

*West Linn – Wilsonville School District 3J*  
*Clackamas County, Oregon*



*Comprehensive Annual Financial Report*  
*For The Fiscal Year Ended June 30, 2017*

WEST LINN-WILSONVILLE SCHOOL DISTRICT 3JT

CLACKAMAS COUNTY, OREGON

COMPREHENSIVE ANNUAL  
FINANCIAL REPORT

For the Year Ended June 30, 2017

Prepared by  
Business Office:  
Doug Middlestetter, CFO

Tresa Davis, Senior Accountant

**West Linn-Wilsonville School District 3JT**  
**Clackamas County, Oregon**

Administration Building  
22210 SW Stafford Rd  
Tualatin, Oregon 97062

Dr. Kathy Ludwig  
Dr. Barb Soisson  
Dr. Aaron Downs  
Dr. David Pryor  
Dr. Jennifer Spencer-Iiams .  
Doug Middlestetter

Superintendent  
Assistant Superintendent  
Assistant Superintendent  
Assistant Superintendent  
Assistant Superintendent  
Chief Financial Officer

BOARD OF DIRECTORS AS OF JUNE 30, 2017

	<u>Term Expires</u>
Keith Steele, Chair	June 30, 2017
Regan Molatore, Vice-Chair	June 30, 2017
Chelsea Martin	June 30, 2019
Betty Reynolds	June 30, 2019
Rob Fernandez	June 30, 2017

All board members receive mail at the address above.

Legal and Bond Counsel

Mersereau Shannon LLP  
One SW Columbia St., Suite 1600  
Portland, Oregon 97258

WEST LINN-WILSONVILLE SCHOOL DISTRICT 3JT  
CLACKAMAS COUNTY, OREGON

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CLACKAMAS COUNTY, OREGON**

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CLACKAMAS COUNTY, OREGON

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## West Linn-Wilsonville School District 3Jt

ADMINISTRATION BUILDING  
22210 SW Stafford Rd – Tualatin, Oregon 97062  
503-673-7000 or Fax 503-673-7001

December 18, 2017

Citizens & Board of Directors  
West Linn-Wilsonville School District 3Jt  
22210 SW Stafford Rd  
Tualatin, OR 97062

In accordance with the provisions of Oregon Revised Statutes Sections 297.405 through 297.555, known as Municipal Audit Law, submitted herewith is the Comprehensive Annual Financial Report (CAFR) of West Linn-Wilsonville School District 3Jt, Clackamas and Washington counties, Oregon for the year ended June 30, 2017.

This report was prepared by the Business Office of West Linn-Wilsonville School District 3Jt. The responsibility for the completeness, fairness, and accuracy of the data presented and all accompanying disclosures rests with the District. To provide a reasonable basis for making these representations, the District's management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District's financial statements have been audited by Pauly, Rogers and Co., P.C. a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2017, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2017, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

Single Audit Section of this report.

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

## **THE DISTRICT**

The District is a municipal corporation governed by an elected five-member board. As required by generally accepted accounting principles, these financial statements present financial information of the West Linn-Wilsonville School District No. 3Jt.

Under Oregon State law the District is responsible for educating the children of the District. The District discharges this responsibility by building, operating, and maintaining school facilities; developing and maintaining approved educational programs and courses of study, including vocational programs and programs for handicapped students, in accordance with State standards; and carrying out programs for transportation and feeding of pupils in accordance with District, State, and Federal requirements.

The District is located seven miles south of the City of Portland, Oregon. Within the District's 42 square miles are the cities of West Linn and Wilsonville, as well as several unincorporated towns and areas of Clackamas and Washington Counties. The District was originally formed in 1933 through the consolidation of three smaller districts.

The District and surrounding communities have experienced steady growth over the past three decades. The estimated population of the District has grown from 16,876 in 1980 to 50,627 in 2017. District student membership as of June 30, 2017 was 9,732, which compares to 3,277 in fiscal year 1980. The real market value of property located in the district has grown from just under \$285 million to over \$9.6

billion in the same period. Although recent economic declines brought the values down to a low of less than 7.0 billion in 2013. Recovery and growth continue to bring values back up, with total market valuation in 2017 now exceeding \$10 billion.

The early economy of this area grew as a result of fertile agricultural and timberlands and its access to the Willamette and Columbia rivers. The area then began developing as a suburb of Portland, but over the past two decades has developed its own economic base which includes high technology firms and retail trade and distribution. Even with its rapid development, the County still contains prime agricultural land and a strong agricultural economy.

Interstate Highway 5, which runs through southwestern Clackamas County, has proven to be a major economic stimulus. The area between Wilsonville and Lake Oswego has seen greatly increased commercial and retail activity.

To the south, in the Wilsonville area, the close proximity of I-5 has encouraged warehousing and distribution activities, which require area for expansion and easy transportation connections. Retail stores have become more prominent in the area, as well as strong housing developments.

Easy access to the freeway system has also benefited those areas along Interstate Highway 205, which bisects the County and the District. This bypass link of I-5 runs between Wilsonville in the south and Clark County, Washington in the north. I-205 also connects Clackamas County to Portland International Airport. Most of the segments through Clackamas County were completed during the mid-1970s. At that time major retail and commercial developments occurred in the areas bordering the freeway. Significant smaller infill growth lends a positive impact as well.

## **ECONOMIC CONDITION**

In November, 1996, the voters of the State of Oregon voted by referendum a property tax limitation measure known as "Measure 47." This measure as amended by Measure 50 along with Measure 5, which was approved in November 1990, provides two property tax limitations in the Oregon Constitution. Measure 5 limits the property tax rate to \$5 per \$1,000 in real market value for schools; Measure 50 is a limitation that is based on the assessed value of each parcel of property. Measure 50 was initiated in 1997 by "cutting" the tax on each property to the lesser of the 1996 total property tax reduced by 10% or the 1995 total property tax for schools. Measure 50 also "caps" total operating taxes on each property to a 3% annual increase. Neither of these constitutional measures limits taxes for capital construction bonds.

Legislation passed, subsequent to Measure 50, allowing school districts to refer to voters a "local option" tax. This tax can be levied for up to five years for operation purposes. The tax cannot collect more than the \$5.00 per-thousand of real market value allowed under measure 5 from any property in the school district. On May 16, 2000, district voters approved a Local Option Tax Levy at the rate of \$1.50 per thousand assessed value. Voters passed identical levies in 2004, 2008 and 2014 authorizing additional five year local option tax levies at \$1.50 per thousand assessed value that will extend through the 2019-20 fiscal year. The average "Local Option" taxpayer burden during 2016-17 was approximately \$.61 per-thousand of assessed value. Revenues from this tax fall when there is a decrease in real market value. However, with recent economic recoveries, Local Option Tax collections are continuing to show significant increases from a low of \$2,817,057 in 2012-13 to \$6,791,972 in 2016-17.

In response to the rate limitation of Measure 5, the state legislature employs a funding formula which equalizes the annual revenues to each school district in the State based on a per-pupil allocation. Excluding local option taxes, individual school districts are only indirectly dependent upon local property taxes for operating purposes.

Clackamas County unemployment rate is under the national average with the most recent rate of 4.4 percent published in December 2016.

Oregon's current personal income-tax-reliant revenue base continues to have the stability and adequacy shortcomings it has experienced over many years. There is concern that the taxation base is not broad enough to raise the revenues needed for public education and other needed services the state must provide. Recent ballot measures that attempted to fix this situation were not approved by the voters. However, as the local economy responds to recovery and growth, improvements continue to be seen in funding for the needs of education.

## BUDGET PROCESS

The District's budget process starts with input and discussions between the school's principals and department heads and the business office. The Superintendent holds meetings with these leaders and with community decision makers to keep them informed of how the State's funding is shaping up as the budget comes together. The Budget Committee meets and weighs in on the proposals, also. Finally, the budget is pulled together and sent to the Board for final approval and adoption.

## MAJOR PROGRAMS

The vision and **mission** of the West Linn-Wilsonville School District is to constantly ask ourselves how we can build and sustain professional learning communities focused on improving conditions for teaching and learning in ways that foster the development and nurturance of each student's potential for life-long intellectual and cultural growth and that readies them for college and career success. The district measures its success by the level of student achievement, participation in extra and co-curricular activities, graduation rates, post-secondary success, and community support.

In its quest for continuous improvement, the school district held two **Futures Conferences** in 1994. These events, preceded by a year of planning, were a part of our strategic planning to move West Linn-Wilsonville Schools into the 21<sup>st</sup> century. Participants sought common ground through dialogue and painted broad strokes of consensus about the goals and values they would ask the school district to live into in the future. One hundred fifty students, teachers, administrators, parents, and members from all sectors of the community spent two-and-a-half rigorous days at each conference. District goals are reviewed, revised as necessary, and adopted annually in response to changes in the community, in the economy, and in response to student needs.

The **vision that evolved** from these meetings is embedded in the question: *How do we create learning communities for the greatest thinkers and most thoughtful people...for the world?* The six vision themes that emerged presented the community and schools with an inviting picture of possibility and launched the district on a challenging and rewarding journey. These themes create a framework within which to work as the district responds to a changing economic and academic landscape. These vision themes of *Personal and Academic Excellence, Personalized Education, Circle of Support, Community Partnerships, Educating the Whole Child, and Integrating Technologies in Daily Learning* guide the work of school board members, teachers, site councils, administrators, children, school support staff and, to an increasing degree, community members in ways that are both global and specific.

The development of systems to support high quality professional learning and in-service continue to be an emphasis in the district. We are committed to supporting all staff in improving the skills and training necessary to improve our effectiveness in delivering powerful instruction and related support services to students and parents.

The general obligation bond passed by voters November 2, 2014 and sold in March, 2015 is now nearly completed, which will included the opening of a new middle school, the replacement of Sunset Primary School and also included substantial upgrades in many of the schools in the district. A major emphasis is also going into expanding our district security and our technology, realizing that these areas are key to student safety and to preparing our students for a successful future.

The school board has continued to use the services of the long range planning committee which has been in existence since the early 1990's. Long range planning for facilities and associated financial capacity is captured in a long range plan that is updated on a continual basis. Predetermined trigger points are used to activate the plan to seek additional educational capacity.

With healthy economic recovery continuing in Oregon, our district is benefiting from relative stability of state funding as compared to recent years.

## **Awards**

The West Linn-Wilsonville School District takes pride in promoting excellence in every aspect of education. It continues to hold the position as being one of the top rated school districts in the state for achieving high levels of student achievement in a wide range of program offerings. The District continues to achieve the highest graduation rate in the State for larger comparable districts.

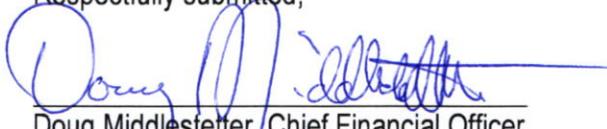
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the West Linn-Wilsonville School District for its comprehensive annual financial report for the fiscal year ended June 30, 2016. This was the 24th consecutive year that the district has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

## **ACKNOWLEDGMENTS**

We wish to express our appreciation to the staff of the Business Office and members of other District departments who assisted in the preparation of this Comprehensive Annual Financial Report. We also wish to extend our appreciation to the members of the Board of Education, administrators, employees, and citizens of the district whose continued cooperation, support, and assistance have contributed greatly to the financial stability of the West Linn-Wilsonville School District.

