracurricular	3,310	818	4,106	49,981	-	518	-	58,733
1140	Pre-kindergarten programs	73,253	45,080	242	1,316	-	6,500	-	126,391
1250	Less restrictive programs for student with disabilities	38,325	23,649	50	800	-	66	-	62,890
<b>Total Instruction Expenditures</b>		<b>198,031</b>	<b>105,913</b>	<b>73,939</b>	<b>145,567</b>	<b>-</b>	<b>35,618</b>	<b>-</b>	<b>559,068</b>
<b>Support Services Expenditures</b>									
2120	Guidance services	-	-	-	360	-	-	-	360
2210	Improve instruction services	-	-	-	-	-	1,813	-	1,813
2410	Office of the principal services	-	-	-	102	-	-	-	102
2540	Operation and maintenance of plant services	384	137	124,790	2,482	-	-	-	127,793
<b>Total Support Services Expenditures</b>		<b>384</b>	<b>137</b>	<b>124,790</b>	<b>2,944</b>	<b>-</b>	<b>1,813</b>	<b>-</b>	<b>130,068</b>
<b>Enterprise and Community Services</b>									
3100	Food services	-	-	-	4,741	-	-	-	4,741
<b>Total Enterprise and Community Services</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>4,741</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,741</b>
<b>Total 200 Special Revenue Fund</b>		<b>\$ 198,415</b>	<b>\$ 106,050</b>	<b>\$ 198,729</b>	<b>\$ 153,252</b>	<b>\$ -</b>	<b>\$ 37,431</b>	<b>\$ -</b>	<b>\$ 693,877</b>

**RIVERDALE SCHOOL DISTRICT NO. 51**

Multnomah County, Oregon

**DEBT SERVICE FUND  
EXPENDITURE SUMMARY  
YEAR ENDED JUNE 30, 2020**

<hr/>								
<b>Fund: 300 Debt Service</b>								
	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>	<b>TOTAL</b>
<b>Other Uses Expenditures</b>								
5100 Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,227,226	\$ -	\$ 2,227,226
<b>Total Other Uses Expenditures</b>	-	-	-	-	-	2,227,226	-	2,227,226
<b>Total 300 Debt Service Fund</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,227,226	\$ -	\$ 2,227,226
<hr/>								

# RIVERDALE SCHOOL DISTRICT NO. 51

Multnomah County, Oregon

## CAPITAL PROJECTS FUND EXPENDITURE SUMMARY YEAR ENDED JUNE 30, 2020

Fund: 400 Capital Projects Fund								
Suppo Expenditure Description	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700	TOTAL
2520 Fiscal services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2540 Operation and maintenance of plant services	-	-	10,807	-	-	-	-	10,807
Total Support Services Expenditures	-	-	10,807	-	-	-	-	10,807
Facilities Acquisition and Construction Expenditures								
4110 Service area direction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4120 Site acquisition and development services	-	-	-	-	-	-	-	-
4150 Building acquisition, construction and improvement	-	-	6,900	-	-	-	-	6,900
4180 Other capital items	-	-	-	-	-	-	-	-
4190 Other facilities construction services	-	-	-	-	-	-	-	-
Total Facilities and Construction Expenditures	-	-	6,900	-	-	-	-	6,900
Total 400 Capital Projects Fund								
	\$ -	\$ -	\$ 17,707	\$ -	\$ -	\$ -	\$ -	\$ 17,707

RIVERDALE SCHOOL DISTRICT  
MULTNOMAH COUNTY, OREGON  
CONTINUING DISCLOSURES  
JUNE 30, 2020

**Riverdale School District No. 51J**

<b>Fiscal Year</b>	<b>Average Daily Membership(w)</b>
2020	729.4
2019	719.2
2018	713.8
2017	696.0
2016	640.3
2015	588.0