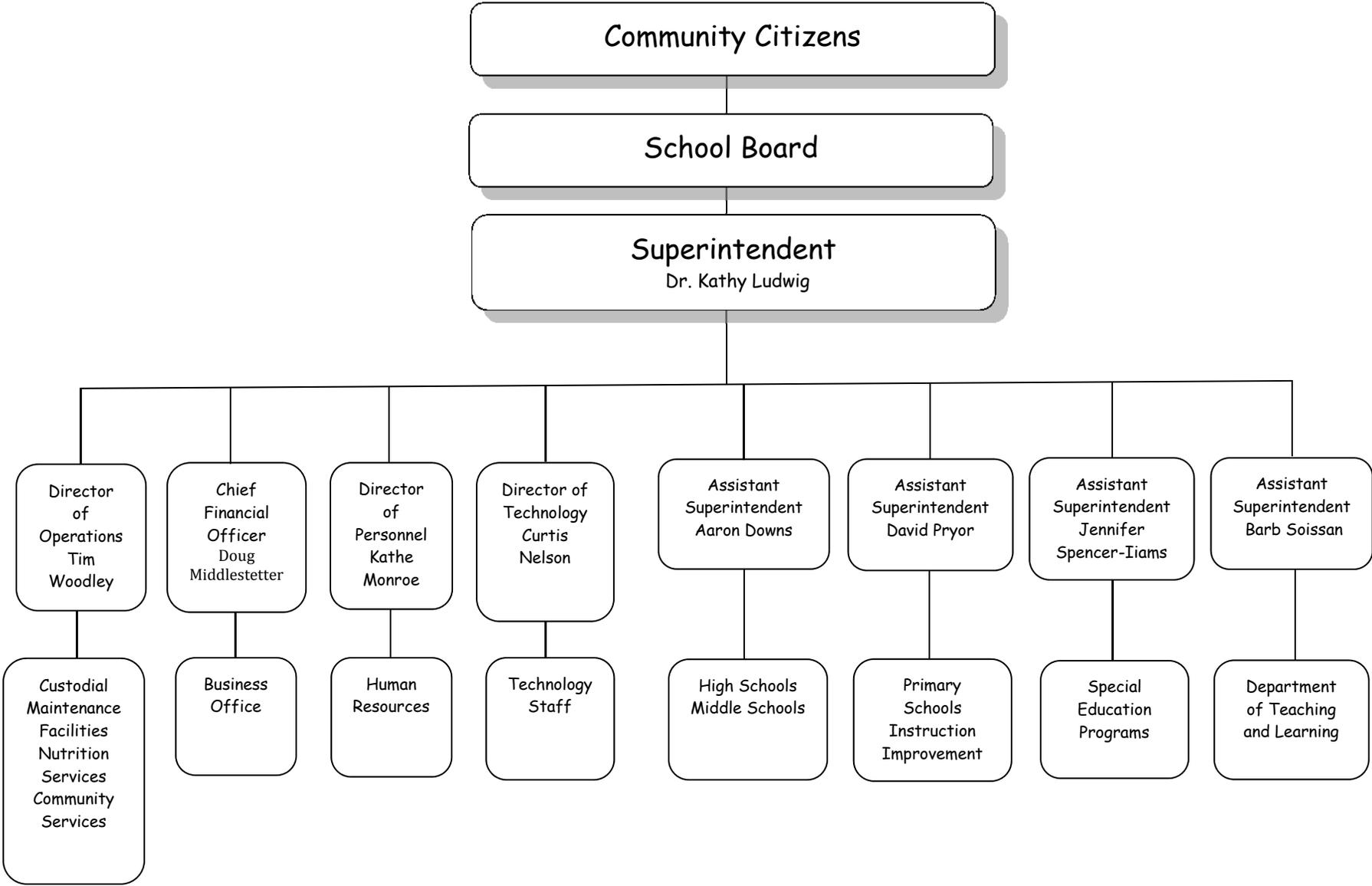
Respectfully submitted,



Doug Middlestetter, Chief Financial Officer

# West Linn - Wilsonville School District 3JT

## 2016-17 Organizational Chart





Government Finance Officers Association

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Presented to

**West-Linn Wilsonville School  
District No. 3JT, Oregon**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2016**

Executive Director/CEO



**PAULY, ROGERS, AND CO., P.C.**  
12700 SW 72<sup>nd</sup> Ave. Tigard, OR 97223  
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December 18, 2017

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
West Linn-Wilsonville School District 3JT  
Clackamas County, Oregon

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of West Linn-Wilsonville School District 3JT, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

### Emphasis of Matter

The District adopted the provisions of GASB Statement No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and GASB Statement No. 77, Tax Abatements, for the year ended June 30, 2017. Our opinion is not modified with respect to these matters.

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of West Linn-Wilsonville School District 3JT, as of June 30, 2017, and the respective changes in financial position and budgetary comparisons for the general fund and major special revenue fund, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the Schedule of Funding Progress and Employer Contributions and the Schedule of Proportionate Share of the Net Pension Liability, 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 Discussion and Analysis and Schedule of Findings and Questioned Costs and the Schedule of Proportionate Share of the Net Pension Liability because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### Supplementary and Other Information

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

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

### Reports on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our reports dated December 18, 2017 on our consideration of the internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of those reports is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 18, 2017, 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.



Matthew Graves, CPA  
PAULY, ROGERS AND CO., P.C.

**WEST LINN-WILSONVILLE SCHOOL DISTRICT 3JT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2017**

As management of West Linn-Wilsonville School District 3JT (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2017.

**FINANCIAL HIGHLIGHTS**

- In the government-wide statements, the assets of the District exceeded its liabilities at June 30, 2017 by \$42,282,173.
- The District's governmental funds report combined ending fund balance of \$48,026,045.
- The District's net position decreased by \$46,021,901.

**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 basic financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

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

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

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

In the government-wide financial statements, the District's activities are shown in one category:

- *Governmental activities.* Most of the District's basic functions are shown here, such as regular and special education, child nutrition services, transportation, administration, and facilities acquisition and construction. These activities are primarily financed through property taxes and general obligation bonds, 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. The West Linn-Wilsonville School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds.

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

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

The District maintains 4 individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General, Debt Service, and Capital Projects Funds, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided as Supplemental Information.

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

**Notes to the basic financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the District's progress in funding its obligation to provide pension benefits to its employees

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

A comparative analysis discussing and analyzing significant differences is provided below.

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, assets exceeded liabilities by \$42,282,173 at June 30, 2017.

Capital assets, which consist of the District's land, buildings, building improvements, vehicles, and equipment, represent about 81.1 percent of total assets. The remaining assets consist mainly of investments and cash, bond proceeds, grants, and property taxes receivable.

The District's largest liability is for the repayment of general obligation bonds. Current liabilities, representing about 8.3 percent of the District's total liabilities, consist almost entirely of payables on accounts, payroll withholdings, construction retainage payable, accrued interest payable and the current portion of long-term debt.

Net position of the District were comprised of the following:

	June 30, 2017	June 30, 2016	Change
Current and Other Assets	\$ 68,100,858	\$ 110,924,720	\$ (42,823,862)
Capital Assets	<u>291,765,318</u>	<u>230,189,932</u>	<u>61,575,386</u>
<b>Total Assets</b>	<b><u>\$ 359,866,176</u></b>	<b><u>\$ 341,114,652</u></b>	<b><u>\$ 18,751,524</u></b>
Deferred Outflows Of Resources			
Pension Related Deferrals	45,869,686	-	45,869,686
Loss on Bond Refunding Expense	<u>561,706</u>	<u>10,732,511</u>	<u>(10,170,805)</u>
Current Liabilities	\$ 30,016,948	\$ 58,209,940	\$ (28,192,992)
Long-Term Liabilities	<u>333,109,840</u>	<u>265,649,341</u>	<u>67,460,499</u>
<b>Total Liabilities</b>	<b><u>363,126,788</u></b>	<b><u>323,859,281</u></b>	<b><u>39,267,507</u></b>
Deferred Inflows Of Resources			
Pension Related Deferrals	<u>888,604</u>	<u>6,326,130</u>	<u>(5,437,526)</u>
Net Position:			
Net Investments in Capital Assets	112,282,223	81,383,510	30,898,713
Restricted	41,211,320	85,444,699	(44,233,379)
Unrestricted	<u>(111,211,370)</u>	<u>(145,166,336)</u>	<u>33,954,966</u>
<b>Total Net Position</b>	<b><u>\$ 42,282,173</u></b>	<b><u>\$ 21,661,873</u></b>	<b><u>\$ 20,620,300</u></b>

**Governmental activities.** A comparative analysis discussing and analyzing significant differences from the prior year to the current year is provided on the following page. During fiscal 2016-17, the District's net position increased by \$20,545,729. This year showed a modest increase in funding from State sources of almost \$800,000, thanks to continuing State improved economic conditions, and increased student counts - which directly drive the funding formula. Additionally, receipts from local property taxes increased by \$2.6 million and local option taxes increased by \$1.7 million over what was received during the 2015-16 year. Expenses for the year decreased in the area of instruction and support as the District building projects neared completion. During the year, over \$11.9 million was used to pay down bonded debt. This year over \$68 million worth of construction was paid for, but most was not completed at June 30<sup>th</sup>, 2017. Most of these construction projects will be completed in the coming year.

The Changes in Net position for the District were as follows:

	June 30, 2017	June 30, 2016	Change
<b>REVENUES</b>			
Program Revenues			
Charges for Services	\$ 3,332,450	\$ 1,525,406	\$ 1,807,044
Operating Grants and Contributions	4,029,252	4,002,229	27,023
General Revenues			
Property Taxes	53,765,978	51,133,867	2,632,111
Local Option	6,791,972 <sup>▲</sup>	5,087,515 <sup>▲</sup>	1,704,457
State School Fund - General Support	49,411,772	48,614,895	796,877
Earnings on Investments	767,738 <sup>▲</sup>	724,913 <sup>▲</sup>	42,825
Gain on Sale of Asset	-	665,084	(665,084)
Other Federal, State and Local Sources	7,783,463 <sup>▲</sup>	8,276,826 <sup>▲</sup>	(493,363)
Total Revenues	<u>125,882,625 <sup>▲</sup></u>	<u>120,030,735 <sup>▲</sup></u>	<u>5,851,890</u>
<b>EXPENSES</b>			
Instruction	60,592,272	77,474,978	(16,882,706)
Support Services	30,311,977 <sup>▲</sup>	40,427,152 <sup>▲</sup>	(10,115,175)
Enterprise and Community Services	1,684,507	2,074,007	(389,500)
Interest on Long-Term Debt	12,748,140	12,424,772	323,368
Total Expenses	<u>105,336,896</u>	<u>132,400,909</u>	<u>(27,064,013)</u>
Change in Net Position	20,545,729	(12,370,174)	32,915,903
Beginning Net Position -Restated	21,736,444	34,032,047	(12,295,603)
Ending Net Position	<u>\$ 42,282,173</u>	<u>\$ 21,661,873</u>	<u>\$ 20,620,300</u>

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

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

At June 30, 2017 the District's governmental funds reported combined ending fund balances of \$48,026,045, a decrease of \$46.1 million when compared with 2015-16. This decrease was primarily due to bond construction activity. The bond funds were received and recognized in prior years, and shown as a cash asset until construction spending this year is shown that used up much of that cash. Once converted to capital assets, they are no longer treated as "financial resources" and therefore are not reported in the governmental funds balance sheet.

*General Fund.* The General Fund is the chief operating fund of the District. As of June 30, 2017, unassigned fund balance was \$6,517,258 and the non-spendable balance was \$297,467 for a total ending fund balance of \$6,814,725. As a measure of the fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. This year's fund balance represents about 7.4 percent of total General Fund expenditures. The fund balance increased by \$617,818 during the current fiscal year. This increase was attributable mostly to increased State funding and increased student count as stated above.

*Debt Service Fund.* As of June 30, 2017 the ending fund balance was \$1,894,306, an increase of \$776,838 when compared to the prior year. This increase is due to greater payroll amounts that generated more PERS bond expense set aside for those payments.

*Capital Projects Fund.* The Capital Projects Fund has a total fund balance of \$34,769,771, which is designated for the capital needs specified in the general obligation bond approved on November 4, 2014, which will be spent out over the next year. The two major projects from that bond consisted of a replacement of Sunset Primary School as well as the construction of the new Meridian Creek Middle School. These two schools were completed and opened in the fall of 2017.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

The 2016-17 Budget again benefited from some significant revenue increases from the previous year due to continued economic growth and a sustained commitment to increasing the funding levels set by the State's Legislature. Although significant State funding increases were not anticipated in the budget, revenue increases from the State of approximately \$1.5 million were received over what was anticipated. The District also benefited indirectly from significant increases in property tax receipts across the state. Property taxes were budgeted to come in at \$31.8 million. Actual receipts were \$32.9 million. The Budget anticipated another sizable increase in receipts from the Local Option Tax over the previous year, as the local property tax values continued to keep pace with local property value increases. Those funds were realized and actual receipts were almost \$750,000 greater than the budgeted amount. The overall net projected ending fund balance increased by \$4,448,095 over what was budgeted for 2016-17. The greatest contributors to this increase were added state funding, growth in student counts, local option taxes, and very careful spending for operations across the district. The increase allowed us to add approximately 11 more teaching staff than the 8-12 that was already increased in the budget.

On the expenditure side, wage increases were budgeted based on the second year of contracts negotiated for the 2015-17 biennium. These cost increases, plus growing staff level additions allowed by greater student counts amounted to 2016-17 added costs of approximately \$3.5 million in budget increases over the previous years' budget. Health insurance premiums, payroll costs and PERS costs were budgeted to increase an additional \$2.7 million in the 2016-17 year, and came in under budget allowing for PERS savings to accrue for future years' increases. Purchased services for staff training and for repairs, supplies

and contingency for unanticipated repairs were all budgeted at almost \$1 million higher for all than the previous year. These increases and other miscellaneous budgeted expenses increased operating cost estimates for the year by \$6.5 million over the previous year's budget. Although the budget anticipated the use of cash reserves to complete the year, increases in revenue mentioned above, and savings from not tapping into the contingency reserve helped the District's actual inflows to exceed its expenditures by \$623,012 for the year.

## **CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital assets.** The District's investment in capital assets includes land, buildings and improvements, vehicles and equipment. As of June 30, 2017, the District had invested \$291,765,318 in capital assets, net of depreciation.

Additional information on the District's capital assets can be found on page 29 in the notes to the financial statements.

**Long-term debt.** As of June 30, 2017, the District had total debt outstanding of \$257,130,725. Please refer to the notes to page 30 in the financial statements for more information.

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

Resources supporting District General Fund operations primarily reflect local and state revenues, with additional income representing federal, county and other sources. Under Oregon's current funding method, the largest segment of revenue funding continues to be determined by the State School Fund formula. Utilizing this method, the majority of funding provided by the State to the District is based on the District's average daily membership of students.

Economic stability and growth continues to shore up the overall economy in Oregon and the Nation as reflected in the progress the District is making in achieving a much more predictable and stable funding environment. This is allowing the District's continued commitment to investing its resources directly into the classroom by supporting full-day kindergarten, pre-school expanding to more building locations, emphasis on a rigorous program of staff training, and by promoting quality of educational excellence whenever and wherever possible. The results of these and other efforts are evident in the high level of successful graduation rates in the district.

With the 2016-17 year being the second year of the biennium, the coming 2017-18 year's budget had a number of elements that were "up in the air" and awaiting Legislative actions to determine what the next biennium's funding would look like. The 2017-18 Budget was based on a K-12 state funding level of \$7.8 billion, which was an increase over the prior biennium funding level. However, in an effort to shore up support in the absence of solid funding options, the State decided to split the funding for the biennium in a 50/50 formula, hoping to later increase funding in the second year to restore better funding to account for second-year roll-up costs. Even with that added help, changes in statute and priority considerations and head-line expense issues dominated the budget process. While the State has continued to experience steady economic growth, the legislators continued to struggle with competing requests for funding in an ongoing attempt to help stabilize the important educational elements that were decreased in earlier recessionary years. This new budget allowed for more stable funding and staffing that could help avoid

class size increases. The District continues to move forward with renewed focus to further develop its educational excellence.

The District is moving forward with growth, and is completing construction making additional improvements for safety, adding facilities upgrades at both of our high schools and other buildings, and is now finishing its new middle school as well as putting the final touches on the replacement of Sunset Primary School. In addition to these capital improvements, the local option levy continues to increase substantially each year. All these factors, and more, help position the District for success of our educational programs as we move into the 2017-18 school year and beyond.

#### **REQUESTS FOR INFORMATION**

This financial report is designed to present the user (citizens, taxpayers, investors, and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the District's Finance Officer at 22210 SW Stafford Road, Tualatin, Oregon 97062.

WEST LINN-WILSONVILLE SCHOOL DISTRICT 3JT  
CLACKAMAS COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT  
 CLACKAMAS COUNTY, OREGON

STATEMENT OF NET POSITION  
 JUNE 30, 2017

	Governmental Activities
	<u>                    </u>
<b>ASSETS:</b>	
Cash and Investments	\$ 60,786,001
Property Taxes Receivable	3,833,008
Other Receivables	3,134,357
Prepaid Expenses	297,467
Non-Depreciable Capital Assets	96,409,798
Capital Assets, Net of Depreciation	<u>195,355,520</u>
 <b>TOTAL ASSETS</b>	 <u>359,816,151</u>
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension Related Deferrals	45,869,686
Loss on Bond Refunding Expense	561,706
<b>TOTAL DEFERRED OUTFLOWS</b>	<u>46,431,392</u>
 <b>LIABILITIES:</b>	
Accounts Payable	6,290,122
Accrued Salaries and Benefits	8,615,808
Retainage Payable	1,995,113
Unearned Revenue	216
Accrued Interest	1,957,081
Accrued Compensated Absences	228,702
Long-Term Liabilities:	
Proportionate Share of Net Pension Liability (PERS)	78,384,174
Pension Liability- Stipend Plan	2,846,476
OPEB Liability	5,897,014
Portion Due or Payable Within One Year	10,701,204
Portion Due or Payable After One Year	<u>246,210,878</u>
 <b>TOTAL LIABILITIES</b>	 <u>363,127,149</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension Related Deferrals	<u>888,604</u>
 <b>NET POSITIONS:</b>	
Net Invested in Capital Assets	112,282,222
Restricted for:	
Grants and other purposes	4,517,747
Debt service	1,894,306
Future Capital Projects	34,769,771
Unrestricted	<u>(111,232,256)</u>
 <b>TOTAL NET POSITIONS</b>	 <u><u>\$ 42,231,790</u></u>

See notes to basic financial statements.

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT  
 CLACKAMAS COUNTY, OREGON

STATEMENT OF ACTIVITIES  
 YEAR ENDED JUNE 30, 2017

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Change in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
Governmental Activities:				
Instruction	\$ 60,564,628	\$ 2,539,929	\$ 2,217,694	\$ (55,807,005)
Support	30,298,623	-	921,763	(29,376,860)
Enterprise and Community Services	1,683,649	792,521	889,795	(1,333)
Interest on Long-Term Debt	12,748,141	-	-	(12,748,141)
<b>Total Governmental Activities</b>	<b>\$ 105,295,041</b>	<b>\$ 3,332,450</b>	<b>\$ 4,029,252</b>	<b>(97,933,339)</b>
General revenues:				
Property Tax Revenue				53,715,955
Local Option Tax				6,791,972
Unrestricted State Revenue				49,411,772
Unrestricted Intermediate Revenue				1,546,526
Miscellaneous Revenue				6,236,576
Earnings on Investments				767,737
<b>Total general revenues</b>				<b>118,470,538</b>
<b>CHANGE IN NET POSITION</b>				<b>20,537,199</b>
Restated Net Position - July 1, 2016				21,694,591
Net Position - June 30, 2017				<b>\$ 42,231,790</b>

See notes to basic financial statements.

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT  
 CLACKAMAS COUNTY, OREGON

BALANCE SHEET  
 GOVERNMENTAL FUNDS  
 JUNE 30, 2017

	General Fund	Debt Service Fund	Capital Projects Fund	Special Revenue Funds	Total
<b>ASSETS</b>					
Cash and Investments	\$ 18,644,919	\$ 612,096	\$ 41,528,986	\$ -	\$ 60,786,001
Due From Other Funds	-	932,803	213,772	3,076,866	4,223,441
Property Taxes Receivable	2,445,121	1,387,887	-	-	3,833,008
Other Receivables	1,417,696	-	231,554	1,485,107	3,134,357
Supply Inventory	-	-	-	-	-
Prepaid Expenditures	297,467	-	-	-	297,467
<b>TOTAL ASSETS</b>	<b>\$ 22,805,203</b>	<b>\$ 2,932,786</b>	<b>\$ 41,974,312</b>	<b>\$ 4,561,973</b>	<b>\$ 72,274,274</b>
<b>LIABILITIES</b>					
Accounts Payable	\$ 1,077,237	\$ -	\$ 5,209,201	\$ 3,684	\$ 6,290,122
Accrued Salaries and Benefits	8,575,255	-	227	40,326	8,615,808
Due To Other Funds	4,223,802	-	-	-	4,223,802
Retainage Payable	-	-	1,995,113	-	1,995,113
Unearned Revenue - Other	-	-	-	216	216
<b>TOTAL LIABILITIES</b>	<b>13,876,294</b>	<b>-</b>	<b>7,204,541</b>	<b>44,226</b>	<b>21,125,061</b>
<b>DEFERRED INFLOWS</b>					
Unavailable Revenue - Property Taxes	2,085,048	1,038,480	-	-	3,123,528
<b>FUND BALANCES</b>					
Nonspendable	297,467	-	-	-	297,467
Restricted for:					
Grants and other purposes	-	-	-	4,517,747	4,517,747
Debt service	-	1,894,306	-	-	1,894,306
Future capital projects	-	-	34,769,771	-	34,769,771
Unassigned	6,546,394	-	-	-	6,546,394
<b>TOTAL FUND BALANCES</b>	<b>6,843,861</b>	<b>1,894,306</b>	<b>34,769,771</b>	<b>4,517,747</b>	<b>48,025,685</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>	<b>\$ 22,805,203</b>	<b>\$ 2,932,786</b>	<b>\$ 41,974,312</b>	<b>\$ 4,561,973</b>	<b>\$ 72,274,274</b>

See notes to basic financial statements.

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT  
 CLACKAMAS COUNTY, OREGON

RECONCILIATION OF GOVERNMENTAL FUNDS  
 BALANCE SHEET TO STATEMENT OF NET POSITION  
 JUNE 30, 2017

<b>TOTAL FUND BALANCES</b>		\$ 48,025,685
Capital assets are not financial resources and therefore are not reported in the governmental funds:		
Cost	\$ 372,099,887	
Accumulated depreciation	<u>(80,334,569)</u>	291,765,318
A portion of the District's property taxes are collected after year-end but are not available soon enough to pay for the current years' operations, and therefore are not reported as revenue in the governmental funds.		
		3,123,528
The Net 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.		
		(78,384,174)
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.		
		45,542,788
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	(228,702)	
Net Other Post Employment Benefits	(8,743,490)	
Bonds payable	(257,611,840)	
Premium on Bonds Payable	699,758	
Accrued Interest Payable	<u>(1,957,081)</u>	<u>(267,841,355)</u>
<b>TOTAL NET POSITION</b>		<u>\$ 42,231,790</u>

See notes to basic financial statements.

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT  
 CLACKAMAS COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 GOVERNMENTAL FUNDS  
 YEAR ENDED JUNE 30, 2017

	General Fund	Debt Service Fund	Capital Projects Fund	Special Revenue Funds	Total
<b>REVENUES:</b>					
Local Sources	\$ 41,775,415	\$ 25,411,108	\$ 1,806,943	\$ 1,825,691	\$ 70,819,157
Intermediate Sources	1,499,531	-	-	661,371	2,160,902
State Sources	49,343,972	-	-	85,700	49,429,672
Federal Sources	17,951	-	-	3,379,026	3,396,977
<b>TOTAL REVENUES</b>	<b>92,636,869</b>	<b>25,411,108</b>	<b>1,806,943</b>	<b>5,951,788</b>	<b>125,806,708</b>
<b>EXPENDITURES:</b>					
Current:					
Instruction	61,898,177	-	-	2,332,492	64,230,669
Support Services	30,086,544	-	-	944,126	31,030,670
Enterprise and Community Services	-	-	-	1,992,590	1,992,590
Facilities Acquisition and Construction	-	-	49,940,770	-	49,940,770
Debt Service	-	24,634,270	-	-	24,634,270
Capital Outlay	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>91,984,721</b>	<b>24,634,270</b>	<b>49,940,770</b>	<b>5,269,208</b>	<b>171,828,969</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>652,148</b>	<b>776,838</b>	<b>(48,133,827)</b>	<b>682,580</b>	<b>(46,022,261)</b>
<b>OTHER FINANCING SOURCES, (USES):</b>					
Transfers In	-	-	-	5,194	5,194
Transfers Out	(5,194)	-	-	-	(5,194)
Sale of Capital Assets	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>(5,194)</b>	<b>-</b>	<b>-</b>	<b>5,194</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>646,954</b>	<b>776,838</b>	<b>(48,133,827)</b>	<b>687,774</b>	<b>(46,022,261)</b>
<b>FUND BALANCE, July 1, 2016</b>	<b>6,196,907</b>	<b>1,117,468</b>	<b>82,903,598</b>	<b>3,829,973</b>	<b>94,047,946</b>
<b>FUND BALANCE, June 30, 2017</b>	<b>\$ 6,843,861</b>	<b>\$ 1,894,306</b>	<b>\$ 34,769,771</b>	<b>\$ 4,517,747</b>	<b>\$ 48,025,685</b>

See notes to basic financial statements.

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT  
 CLACKAMAS COUNTY, OREGON

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF ACTIVITIES  
 YEAR ENDED JUNE 30, 2017

**NET CHANGE IN FUND BALANCE** \$ (46,022,261)

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

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

Expenditures for capital assets	\$ 68,742,028	
Gain/Loss on sale of assets	(1,039,064)	
Less current year depreciation	<u>(6,127,578)</u>	61,575,386

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. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Bond premium Amortization	3,231,664	
Debt principal repaid	<u>11,877,387</u>	15,109,051

In the Statement of Activities interest is accrued on long-term debt, whereas in the governmental funds it is recorded as an interest expense when due. 8,742

Property taxes that do not meet the measurable and available criteria are not recognized as revenue in the current year in the governmental funds. In the Statement of Activities property taxes are recognized as revenue when levied. 25,533

Compensated absences and early retirement obligations are recognized as an expenditure in the governmental funds when they are paid. In the Statement of Activities compensated absences and early retirement obligations are recognized as an expenditure when earned.

Compensated absences	149,861	
Other Post-Employment Benefits	<u>(391,419)</u>	(241,558)

The Pension Expense represents the changes in Net Pension Asset (Liability) from year to year due to changes in total pension liability and the fair value of pension plan net position available to pay pension benefits. (9,917,694)

**CHANGE IN NET POSITION** \$ 20,537,199

See notes to basic financial statements.