**Fiscal Year 2020  
Multnomah County**

<b>Taxpayer</b>	<b>Business/Service</b>	<b>Tax</b>	<b>Assessed Value</b>	<b>Percent of Value</b>
Port of Portland	Airport, Marine, Property Mgmt.	\$ 13,808,509	\$ 670,145,340	0.78%
Portland General Electric Co.	Electrical Utility	10,211,955	629,270,860	0.73%
Alaska Airlines Inc.	Airline	6,456,109	423,587,600	0.49%
Pacificorp (PP&L)	Electrical Utility	6,264,068	386,148,000	0.45%
CenturyLink	Telecommunications	5,383,260	333,100,000	0.39%
Weston Investment Co LLC	Real Estate	6,179,010	281,109,780	0.33%
Boeing Company	Manufacturing	4,066,012	270,157,770	0.31%
Comcast Corporation	Telecommunications	4,173,643	254,263,000	0.30%
AT&T, Inc.	Telecommunications	3,874,840	238,146,000	0.28%
Southwest Airlines	Airline	3,595,469	235,900,000	0.27%
Subtotal - ten of County's largest taxpayers			3,721,828,350	4.33%
All other County's taxpayers			82,183,015,530	95.67%
Total County			\$ 85,904,843,880	100.00%

**RIVERDALE SCHOOL DISTRICT  
MULTNOMAH COUNTY, OREGON  
CONTINUING DISCLOSURES  
JUNE 30, 2020**

**Taxable Property Values  
Total Riverdale School District No. 51J**

<b>Fiscal Year</b>	<b>Total Assessed Value</b>	<b>Urban Renewal Excess</b>	<b>Net Assessed Value</b>	<b>M5 Real Market Value</b>
2020	\$ 736,068,745	\$ -	\$ 736,068,745	\$ 1,084,867,977
2019	709,816,041	-	709,816,041	1,059,010,168
2018	686,481,320	-	686,481,320	990,405,840
2017	662,740,341	-	662,740,341	883,018,523
2016	637,939,334	-	637,939,334	832,272,502
2015	618,207,390	-	618,207,390	778,289,234

**District Portion in Multnomah County**

<b>Fiscal Year</b>	<b>Total Assessed Valuation</b>	<b>Urban Renewal Excess</b>	<b>AV Used to Calculate Rates</b>	<b>M5 Real Market Value</b>
2020	\$ 703,274,030	\$ -	\$ 703,274,030	\$ 1,032,738,340
2019	677,976,510	-	677,976,510	1,008,873,720
2018	655,747,873	-	655,747,873	942,864,893
2017	633,052,160	-	633,052,160	837,187,150
2016	609,268,540	-	609,268,540	790,081,976
2015	590,396,950	-	590,396,950	737,813,706

**District Portion in Clackamas County**

<b>Fiscal Year</b>	<b>Total Assessed Valuation</b>	<b>Urban Renewal Excess</b>	<b>AV Used to Calculate Rates</b>	<b>M5 Real Market Value</b>
2020	\$ 32,794,715	\$ -	\$ 32,794,715	\$ 52,129,637
2019	31,839,531	-	31,839,531	50,136,448
2018	30,733,447	-	30,733,447	47,540,947
2017	29,688,181	-	29,688,181	45,831,373
2016	28,670,794	-	28,670,794	42,190,526
2015	27,810,440	-	27,810,440	40,475,528



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RIVERDALE SCHOOL DISTRICT 51J  
MULTNOMAH COUNTY, OREGON

2019-20 INDEPENDENT AUDITORS' REPORT  
REQUIRED BY OREGON STATE REGULATIONS

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December 14, 2020

### **Independent Auditors' Report Required by Oregon State Regulations**

We have audited the basic financial statements of Riverdale School District 51J (the District) as of and for the year ended June 30, 2020, and have issued our report thereon dated December 14, 2020. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

#### **Compliance**

As part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of basic 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.**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**
- **Programs funded from outside sources.**
- **State school fund factors and calculation.**
- **Authorized investment of surplus funds (ORS Chapter 294).**

In connection with our testing nothing came to our attention that caused us to believe the Riverdale School District 51J was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, except as follows:

1. Expenditures were within authorized appropriations except as noted on page 13.

#### **OAR 162-10-0230 Internal Control**

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

We noted a matter involving the internal control structure and its operation that we consider to be a significant deficiency under standards established by the American Institute of Certified Public Accountants, which is noted in our management letter dated December 14, 2020.

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

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

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