WEST LINN WILSONVILLE SCHOOL DISTRICT  
CLACKAMAS COUNTY OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 ACTUAL AND BUDGET  
 For the Year Ended June 30, 2017

GENERAL FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
<b>REVENUES:</b>				
Local Sources	\$ 40,181,072	\$ 40,181,072	\$ 41,775,415	\$ 1,594,343
Intermediate Sources	1,464,722	1,464,722	1,499,531	34,809
State Sources	47,811,247	47,811,247	49,343,972	1,532,725
Federal Sources	10,000	10,000	17,951	7,951
<b>Total Revenues</b>	<b>89,467,041</b>	<b>89,467,041</b>	<b>92,636,869</b>	<b>3,169,828</b>
<b>EXPENDITURES:</b>				
Instruction	60,733,707	61,283,707 (1)	61,898,177	(614,470)
Support Services	31,856,472	31,306,472 (1)	30,086,544	1,219,928
Contingency	1,748,812	1,748,812 (1)	-	1,748,812
<b>Total Expenditures</b>	<b>94,338,991</b>	<b>94,338,991</b>	<b>91,984,721</b>	<b>2,354,270</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(4,871,950)</b>	<b>(4,871,950)</b>	<b>652,148</b>	<b>5,524,098</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(25,000)	(25,000) (1)	(5,194)	19,806
<b>Total Other Financing Sources (Uses)</b>	<b>(25,000)</b>	<b>(25,000)</b>	<b>(5,194)</b>	<b>19,806</b>
<b>Net Change in Fund Balance</b>	<b>(4,896,950)</b>	<b>(4,896,950)</b>	<b>646,954</b>	<b>5,543,904</b>
<b>Beginning Fund Balance (Budgetary Basis)</b>	<b>4,896,950</b>	<b>4,896,950</b>	<b>6,196,907</b>	<b>1,299,957</b>
<b>Ending Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,843,861</b>	<b>\$ 6,843,861</b>

(1) Appropriation level

See notes to basic financial statements.

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT  
 CLACKAMAS COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET (NON-GAAP BASIS) AND ACTUAL  
 YEAR ENDED JUNE 30, 2017

**SPECIAL REVENUE FUND**

	Budget (2)		Actual	Variance with
	Adopted	Final		Final Budget Positive (Negative)
<b>REVENUES:</b>				
Local Sources	\$ 1,867,491	\$ 1,867,491	\$ 1,825,691	\$ (41,800)
Intermediate Sources	617,122	617,122	661,371	44,249
State Sources	63,755	63,755	85,700	21,945
Federal Sources	3,379,221	3,379,221	3,379,026	(195)
<b>Total Revenues</b>	<b>5,927,589</b>	<b>5,927,589</b>	<b>5,951,788</b>	<b>24,199</b>
<b>EXPENDITURES:</b>				
Instruction	2,777,781	2,777,781 (1)	2,332,492	445,289
Support Services	833,251	833,251 (1)	944,126	(110,875)
Enterprise and Community Services	1,884,612	1,884,612 (1)	1,992,590	(107,978)
Contingency	1,615,813	1,615,813 (1)	-	1,615,813
<b>Total Expenditures</b>	<b>7,111,457</b>	<b>7,111,457</b>	<b>5,269,208</b>	<b>1,842,249</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(1,183,868)</b>	<b>(1,183,868)</b>	<b>682,580</b>	<b>1,866,448</b>
<b>OTHER FINANCING SOURCES:</b>				
Transfers In	25,000	25,000	5,194	(19,806)
<b>Total Other Financing Sources (Uses)</b>	<b>25,000</b>	<b>25,000</b>	<b>5,194</b>	<b>(19,806)</b>
<b>Net Change in Fund Balance</b>	<b>(1,158,868)</b>	<b>(1,158,868)</b>	<b>687,774</b>	<b>1,846,642</b>
<b>Beginning Fund Balance (restated for PERS Reserve)</b>	<b>1,158,868</b>	<b>1,158,868</b>	<b>3,829,973</b>	<b>2,671,105</b>
<b>Ending Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>4,517,747</b>	<b>\$ 4,517,747</b>

(1) Appropriation level

(2) The District appropriates one special revenue fund. The combining schedules on pages 40-41 show the details of the special revenue subfunds.

See notes to basic financial statements.

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT  
 CLACKAMAS COUNTY, OREGON

STATEMENT OF FIDUCIARY NET POSITION  
 June 30, 2017

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	PRIVATE PURPOSE TRUST SCHOLARSHIP FUND	AGENCY FUNDS
ASSETS:		
Cash and Investments	\$ 245,503	\$ 1,079,957
Due From Governmental Funds	361	-
	<u>245,864</u>	<u>-</u>
Total Assets	<u>\$ 245,864</u>	<u>\$ 1,079,957</u>
LIABILITIES AND NET POSITION:		
Liabilities:		
Due to Student Organizations	\$ -	\$ 1,079,957
	<u>-</u>	<u>1,079,957</u>
Total Liabilities	<u>-</u>	<u>1,079,957</u>
Net Position:	<u>245,984</u>	<u>-</u>
Total Liabilities and Net Position	<u>\$ 245,984</u>	<u>\$ 1,079,957</u>

See notes to basic financial statements.

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT  
CLACKAMAS COUNTY, OREGON

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2017

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	<u>PRIVATE PURPOSE TRUST SCHOLARSHIP FUND</u>
ADDITIONS:	
Gains/ Losses on Investments	\$ 2,690
Total Additions	<u>2,690</u>
REDUCTIONS:	
Total Reductions	<u>-</u>
Change in Net Position	2,690
Beginning Net Position	<u>243,294</u>
Ending Net Position	<u><u>\$ 245,984</u></u>

See notes to basic financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

West Linn-Wilsonville School District No. 3JT is a municipal corporation governed by an elected five member board. As required by generally accepted accounting principles, these financial statements present West Linn-Wilsonville School District No. 3JT (the primary government) and any component units. Component units, as established by the Government Accounting Standards Board (GASB) Statements 14, 39, and 61 are separate organizations that are included in the District's reporting entity because of the significance of their operational or financial relationships with the District. West Linn-Wilsonville School District No. 3JT has no component units. The Three Rivers Charter School is the District's only charter school; however it does not qualify for reporting as a component unit.

Basis of Presentation

**Government-wide Financial Statements**

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

**Fund Financial Statements**

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

There are the following major governmental funds:

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.

Special Revenue Fund – This fund accounts for revenues and expenditures designated for specific programs. The principal revenue sources are grants and contributions.

Debt Service Fund – This fund accounts for the payment of principal and interest on the General Obligation Bond and PERS Bond issues. The principal sources of revenue are property taxes and charges to other funds.

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 and interest earnings.

Additionally, the following other fund types are reported:

Fiduciary Funds

The Agency fund accounts for the transactions of the student body activity accounts. The private-purpose trust scholarship fund accounts for private contributions used for scholarships.

Measurement Focus and Basis of Accounting

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued)

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

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

Cash, 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 up on the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts and Other Receivables

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

Property Taxes Receivable

Property taxes are levied and become a lien on July 1. Collection dates are November 15, February 15, and May 15 following the lien date. Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding on May 16 are considered delinquent. Uncollected property taxes are recorded on the statement of Net Position. Uncollected taxes are deemed to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established. All property taxes receivable are due from property owners within the District.

Grants

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

Supply Inventories and Prepaid Items

Supply inventories are stated at cost using first-in, first-out (FIFO) method. Any donated inventories are stated at their estimated fair market value. The cost of inventory items are recognized as an expenditure when purchased (purchase method) for budgetary purposes. 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. Commodities on hand at year end are recorded as deferred revenue. As a result, fund balance on the balance sheet has not been reserved for inventories of donated commodities. All other inventories in the governmental funds have been equally offset by an adjustment for inventory recorded under the consumption method.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items both in the government-wide and fund financial statements.

Capital Assets

Capital assets are recorded at original or estimated original cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value. Capital assets with an initial cost of more than \$5,000 and an estimated life in excess of three years are capitalized. Interest incurred during construction is not capitalized. Maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Capital assets are depreciated using the straight-line method over the following useful lives:

Buildings and improvements	10 to 50 years
Equipment	5 to 20 years

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. GASB Statements 68 and 71 have been implemented as of July 1, 2014.

There is a deferred compensation plan available to its employees wherein they may execute an individual agreement with the District for amounts earned by them to not be paid until a future date when certain circumstances are met. These circumstances are: termination by reason of death, disability, resignation, or retirement. Payment to the employee will be made over a period not to exceed 15 years. The deferred compensation plan is one, which is authorized under IRC Section 457 and has been approved in its specifics by a private ruling from the Internal Revenue Service. The assets of the plan are held by the administrator for the sole benefit of the plan participants and are not considered assets and liabilities of the District.

Compensated Absences

It is the policy to permit employees to accumulate earned but unused vacation and sick 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 unused vacation pay is accrued when earned in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignation and retirements. The entire amount of accrued compensated absences is considered current because all absences are usable within the current year, and it is not possible to determine accurately which amounts will be used within the year versus which amounts will be held over and used later. \$228,702 of the compensated absences liability is due within one year.

Long-term Debt

In the government-wide financial statements long-term debt is reported as a liability in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. In the fund financial statements bond premiums and discounts, as well as bond issuance costs, are recognized when incurred and not deferred. The face amount of the debt issued, premiums received on debt issuances, and discounts are reported as other financing sources and uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

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

Budget

A budget is prepared and legally adopted for each governmental fund type and pension trust fund on the modified accrual basis of accounting. The agency fund is not required to be budgeted. The budgetary basis of accounting is substantially the same as accounting principles generally accepted in the United States of America basis, except capital outlay expenditures, including items below the capitalization level, are budgeted by major function in governmental fund types and inventories are budgeted as expenditures when purchased, property taxes not received within 60 days of year end are deferred, depreciation and amortization are not recorded in the funds, principal payments on debt and OPEB obligations are expended as they are paid rather than when they are incurred, and prepaid items are expended when paid rather than when used. The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations.

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

Supplemental budgets less than 10% of a fund's original budget may be adopted by the Board at a regular meeting. A supplemental budget greater than 10% of a fund's original budget requires hearings before the public, publication in newspapers and approval by the Board. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control (major function levels) with Board approval. During the year, appropriation transfers were made in the general fund and the special revenue fund. Appropriations lapse at the end of each fiscal year. Expenditures of the various funds were within authorized appropriations, except for an overexpenditure in the General Fund Instruction expenditures of \$614,470, an overexpenditure in the Special Revenue Fund Enterprise and Community Services expenditures of \$107,978 and an overexpenditure in the Special Revenue Fund Support Services expenditures of \$110,875.

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element 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. The District has one items that qualifies for reporting in this category: pension related deferrals.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred outflows/inflows of resources (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has only one type of item, which arises only under the modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues for property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Additionally, Deferred Inflows 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.

Fund Equity

In March 2009, the GASB issued Statement No. 54, Fund Balance Reporting and Governmental Fund-type Definitions. 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 fund balance classifications of reserved, designated, and unreserved/undesignated were replaced with five new classifications – nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable fund balance represents amounts that are not in a spendable form. The nonspendable fund balance represents inventories and prepaid items.
- 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. To modify or rescind a fund balance commitment, the governing body would approve a 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 Board of Directors has granted the Superintendent and the Deputy Clerk/Business Manager the authority to classify portions of ending fund balances as assigned.
- 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. There are no assigned fund balances as of June 30, 2017.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Equity (Continued)

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.

To preserve a sound financial system and to provide a stable financial base, the governing body has adopted a minimum fund balance policy.

2. CASH AND INVESTMENTS

Deposits

Deposits with financial institutions are comprised of bank demand deposits and certificates of deposit. The total bank balance per the bank statements was \$7,136,741, of which \$783,465 was covered by federal depository insurance and the remainder is collateralized by the Oregon Public Funds Collateralization Program (PFCP). 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 District has an investment policy in accordance with state law; it is policy DFA on the District's website at [www.wlww.k12.or.us](http://www.wlww.k12.or.us).

Investments

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.

**2. Cash and Investments (Continued)**

Cash and Investments at June 30, 2017, (recorded at fair value) consisted of:

Deposits with Financial Institutions:	2017	Reported In:	2017
Demand Deposits:			
Checking	\$ 5,083,139	Governmental Activities	\$ 60,785,999
Investments	57,028,319	Fiduciary Funds	1,325,459
	<hr/>		<hr/>
Total	\$ 62,111,458	Total	\$ 62,111,458
	<hr/> <hr/>		<hr/> <hr/>

There were the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in months)		
		Less than 3	3-18	18-59
State Treasurer's Investment Pool	\$ 15,038,105	\$ 15,038,105	\$ -	\$ -
Construction Bond	30,969,060	-	30,969,060	-
Piper Jaffray	11,021,154	-	11,021,154	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total	\$ 57,028,319	\$ 15,038,105	\$ 41,990,214	\$ -
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**Interest Rate Risk**

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 greater than eighteen months.

**Custodial 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, 2017, all bank balances were deposited at an approved depository as identified by the treasury and therefore insured.

**Credit Risk - Investments**

Oregon Revised Statutes does not limit investments as to credit rating for securities purchased from US Government Agencies or USGSE. The State Investment Pool is not rated. The US Government investments held by the District were invested in a cash account with Piper Jaffray.

**Concentration of Credit Risk**

At June 30, 2017, 26.4% of total investments were in the State Treasurer's Investment Pool and 73.6% in Government Securities (Bonds). State statutes do not limit the percentage of investments in either of these instruments. Oregon Revised Statutes require no more than 25 percent of the moneys of local government to be invested in bankers' acceptances of any qualified financial institution. At June 30, 2017, there was compliance with all percentage restrictions.

WEST LINN-WILSONVILLE SCHOOL DISTRICT 3JT  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2017

3. RECEIVABLES

Receivables are comprised of the following as of June 30, 2017:

Property taxes	\$	3,833,009
Other receivables		<u>3,143,900</u>
Total	\$	<u>6,976,909</u>

4. CAPITAL ASSETS

Capital assets activity for the year was as follows:

Governmental Activities:	July 1, 2016	Additions	Deletions	June 30, 2017
Capital Assets Not Being Depreciated:				
Land	\$ 8,396,480	\$ -	\$ -	\$ 8,396,480
Construction in Progress	21,597,944	67,454,436	1,039,064	88,013,316
Total Capital Assets Not Being Depreciated	<u>29,994,424</u>	<u>67,454,436</u>	<u>1,039,064</u>	<u>96,409,796</u>
Capital Assets Being Depreciated:				
Buildings and Improvements	253,078,649	1,071,074	-	254,149,723
Site Improvements	15,215,731	216,517	-	15,432,248
Machinery and Equipment	6,108,118	-	-	6,108,118
Total Capital Assets Being Depreciated	<u>274,402,498</u>	<u>1,287,591</u>	<u>-</u>	<u>275,690,089</u>
Accumulated Depreciation				
Buildings and Improvements	66,419,521	5,150,433	-	71,569,954
Site Improvements	3,530,131	600,325	22,107	4,108,349
Machinery and Equipment	4,257,339	398,927	-	4,656,266
Total Accumulated Depreciation	<u>74,206,991</u>	<u>6,149,685</u>	<u>22,107</u>	<u>80,334,569</u>
Total Capital Assets Being Depreciated, Net	<u>200,195,507</u>	<u>(4,862,094)</u>	<u>(22,107)</u>	<u>195,355,520</u>
Governmental Activities				
Capital Assets, Net	<u>\$ 230,189,932</u>	<u>\$ 62,592,343</u>	<u>\$ 1,016,957</u>	<u>\$ 291,765,318</u>

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:	
Instruction	\$ 5,418,131
Support Services	717,803
Community Services	<u>13,751</u>
Total Depreciation Expense- Governmental Activities	<u>\$ 6,149,685</u>

WEST LINN-WILSONVILLE SCHOOL DISTRICT 3JT  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2017

5. LONG-TERM DEBT

The following changes occurred in Long-Term debt during the fiscal year ending June 30, 2017:

Issue Date	Interest Rates	Original Issue	Outstanding July 1, 2016	Issued	Matured Amount Redeemed	Outstanding June 30, 2017	Due Within One Year
May 2003	2.0-4.78%	\$ 74,997,238	\$ 39,650,453	\$ -	3,852,387	\$ 35,798,066	6,356,204
March 2004	2.0-4.78%	42,180,000	37,390,000	-	1,490,000	35,900,000	1,745,000
July 10, 2013	.394-1.449%	98,000,000	3,505,000	-	3,505,000	-	-
Remaining 2009 Bonds	3.0-4.25%	2,655,172	2,495,000	-	-	2,495,000	1,225,000
March 15, 2015	2-5%	161,390,000	158,505,000	-	3,030,000	155,475,000	1,375,000
Total			241,545,453	-	11,877,387	229,668,066	10,701,204
Unamortized Premium/(Discount)			30,475,680	-	3,231,664	27,244,016	-
Total Long-Term Debt			\$ 272,021,133	\$ -	\$ 15,109,051	\$ 256,912,082	\$ 10,701,204
Accrued Compensated Absences			378,563	-	149,861	228,702	228,702
Net Other Post Employment Benefits			5,505,595	391,419	-	5,897,014	-

Bonds Payable

Future maturities of bonds payable at June 30, 2017 are as follows:

Year	Principal	Interest
2018	10,701,204	15,186,708
2019	11,146,753	15,610,731
2020	11,583,221	16,047,094
2021	10,596,065	16,363,114
2022	8,736,928	16,820,628
2023-2027	81,108,895	44,288,907
2028-2032	88,130,000	11,741,515
2033-37	7,665,000	191,625
Total	\$ 229,668,066	\$ 136,250,322

All long-term debt obligations are payable from the general and debt service funds.

General Obligation Bonds

General obligation bonds are direct obligations and pledge the full faith and credit of the District. General obligation bonds are issued to provide funds for the acquisition and construction of school facilities. The original amount of general obligation bonds issued in current and prior years was \$439,007,238.

**5. LONG-TERM DEBT (CONTINUED)****Advance Refunding Bonds**

In July of 2002 general obligation refunding bonds were issued. The proceeds of the new bonds were placed in an irrevocable trust to provide for future debt service payments on the 1992 bonds. Accordingly, the trust account assets and liability for the defeased bonds are not included in the basic financial statements.

In November of 2004, general obligation refunding bonds were issued. The proceeds of the new bonds were placed in an irrevocable trust to provide for future debt service payments on the 1997 bonds. Accordingly, the trust account assets and liability for the defeased bonds are not included in the basic financial statements. The advance refunding was undertaken to reduce total debt service payments over the next 12 years by \$1,509,930.

The government issued \$161,390,000 in general obligation refunding bonds with an interest rate between 2% and 5%. The proceeds were used to refund \$81,395,000 of outstanding Series 2009 general obligation bonds which had interest rates ranging from 2.50% to 5.00%. Of the \$189,333,774 net proceeds (including a \$27,943,774 premium) \$94,617,780 were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, \$82,100,000 of the Series 2009 general obligation bonds are considered defeased.

The District refunded the Series 2009 general obligation bonds to reduce its total debt service payments over 19 years by \$10,435,273, resulting in an economic gain of \$4,939,752.

On June 30, 2017, \$82,100,000 of bonds outstanding are considered defeased.

**Pension Obligation Bonds**

On March 1, 2004, limited tax pension obligation bonds totaling \$42,180,000 were issued to finance the unfunded actuarially accrued liability (UAL) with the State of Oregon Public Employees Retirement System (PERS). The issuance of the bonds was considered an advance refunding of the District's UAL. 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 the future required contribution rate.

**6. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

Due to/from other funds at June 30, 2017 and transfers in and out for the year then ended are as follows:

	Due From Other Funds	Due to Other Funds	Transfers In	Transfers Out
General Fund	\$ -	\$ 4,223,802	\$ -	\$ 5,194
Debt Service Fund	932,803	-	-	-
Capital Projects Fund	213,772	-	-	-
Special Revenue Fund	3,076,866	-	5,194	-
Scholarship Fund	361	-	-	-
	<u>\$ 4,223,802</u>	<u>\$ 4,223,802</u>	<u>\$ 5,194</u>	<u>\$ 5,194</u>

Interfund balances represent amounts owed to or from the general fund for pooled cash and investments. The interfund transfers represent a subsidy from the General to the Food Service fund for operations.

## 7. RISK MANAGEMENT

There is exposure to various risks of loss related to torts; theft or damage to and destruction of assets; errors and omissions; and natural disasters. Commercial insurance is purchased to minimize exposure to these risks. The amount of settlements did not exceed insurance coverage limits in any of the past three years.

## 8. OTHER POST EMPLOYMENT BENEFITS/OTHER PENSION PLANS

### Early Retirement Stipends (Pension Plan)

Plan Description - A single employer defined benefit supplemental early retirement program is maintained for qualifying employees. An early retirement stipend plan is provided for Teachers pursuant to a collective bargaining agreement. An early retirement stipend has also been established by administrative policy for Administrative, Confidential, and Supervisors employees (CSA Group). Qualifying teachers must have 15 years of full-time service with the District, eligible for PERS retirement (age 55 or 30 years of PERS service), and be hired before July 1, 2007. Eligible CSA employees must have 10 years of full-time service and be eligible for PERS retirement (age 55 or 30 years of PERS Service). No separate audited GAAP basis postemployment benefit plan report is available for the defined benefit plan. The optional early retirement program provides eligible employees with the following:

- For Teachers, \$500 per month for the earlier of 48 months, aged 62, or death.
- For CSA employees, \$500 per month for 48 months, or to the date of death, whichever occurs first.

There is no explicit assumption regarding the inflation rate, the plan has an investment return of 3% which is actually the discount rate since the plans are unfunded by GASB standards, and there are no projected salary increases or post-retirement benefit increases for the plan. This plan uses the level dollar amortization method.

Contributions and Funding Policy - The benefits from this program are fully paid and, consequently, no contributions by employees are required. There is no obligation to fund these benefits in advance. The only obligation is to make current benefit payments due each fiscal year. It has not been found necessary to establish a pension trust fund. Benefit payments are paid on a pay-as-you-go basis each year out of the General Fund.

Actuarial Methods and Assumptions - The District engaged an actuary to perform a valuation as of June 30, 2017 using the Entry age normal, level percent of salary Actuarial Cost Method. The asset valuation method used was market value and the amortization method used was 30 year, open level %.

The total pension liability in the June 30, 2017 actuarial valuation was calculated based on the discount rate and actuarial assumptions below, and was then projected forward/backward to the measurement date. There are no assets accumulated in a trust that meets the criteria in GASB 73 paragraph 4.

WEST LINN-WILSONVILLE SCHOOL DISTRICT 3JT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2017

**8. OTHER POST EMPLOYMENT BENEFITS/OTHER PENSION PLANS (CONTINUED)**

Discount Rate	2.85%	3.58%
Valuation Date	January 1, 2017	January 1, 2017
Measurement Date	June 30, 2016	June 30, 2017
Reporting Date	June 30, 2017	June 30, 2018
Inflation	2.50%	2.50%
Salary Increases	3.25%	3.25%
Healthy Mortality	Based on Oregon PERS valuation assumptions as of December 31, 2015	Based on Oregon PERS valuation assumptions as of December 31, 2015
Actuarial Cost Method	Entry Age Normal Level Percent of Pay	Entry Age Normal Level Percent of Pay

Mortality rates were based on the RP=2000 Combined Mortality Table for males or females, as appropriate, set back 24 months, and were calculated by adjusting the rates by 60% for male participants and 55% for female participants.

Turnover rates were based on percentages development for the valuation of benefits under Oregon PERS and vary by years of service.

Disability rates were based on percentages development for the valuation of benefits under Oregon PERS and vary by employee age not used in the June 30, 2017 valuation.

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

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

The discount rate used to measure the total other post-employment benefit liabilities was 3.5%, based on the expected long-term future annual investment returns for Oregon's Local Government Investment Pool and comparable investments.

Fiscal Year Ending	Deferred Outflow / (Inflow) Recognized in Pension Expense
2017	\$ 66,422
2018	\$ 66,422
2019	\$ 66,422
2020	\$ 66,422
2021	\$ 66,422
2022	\$ 66,422
All Subsequent Years	\$ 221,191

**8. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)**

Program membership consisted of the following at January 1, 2017:

Retirees currently receiving benefits	90
Active program members	916
Total	<u>1,006</u>

Changes in the Total Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Fiduciary	
		Net Position (b)	Net Pension Liability (a)-(b)
Balance at June 30, 2016	\$ 2,327,850	\$ -	\$ 2,327,850
Service Cost	63,619	-	63,619
Interest on Total Pension Liability	78,975	-	78,975
Experience (Gain)/Loss	629,138	-	629,138
Effect of assumptions changes or inputs	(9,415)	-	(9,415)
Benefit Payments	(243,691)	-	(243,691)
Administrative Expenses	-	-	-
Balance at June 30, 2017	<u>\$ 2,846,476</u>	<u>\$ -</u>	<u>\$ 2,846,476</u>

Sensitivity of the Total Pension Liability to changes in the discount and trend rates

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

	Current		
	1% Decrease (2.58%)	Discount Rate (3.58%)	1% Increase (4.58%)
Total Pension Liability	\$ 2,951,533	\$ 2,846,476	\$ 2,743,139

**POST EMPLOYMENT HEALTH CARE BENEFITS**

*Plan Description*

The District, as a result of collective bargaining agreements, offers a post-employment health care subsidy under a single-employer, defined benefit plan. All employees covered under OEBC medical benefits at the time of retirement are eligible. Employees must retire from active service while eligible for a pension benefit payable immediately under Oregon PERS. This plan is not a stand-alone plan and therefore does not issue its own financial statements. The General Fund has been used to liquidate this liability.

Retirees and their dependents under age 65 are allowed to continue the health care coverages received prior to retirement. Premiums for retirees are tiered and based upon the premium rates available to active employees. The retiree is responsible for any portion of the premiums not paid by the District.

The implicit employer subsidy is measured as the expected health care cost per retiree and dependent, less the gross premiums charged by the insurance carrier for that coverage. The subsidy is only measured

8. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

POST EMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

for retirees and spouses younger than 65, at which point such retirees and spouses typically become eligible for Medicare.

*Summary of significant accounting policies*

The plan is accounted for in the General Fund, which is reported on the modified accrual basis. The District's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with terms of the plan. For purposes of the government-wide financial statements, an obligation for other post-employment benefits is recognized as a liability, as described in the following paragraphs. Because the District has not transferred the assets to an insurance trust, the actuarial value of plan assets is zero.

*Funding policy*

The benefits for this program are fully paid by the District and, consequently, no contributions by employees are required.

*Annual cost and OPEB obligation*

The District's annual other post-employment benefit (OPEB) cost is calculated based on the annual required contribution (ARC) of the employer, and the amount is actuarially determined within the parameters of GASB Statement 45 and 73. Calculations are based on the types of benefits provided under the plan at the time of each valuation and on the pattern of sharing of costs between the District and the plan members to that point. The ARC represents a level of funding which, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liability (or funding excess) over a period of fifteen years. Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the District and plan members to that point. The following table shows the components of the OPEB obligation at the end of the year.

	2017	2016	2015
Annual required contribution	\$ 1,539,492	\$ 1,892,878	\$ 1,854,928
Interest on net OPEB obligation	165,168	151,479	144,398
Adjustment to ARC	(272,710)	(257,611)	(245,568)
Annual OPEB cost	1,431,950	1,786,746	1,753,758
Explicit benefit payments	(753,301)	(854,798)	(1,047,565)
Implicit benefit payments	(287,230)	(475,650)	(470,146)
Increase in net OPEB obligation	391,419	456,298	236,047
Net OPEB obligation - beginning of year	5,505,595	5,049,297	4,813,250
Net OPEB obligation - end of year	\$ 5,897,014	\$ 5,505,595	\$ 5,049,297

8. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

POST EMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

The following table shows the annual OPEB cost and net OPEB obligation for the year ended June 30, 2017 and the three preceding years:

Fiscal Year Ended	Annual OPEB Cost	Percentage of OPEB Cost Contributed	Net OPEB Obligation
6/30/2017	\$ 1,753,758	87%	\$ 5,049,297
6/30/2016	1,786,746	75%	5,505,595
6/30/2015	1,753,758	87%	5,049,297
6/30/2014	2,116,119	72%	4,813,250

*Actuarial methods and assumptions*

The annual required contribution (ARC) for the current year was determined as part of the June 30, 2017 actuarial valuation using the projected unit credit cost method, the objective of which is to fund each member's benefit under the plan as it accrues. The ARC is equal to the employer-provided benefit attributable to employee service in the current year plus an amount to amortize the unfunded actuarial accrued liability as a level dollar amount over a period of ten years. The ARC represents an accounting expense, but the District is not required to contribute the ARC to a separate trust; therefore, the ARC less actual benefit payments accumulates as a liability on the District's government-wide statement of net position. The actuarial assumptions include an open amortization period; a rate of return on investment of present and future assets of 3.50 percent (the discount rate applied to the liability); increases in medical and prescription drug costs between 5.25 percent to 8.25 percent per year, and increases in dental and vision costs of 4.50 percent per year; and an inflation rate of 2.50 percent.

Actuarial valuations for the OPEB plan involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations for the plan reflect a long-term perspective.

*Funding status and funding progress*

As of June 30, 2017, the most recent actuarial valuation date, the plan was zero percent funded. The June 30, 2017 actuarial accrued liability for benefits was \$17,969,883, and the actuarial value of assets was zero, resulting in an unfunded actuarial liability of \$17,969,883. The current year's covered payroll (annual payroll of active employees covered by the plan) was \$57,230,696, and the ratio of the unfunded actuarial liability to the current year's covered payroll was 15.00 percent.

The schedule of funding progress, presented as RSI following the notes to the financial statements, provides multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

## 9. 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: <http://sos.oregon.gov/audits/documents/2016-36.pdf>.

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

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

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

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

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

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

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

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

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

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

A member of the 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.

9. Pension Plan (Continued)

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

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

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

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, 2014 actuarial valuation, which became effective July 1, 2015. 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, 2017 were \$9,273,315, excluding amounts to fund employer specific liabilities.

At June 30, 2017, the District reported a net pension liability of \$78,384,174 for its proportionate share of the net pension asset. The pension asset was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2014, the District's proportion was .52 percent.

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 2,593,291	\$ -
Changes in assumptions	16,717,461	-
Net difference between projected and actual earnings on pension plan investments	15,484,424	-
Changes in proportionate share	1,726,202	232,551
Changes in proportion and differences between District contributions and proportionate share of contributions	73,993	647,648
	<hr/>	<hr/>
Subtotal - Amortized Deferrals (below)	36,595,371	880,199
	<hr/>	<hr/>
District contributions subsequent to measurement date	9,273,315	-
	<hr/>	<hr/>
Net deferred outflow (inflow) of resources		\$ 44,988,487
		<hr/> <hr/>

9. Pension Plan (Continued)

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

<u>Year ending June 30,</u>	<u>Amount</u>
2018	\$ 6,467,058
2019	6,467,058
2020	12,164,986
2021	9,274,861
2022	1,342,209
Thereafter	-
Total	<u>\$ 35,716,172</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated December 1, 2016. Oregon PERS produces an independently audited CAFR which can be found at:

<http://sos.oregon.gov/audits/documents/2016-36.pdf>.

Actuarial Valuations – The employer contribution rates effective July 1, 2015 through June 30, 2017, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

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

**9. Pension Plan (Continued)**

## Actuarial Methods and Assumptions:

Valuation date	December 31, 2014 rolled forward to June 30, 2017
Experience Study Report	2014, Published September, 2015
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	2.5 percent (reduced from 2.75 percent)
Investment rate of return	7.5 percent (reduced from 7.75 percent)
Projected salary increase	3.5 percent overall payroll growth; salaries for individuals are assumed to grow at 3.75 percent plus assumed rates of merit/longevity increases based on service (reduced from 3.5 percent)
Mortality	Healthy retirees and beneficiaries: RP-2000 Sex-distinct, generational per Scale BB, with collar adjustments and set-backs as described in the valuation. Active members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation. Disabled retirees: Mortality rates are a percentage (70% for males and 95% for females) of the RP-2000 sex-distinct, generational per Scale BB, disabled mortality table.

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

Discount Rate – The discount rate used to measure the total pension liability was 7.5 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

WEST LINN-WILSONVILLE SCHOOL DISTRICT 3JT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2017

9. Pension Plan (Continued)

Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Cash	0.0%	3.0%	0.0%
Debt Securities	15.0%	25.0%	20.0%
Public Equity	32.5%	42.5%	37.5%
Private Equity	16.0%	24.0%	20.0%
Real Estate	9.5%	15.5%	12.5%
Alternative Equity	0.0%	10.0%	10.0%
Opportunity Portfolio	0.0%	3.0%	0.0%
Total			100%

Source: June 30, 2014 PERS CAFR; p. 54 – 55)

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 2013 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.

Asset Class	Target	Compound Annual Return (Geometric)
Core Fixed Income	7.20%	4.50%
Short-term Bonds	8.00%	3.70%
Intermediate-Term Bonds	3.00%	4.10%
High Yield Bonds	1.80%	6.66%
Large Cap US Equities	11.65%	7.20%
Mid Cap US Equities	3.88%	7.30%
Small Cap US Equities	2.27%	7.45%
Developed Foreign Equities	14.21%	6.90%
Emerging Foreign Equities	5.49%	7.40%
Private Equity	20.00%	8.26%
Opportunity Funds/Absolute Return	5.00%	6.01%
Real Estate (Property)	13.75%	6.51%
Real Estate (REITS)	2.50%	6.76%
Commodities	7.71%	6.07%
Assumed Inflation		2.75%

Source: June 30, 2014 PERS CAFR; p. 54 – 55)

**9. Pension Plan (Continued)**

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 7.5 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 (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate.

	1% Decrease (6.5%)	Discount Rate (7.5%)	1% Increase (8.5%)
District's proportionate share of the net pension liability	\$ 126,564,306	\$ 78,384,174	\$ 38,114,014

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.

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

A deferred compensation plan is available to employees wherein they may execute an individual agreement with the District for amounts earned by them to not be paid until a future date when certain circumstances are met. These circumstances are: termination by reason of death, disability, resignation, or retirement. Payment to the employee will be made over a period not to exceed 15 years. The deferred compensation plan is one which is authorized under IRC Section 457 and has been approved in its specifics by a private ruling from the Internal Revenue Service. The assets of the plan are held by the administrator for the sole benefit of the plan participants and are not considered assets or liabilities of the District.

Individual Account Program - In the 2003 legislative session, the Oregon Legislative Assembly created a successor plan for OPERS. The Oregon Public Service Retirement Plan (OPSRP) is effective for all new employees hired on or after August 29, 2003, and applies to any inactive OPERS members who return to employment following a six month or greater break in service. The new plan consists of the defined benefit pension plans and a defined contribution pension plan (the Individual Account Program or IAP). Beginning January 1, 2004, all OPERS member contributions go into the IAP portion of OPSRP. OPERS' members retain their existing OPERS accounts, but any future member contributions are deposited into the member's IAP, not the member's OPERS account. Those employees who had established an OPERS membership prior to the creation of OPSRP will be members of both the OPERS and OPSRP system as long as they remain in covered employment. Members of OPERS and OPSRP are required to contribute six percent of their salary covered under the plan that is invested in the IAP. The District makes this contribution on behalf of its employees.

**10. FUND BALANCE CONSTRAINTS**

The specific purposes for each of the categories of fund balance as of June 30, 2017 are as follows:

Fund Balances:	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
<b><u>Nonspendable:</u></b>					
Prepaid & Inventory	\$ 297,467	\$ -	\$ -	\$ -	\$ 297,467
<b><u>Restricted:</u></b>					
Grants and other purposes	-	-	-	4,517,747	4,517,747
Debt service	-	1,748,927	-	-	1,748,927
Future capital projects	-	-	34,769,771	-	34,769,771
	-	1,748,927	34,769,771	4,517,747	41,036,445
<b><u>Committed to:</u></b>					
Future Operations	-	-	-	-	-
	-	-	-	-	-
<b>Unassigned:</b>	6,546,394	-	-	-	6,546,394
<b>Total Fund Balances</b>	<b>\$ 6,843,861</b>	<b>\$ 1,748,927</b>	<b>\$ 34,769,771</b>	<b>\$ 4,517,747</b>	<b>\$ 47,880,306</b>

**11. COMMITMENTS AND CONTINGENCIES**

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.

There is participation in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The federal audits for these programs for the year ended June 30, 2017 have not been conducted. Accordingly, compliance with grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although such amounts are expected by management to be immaterial.

**12. PROPERTY TAX LIMITATIONS**

The State of Oregon imposes a constitutional limit on property taxes for schools and nonschool 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

**12. PROPERTY TAX LIMITATIONS (CONTINUED)**

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 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.

**13. Tax Abatements**

As of June 30, 2017, West Linn-Wilsonville School District provides tax abatements through one program:

Not-for-Profit Low Income Rental Housing (ORS 307.540 to 307.548):

- In 1985, Oregon legislature authorized a property tax exemption for low-income housing held by charitable, nonprofit organizations. The tax exemption is intended to benefit low-income renters by alleviating property tax burden on those agencies that provide this housing opportunity. The qualifying property must be located within the (enter City or County).

Charitable, nonprofit organizations that provide housing to low-income persons are eligible. Organizations must be certified by the Internal Revenue Service as 501(c)(3) or (4). Organizations must own or have a leasehold interest in the property or participate in a partnership as long as the non-profit organization is responsible for the day-to-day management of the property. Applicants who are leaseholders must have a signed leasehold agreement by the application deadline.

Vacant land intended to be developed as low-income housing is also eligible for the exemption.

The property tax exemption applies only to the tax levy of a governing body that adopts the provisions of ORS 307.540 to 307.548.

For the fiscal year ended June 30, 2017, the District abated property taxes as follows under these programs:

Nonprofit Corporation Low Income Housing	\$ <u>74,030</u>
Total	\$ <u>74,030</u>

**14. Restatements**

As of July 1, 2016 the fund balance in the PERS Reserve fund, part of the appropriated Special Revenue Funds, was restated to reflect a reclassification of funds previously budgeted to be set aside as restricted for future rate increases by PERS but were classified as a liability to PERS rather than as restricted fund balance.

WEST LINN-WILSONVILLE SCHOOL DISTRICT 3JT  
CLACKAMAS COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

WEST LINN WILSONVILLE SCHOOL DISTRICT  
CLACKAMAS COUNTY OREGON

REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS  
 For the Year Ended June 30, 2017

EARLY RETIREMENT STIPENDS

Total Pension Liability at June 30, 2016	\$ 2,327,850
Changes for the year	
Service Cost	63,619
Interest on Total Pension Liability	78,975
Change in assumptions	(9,415)
Experience (gain)/loss	629,138
Benefit payments	(243,691)
Total Pension Liability at June 30, 2017	<u>\$ 2,846,476</u>
Covered Payroll	15,432,295
Net Single Employer Pension Plan as a Percentage of Covered Payroll	18.44%

Note: This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full year trend has been compiled, information is presented for the years for which the required supplementary schedule information is available. The District implemented GASB 73 in the fiscal year ending June 30, 2017.

OTHER POSTEMPLOYMENT HEALTH BENEFITS

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(b)-(a) AAL (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll	((b-a)/c) UAAL as a Percentage of Covered Payroll
2013	\$ -	\$ 21,675,468	\$ 21,675,468	- %	\$ 39,107,456	55.4%
2015	\$ -	\$ 19,966,954	\$ 19,966,954	- %	\$ 41,428,101	48.2%
2017	\$ -	\$ 17,969,883	\$ 17,969,883	- %	\$ 57,230,696	31.4%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended June 30,	Annual OPEB Costs	Percentage Contributed
2015	\$ 1,753,758	86.5 %
2016	\$ 1,786,746	74.5 %
2017	\$ 1,431,950	72.7 %

WEST LINN WILSONVILLE SCHOOL DISTRICT  
CLACKAMAS COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION  
 For the fiscal year ended June 30, 2017

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

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPA)	(b) Employer's proportionate share of the net pension liability (NPA)	(c) District's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2017	0.49 %	\$ 78,384,174	\$ 59,135,440	132.6 %	80.5 %
2016	0.49	\$ 28,137,018	52,612,703	53.5	91.9
2015	0.51	(11,505,742)	41,485,063	(27.7)	103.6
2014	0.51	25,903,343	49,970,018	51.8	92.0

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

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

**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
2017	\$ 9,273,315	\$ 9,273,315	\$ -	\$ 51,798,630	17.9 %
2016	8,781,366	8,781,366	-	59,135,440	14.8
2015	8,158,233	8,158,233	-	52,612,703	15.5
2014	7,667,387	7,667,387	-	41,485,063	18.5

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

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

WEST LINN-WILSONVILLE SCHOOL DISTRICT 3JT  
CLACKAMAS COUNTY, OREGON

SUPPLEMENTARY INFORMATION

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT  
 CLACKAMAS COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 ACTUAL AND BUDGET  
 YEAR ENDED JUNE 30, 2017

DEBT SERVICE FUND

	Budget		Debt Service Fund	PERS Debt Service Fund	Total	Variance with Final Budget Positive (Negative)
	Adopted	Final				
<b>REVENUES:</b>						
Local Sources						
Property Taxes	\$ 20,875,050	\$ 20,875,050	\$ 21,343,214	\$ -	\$ 21,343,214	\$ 468,164
Earnings on Investments	3,070	3,070	1,276	16,363	17,639	14,569
Services Provided Other Funds	3,695,000	3,695,000	-	4,050,255	4,050,255	355,255
<b>Total Revenues</b>	<b>24,573,120</b>	<b>24,573,120</b>	<b>21,344,490</b>	<b>4,066,618</b>	<b>25,411,108</b>	<b>837,988</b>
<b>EXPENDITURES:</b>						
Debt service	24,634,382	24,634,382 (1)	21,100,853	3,533,417	24,634,270	112
<b>Total Expenditures</b>	<b>24,634,382</b>	<b>24,634,382</b>	<b>21,100,853</b>	<b>3,533,417</b>	<b>24,634,270</b>	<b>112</b>
<b>Net Change in Fund Balance</b>	<b>(61,262)</b>	<b>(61,262)</b>	<b>243,637</b>	<b>533,201</b>	<b>776,838</b>	<b>838,100</b>
<b>Beginning Fund Balance</b>	<b>1,441,733</b>	<b>1,441,733</b>	<b>758,167</b>	<b>359,301</b>	<b>1,117,468</b>	<b>(324,265)</b>
<b>Ending Fund Balance</b>	<b>\$ 1,380,471</b>	<b>\$ 1,380,471</b>	<b>\$ 1,001,804</b>	<b>\$ 892,502</b>	<b>\$ 1,894,306</b>	<b>\$ 513,835</b>

(1) Appropriation level

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT  
 CLACKAMAS COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET (NON-GAAP BASIS) AND ACTUAL  
 YEAR ENDED JUNE 30, 2017

**CAPITAL PROJECTS FUND**

	Budget		Actual	Variance with
	Adopted	Final		Final Budget Positive (Negative)
<b>REVENUES:</b>				
Local Sources:				
Construction Excise Tax	\$ 525,500	\$ 525,500	\$ 1,806,943	\$ 1,281,443
Earnings on Investments	459,406	459,406	-	(459,406)
<b>Total Revenues</b>	<b>984,906</b>	<b>984,906</b>	<b>1,806,943</b>	<b>822,037</b>
<b>EXPENDITURES:</b>				
Contingency	42,037,541	28,137,541 (1)	-	28,137,541
Facilities Acquisition and Construction	50,828,472	64,728,472 (1)	49,940,770	14,787,702
<b>Total Expenditures</b>	<b>92,866,013</b>	<b>92,866,013</b>	<b>49,940,770</b>	<b>42,925,243</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(91,881,107)</b>	<b>(91,881,107)</b>	<b>(48,133,827)</b>	<b>43,747,280</b>
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>(91,881,107)</b>	<b>(91,881,107)</b>	<b>(48,133,827)</b>	<b>43,747,280</b>
<b>Beginning Fund Balance</b>	<b>91,881,107</b>	<b>91,881,107</b>	<b>82,903,598</b>	<b>(8,977,509)</b>
<b>Ending Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 34,769,771</b>	<b>\$ 34,769,771</b>

(1) Appropriation level

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT  
 CLACKAMAS COUNTY, OREGON

COMBINING BALANCE SHEET  
 SPECIAL REVENUE FUNDS  
 JUNE 30, 2017

	201 Columbia Regional Autism Fund	202 ASPIRE Fund	203 Nomad Coffee Chart Fund	204 Essential Student Support Grant Fund	205 HEAL Grant Fund	206 Gear Up Grant Fund	208 SOAR Fund	209 School MAP Donations Fund	219 Mentor In-House Program Fund
<b>ASSETS</b>									
Due from Other Funds	\$ -	\$ 3,930	\$ 2,077	\$ 1,994	\$ 37	\$ 381	\$ 1,647	\$ 23,220	\$ 18,779
Accounts Receivable	45,976	-	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 45,976</u>	<u>\$ 3,930</u>	<u>\$ 2,077</u>	<u>\$ 1,994</u>	<u>\$ 37</u>	<u>\$ 381</u>	<u>\$ 1,647</u>	<u>\$ 23,220</u>	<u>\$ 18,779</u>
<b>LIABILITIES AND FUND BALANCES</b>									
Liabilities:									
Unearned Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49	\$ -
Accounts Payable	-	-	-	-	-	-	-	80	-
Salaries Payable	18,074	-	-	-	-	-	-	-	-
Due to Other Funds	27,902	-	-	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	45,976	-	-	-	-	-	-	129	-
Fund Balances:									
Restricted	-	3,930	2,077	1,994	37	381	1,647	23,091	18,779
Unassigned	-	-	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCE</b>	-	3,930	2,077	1,994	37	381	1,647	23,091	18,779
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 45,976</u>	<u>\$ 3,930</u>	<u>\$ 2,077</u>	<u>\$ 1,994</u>	<u>\$ 37</u>	<u>\$ 381</u>	<u>\$ 1,647</u>	<u>\$ 23,220</u>	<u>\$ 18,779</u>

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT  
 CLACKAMAS COUNTY, OREGON

COMBINING BALANCE SHEET  
 SPECIAL REVENUE FUNDS  
 JUNE 30, 2017

	225 PERS Reserve Fund	232 MSM & PS Strings Fund	230 Medicaid Administration Fund	235 Grey Family Foundation	241 Title IC Summer Fund	242 PPC Grant Fund	247 C-Tec Youth Services Fund	251 Carl Perkins Fund	252 Title I/IV Fund
<b>ASSETS</b>									
Due from Other Funds	\$ 2,953,838	\$ -	\$ -	\$ 1,557	\$ -	\$ 498,944	\$ -	\$ 3,174	\$ -
Accounts Receivable	-	-	206,398	-	-	-	8,519	3,326	-
<b>TOTAL ASSETS</b>	<u>\$ 2,953,838</u>	<u>\$ -</u>	<u>\$ 206,398</u>	<u>\$ 1,557</u>	<u>\$ -</u>	<u>\$ 498,944</u>	<u>\$ 8,519</u>	<u>\$ 6,500</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCES</b>									
Liabilities:									
Unearned Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	217	-	-	-	-	278	-	-
Salaries Payable	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	3,303	152,459	-	-	-	8,003	-	1,246
<b>TOTAL LIABILITIES</b>	-	3,520	152,459	-	-	-	8,281	-	1,246
Fund Balances:									
Restricted	2,953,838	-	53,939	1,557	-	498,944	238	6,500	(1,246)
Unassigned	-	(3,520)	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCE</b>	<u>2,953,838</u>	<u>(3,520)</u>	<u>53,939</u>	<u>1,557</u>	<u>-</u>	<u>498,944</u>	<u>238</u>	<u>6,500</u>	<u>(1,246)</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 2,953,838</u>	<u>\$ -</u>	<u>\$ 206,398</u>	<u>\$ 1,557</u>	<u>\$ -</u>	<u>\$ 498,944</u>	<u>\$ 8,519</u>	<u>\$ 6,500</u>	<u>\$ -</u>

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT  
 CLACKAMAS COUNTY, OREG

COMBINING BALANCE SHEET  
 SPECIAL REVENUE FUNDS  
 JUNE 30, 2017

	253 Title I Fund	254 IDEA Enhancement Fund	263 Title IIA Fund	266 Y. Transition Program Fund	267 Title III Fund	291 Disabled Child Fund	294 Land Proceeds Fund	297 Food Service Fund	298 Community Education Fund	Total
<b>ASSETS</b>										
Due from Other Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 674,593	\$ -	\$ 165,787	\$ 4,349,958
Accounts Receivable	148,903	493,953	86,255	56,146	38,448	324,757	-	55,195	22,823	1,490,699
<b>TOTAL ASSETS</b>	<u>\$ 148,903</u>	<u>\$ 493,953</u>	<u>\$ 86,255</u>	<u>\$ 56,146</u>	<u>\$ 38,448</u>	<u>\$ 324,757</u>	<u>\$ 674,593</u>	<u>\$ 55,195</u>	<u>\$ 188,610</u>	<u>\$ 5,840,657</u>
<b>LIABILITIES AND FUND BALANCES</b>										
Liabilities:										
Unearned Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 167	\$ 216
Accounts Payable	-	-	-	-	-	62	-	5,723	610	6,970
Salaries Payable	-	20,703	-	-	-	-	-	3,855	-	42,632
Due to Other Funds	161,200	473,250	86,255	56,146	38,448	178,113	-	86,767	-	1,273,092
<b>TOTAL LIABILITIES</b>	161,200	493,953	86,255	56,146	38,448	178,175	-	96,345	777	1,322,910
Fund Balances:										
Restricted	(12,297)	-	-	-	-	146,582	674,593	(41,150)	187,833	4,521,267
Unassigned	-	-	-	-	-	-	-	-	-	(3,520)
<b>TOTAL FUND BALANCE</b>	(12,297)	-	-	-	-	146,582	674,593	(41,150)	187,833	4,517,747
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 148,903</u>	<u>\$ 493,953</u>	<u>\$ 86,255</u>	<u>\$ 56,146</u>	<u>\$ 38,448</u>	<u>\$ 324,757</u>	<u>\$ 674,593</u>	<u>\$ 55,195</u>	<u>\$ 188,610</u>	<u>\$ 5,840,657</u>

Reconciliation of Due to and Due From

Due From Other Funds	\$ 4,349,958
Due To Other Funds	<u>(1,273,092)</u>
Total Due From (To) Other Funds	<u>\$ 3,076,866</u>

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT  
 CLACKAMAS COUNTY, OREGON

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET (NON-GAAP BASIS) AND ACTUAL  
 SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2017

	201	202	208	203	204	205	206
	Columbia Regional Autism Fund	ASPIRE Fund	SOAR Fund	Nomad Coffee Chart Fund	Essential Student Support Grant Fund	HEAL Grant Fund	Gear Up Grant Fund
<b>REVENUES:</b>							
Local Sources	\$ -	\$ 1,350	\$ 7,047	\$ -	\$ -	\$ -	\$ -
Intermediate Sources	-	-	-	-	6,140	8,000	750
State Sources	-	-	-	-	-	-	-
Federal Sources	129,600	-	-	-	-	-	-
<b>Total Revenues</b>	<b>129,600</b>	<b>1,350</b>	<b>7,047</b>	<b>-</b>	<b>6,140</b>	<b>8,000</b>	<b>750</b>
<b>EXPENDITURES:</b>							
Instruction	129,600	889	8,641	1,162	4,146	7,963	369
Support Services	-	-	-	-	-	-	-
Enterprise and Community Services	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>129,600</b>	<b>889</b>	<b>8,641</b>	<b>1,162</b>	<b>4,146</b>	<b>7,963</b>	<b>369</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>461</b>	<b>(1,594)</b>	<b>(1,162)</b>	<b>1,994</b>	<b>37</b>	<b>381</b>
<b>OTHER FINANCING SOURCES:</b>							
Transfers In (Out)	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>461</b>	<b>(1,594)</b>	<b>(1,162)</b>	<b>1,994</b>	<b>37</b>	<b>381</b>
<b>FUND BALANCE, July 1, 2016</b>	<b>-</b>	<b>3,469</b>	<b>3,241</b>	<b>3,239</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE, June 30, 2017</b>	<b>\$ -</b>	<b>\$ 3,930</b>	<b>\$ 1,647</b>	<b>\$ 2,077</b>	<b>\$ 1,994</b>	<b>\$ 37</b>	<b>\$ 381</b>

(1) Appropriation level

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET (NON-GAAP BASIS) AND ACTUAL  
 SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2017

	209 School MAP Donations Fund	219 Mentor In-House Program Fund	225 PERS Reserve Fund	232 MSM & PS Strings Fund	230 Medicaid Administration Fund	241 Title 1C Summer Fund
<b>REVENUES:</b>						
Local Sources	\$ 17,172	\$ -	\$ 547,416	\$ 57,832	\$ -	\$ -
Intermediate Sources	-	-	-	-	-	-
State Sources	-	48,500	-	-	-	-
Federal Sources	-	-	-	-	254,567	-
<b>Total Revenues</b>	<b>17,172</b>	<b>48,500</b>	<b>547,416</b>	<b>57,832</b>	<b>254,567</b>	<b>-</b>
<b>EXPENDITURES:</b>						
Instruction	16,120	-	-	56,368	221,079	-
Support Services	-	29,721	-	-	156,935	-
Enterprise and Community Services	-	-	-	-	-	-
Contingency	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>16,120</b>	<b>29,721</b>	<b>-</b>	<b>56,368</b>	<b>378,014</b>	<b>-</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>1,052</b>	<b>18,779</b>	<b>547,416</b>	<b>1,464</b>	<b>(123,447)</b>	<b>-</b>
<b>OTHER FINANCING SOURCES:</b>						
Transfers In (Out)	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>1,052</b>	<b>18,779</b>	<b>547,416</b>	<b>1,464</b>	<b>(123,447)</b>	<b>-</b>
<b>FUND BALANCE, July 1, 2016</b>	<b>22,039</b>	<b>-</b>	<b>2,406,422</b>	<b>(4,984)</b>	<b>177,386</b>	<b>-</b>
<b>FUND BALANCE, June 30, 2017</b>	<b>\$ 23,091</b>	<b>\$ 18,779</b>	<b>\$ 2,953,838</b>	<b>\$ (3,520)</b>	<b>\$ 53,939</b>	<b>\$ -</b>

(1) Appropriation level

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET (NON-GAAP BASIS) AND ACTUAL  
 SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2017

	242	247	251	#	253	254	235
	PPC Grant	C-Tec Youth	Carl	Title IA/D	Title I	IDEA	Grey
	Fund	Services	Perkins	Fund	Fund	Enhancement	Family
	Fund	Fund	Fund	Fund	Fund	Fund	Foundation
<b>REVENUES:</b>							
Local Sources	\$ 213,240	\$ -	\$ -	\$ (1,246)	\$ (12,297)	\$ -	\$ -
Intermediate Sources	-	32,105	-	-	-	-	-
State Sources	-	-	-	-	-	-	-
Federal Sources	-	-	30,662	-	539,068	1,299,302	-
<b>Total Revenues</b>	<b>213,240</b>	<b>32,105</b>	<b>30,662</b>	<b>(1,246)</b>	<b>526,771</b>	<b>1,299,302</b>	<b>-</b>
<b>EXPENDITURES:</b>							
Instruction	-	32,145	24,162	1,246	552,390	848,107	12,443
Support Services	-	-	-	-	-	451,195	-
Enterprise and Community Services	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>32,145</b>	<b>24,162</b>	<b>1,246</b>	<b>552,390</b>	<b>1,299,302</b>	<b>12,443</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>213,240</b>	<b>(40)</b>	<b>6,500</b>	<b>(2,492)</b>	<b>(25,619)</b>	<b>-</b>	<b>(12,443)</b>
<b>OTHER FINANCING SOURCES:</b>							
Transfers In (Out)	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>213,240</b>	<b>(40)</b>	<b>6,500</b>	<b>(2,492)</b>	<b>(25,619)</b>	<b>-</b>	<b>(12,443)</b>
<b>FUND BALANCE, July 1, 2016</b>	<b>285,704</b>	<b>278</b>	<b>-</b>	<b>1,246</b>	<b>13,322</b>	<b>-</b>	<b>14,000</b>
<b>FUND BALANCE, June 30, 2017</b>	<b>\$ 498,944</b>	<b>\$ 238</b>	<b>\$ 6,500</b>	<b>\$ (1,246)</b>	<b>\$ (12,297)</b>	<b>\$ -</b>	<b>\$ 1,557</b>

(1) Appropriation level

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET (NON-GAAP BASIS) AND ACTUAL  
 SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2017

	263 Title IIA Fund	# Transition Program Fund	267 Title III Fund	291 Disabled Child Fund	294 Land Proceeds Fund	297 Food Service Fund
<b>REVENUES:</b>						
Local Sources	\$ -	\$ -	\$ -	\$ (17,739)	\$ -	\$ 759,583
Intermediate Sources	-	-	-	614,376	-	-
State Sources	-	-	-	-	-	37,200
Federal Sources	86,255	147,179	38,448	-	-	853,945
<b>Total Revenues</b>	<b>86,255</b>	<b>147,179</b>	<b>38,448</b>	<b>596,637</b>	<b>-</b>	<b>1,650,728</b>
<b>EXPENDITURES:</b>						
Instruction	-	147,179	-	268,483	-	-
Support Services	86,255	-	38,448	181,572	-	-
Enterprise and Community Services	-	-	-	-	-	1,758,178
Contingency	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>86,255</b>	<b>147,179</b>	<b>38,448</b>	<b>450,055</b>	<b>-</b>	<b>1,758,178</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>146,582</b>	<b>-</b>	<b>(107,450)</b>
<b>OTHER FINANCING SOURCES:</b>						
Transfers In (Out)	-	-	-	-	-	5,194
Sale of Capital Assets	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,194</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>146,582</b>	<b>-</b>	<b>(102,256)</b>
<b>FUND BALANCE, July 1, 2016</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>674,593</b>	<b>61,106</b>
<b>FUND BALANCE, June 30, 2017</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 146,582</b>	<b>\$ 674,593</b>	<b>\$ (41,150)</b>

(1) Appropriation level

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET (NON-GAAP BASIS) AND ACTUAL  
 SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2017

	298					
	Community Education		Budget			
	Fund	Total	Adopted	Actual		
<b>REVENUES:</b>						
Local Sources	\$ 253,333	\$ 1,825,691	\$ 1,867,491	\$ 1,867,491	\$	(41,800)
Intermediate Sources	-	661,371	617,122	617,122		44,249
State Sources	-	85,700	63,755	63,755		21,945
Federal Sources	-	3,379,026	3,379,221	3,379,221		(195)
<b>Total Revenues</b>	<b>253,333</b>	<b>5,951,788</b>	<b>5,927,589</b>	<b>5,927,589</b>		<b>24,199</b>
<b>EXPENDITURES:</b>						
Instruction	-	2,332,492	2,777,781	2,777,781	(1)	445,289
Support Services	-	944,126	833,251	833,251	(1)	(110,875)
Enterprise and Community Services	234,412	1,992,590	1,884,612	1,884,612	(1)	(107,978)
Contingency	-	-	1,615,813	1,615,813	(1)	1,615,813
<b>Total Expenditures</b>	<b>234,412</b>	<b>5,269,208</b>	<b>7,111,457</b>	<b>7,111,457</b>		<b>(1,842,249)</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>18,921</b>	<b>682,580</b>	<b>(1,183,868)</b>	<b>(1,183,868)</b>		<b>1,866,448</b>
<b>OTHER FINANCING SOURCES:</b>						
Transfers In (Out)	-	5,194	25,000	25,000		(19,806)
Sale of Capital Assets	-	-	-	-		-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>5,194</b>	<b>25,000</b>	<b>25,000</b>		<b>(19,806)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>18,921</b>	<b>687,774</b>	<b>(1,158,868)</b>	<b>(1,158,868)</b>		<b>1,846,642</b>
<b>FUND BALANCE, July 1, 2016</b>	<b>168,912</b>	<b>3,829,973</b>	<b>1,158,868</b>	<b>1,158,868</b>		<b>2,671,105</b>
<b>FUND BALANCE, June 30, 2017</b>	<b>\$ 187,833</b>	<b>\$ 4,517,747</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ 4,517,747</b>

(1) Appropriation level

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT  
 CLACKAMAS COUNTY, OREGON

FIDUCIARY FUND  
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 For the Year Ended June 30, 2017

	BALANCE AT 7/1/16	ADDITIONS	DEDUCTIONS	BALANCE AT 6/30/17
STUDENT ACTIVITY FUNDS:				
ASSETS:				
Cash and Investments	\$ 1,000,472	\$ 2,734,814	\$ 2,655,329	\$ 1,079,957
Total Assets	<u>\$ 1,000,472</u>	<u>\$ 2,734,814</u>	<u>\$ 2,655,329</u>	<u>\$ 1,079,957</u>
LIABILITIES:				
Due to Student Organizations	\$ 1,000,472	\$ 2,734,814	\$ 2,655,329	\$ 1,079,957
Total Liabilities	<u>\$ 1,000,472</u>	<u>\$ 2,734,814</u>	<u>\$ 2,655,329</u>	<u>\$ 1,079,957</u>

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT  
 CLACKAMAS COUNTY, OREGON

SCHEDULE OF BOND AND INTEREST TRANSACTIONS AND BALANCES  
 For The Year Ended June 30, 2017

DATE OF ISSUE	MATURED BONDS & COUPONS OUTSTANDING AT 7/1/16	BONDS & COUPONS MATURING DURING THE YEAR	BONDS REDEEMED AND COUPONS PAID DURING THE YEAR	MATURED BONDS & COUPONS OUTSTANDING AT 6/30/17
2013 Refunding	\$ -	\$ 3,555,787	\$ 3,555,787	\$ -
3/1/2004	-	3,533,320	3,533,320	-
05/28/03	-	6,930,000	6,930,000	-
Remaining 2009	-	92,625	92,625	-
2015 Refund	-	10,522,650	10,522,650	-
TOTALS:	\$ -	\$ 24,634,382	\$ 24,634,382	\$ -

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT  
 CLACKAMAS COUNTY, OREGON

SCHEDULE OF BOND REDEMPTION AND INTEREST REQUIREMENTS  
 June 30, 2017

FISCAL YEAR	ISSUE OF 5/28/03		PENSION BOND ISSUE OF 3/1/04	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
	Due 6/15	Due 12/15 & 6/15	Due 6/30	Due 12/30 & 6/30
2017-18	\$ 6,356,204	\$ 5,708,796	\$ 1,745,000	\$ 1,966,987
2018-19	6,231,753	6,308,247	2,030,000	1,875,846
2019-20	6,078,221	6,956,780	2,335,000	1,767,789
2020-21	5,826,065	7,473,935	2,665,000	1,642,329
2021-22	5,711,928	8,118,072	3,025,000	1,497,806
2022-23	5,593,895	8,791,105	3,415,000	1,332,248
2023-24	-	-	3,835,000	1,143,467
2024-25	-	-	4,290,000	931,468
2025-26	-	-	4,785,000	694,317
2026-27	-	-	5,310,000	429,802
2027-28	-	-	2,465,000	136,265
2028-29	-	-	-	-
2029-30	-	-	-	-
2030-31	-	-	-	-
2031-32	-	-	-	-
2032-33	-	-	-	-
2033-34	-	-	-	-
TOTALS	<u>\$ 35,798,066</u>	<u>\$ 43,356,935</u>	<u>\$ 35,900,000</u>	<u>\$ 13,418,324</u>

2015 REFUNDING		REMAINING 2009 BONDS		TOTAL REQUIREMENTS	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	ALL ISSUES	
Due 6/15	Due 12/15 & 6/15	Due 6/15	Due 12/15 & 6/15	PRINCIPAL	INTEREST
\$ 1,375,000	\$ 7,418,300	\$ 1,225,000	\$ 92,625	\$ 10,701,204	\$ 15,186,708
1,615,000	7,380,325	1,270,000	46,312	11,146,753	15,610,730
3,170,000	7,322,525	-	-	11,583,221	16,047,094
2,105,000	7,246,850	-	-	10,596,065	16,363,114
-	7,204,750	-	-	8,736,928	16,820,628
-	7,204,750	-	-	9,008,895	17,328,103
11,675,000	6,912,875	-	-	15,510,000	8,056,342
12,820,000	6,305,500	-	-	17,110,000	7,236,968
14,040,000	5,639,000	-	-	18,825,000	6,333,317
15,345,000	4,904,375	-	-	20,655,000	5,334,177
16,725,000	4,102,625	-	-	19,190,000	4,238,890
18,205,000	3,229,375	-	-	18,205,000	3,229,375
19,770,000	2,302,875	-	-	19,770,000	2,302,875
21,370,000	1,347,250	-	-	21,370,000	1,347,250
9,595,000	623,125	-	-	9,595,000	623,125
7,665,000	191,625	-	-	7,665,000	191,625
-	-	-	-	-	-
<u>\$ 155,475,000</u>	<u>\$ 79,336,125</u>	<u>\$ 2,495,000</u>	<u>\$ 138,937</u>	<u>\$ 229,668,066</u>	<u>\$ 136,250,321</u>

WEST LINN-WILSONVILLE SCHOOL DISTRICT 3JT  
CLACKAMAS COUNTY, OREGON

OTHER INFORMATION –  
OREGON DEPARTMENT OF EDUCATION SCHEDULES

WEST LINN-WILSONVILLE SCHOOL DISTRICT  
 SCHEDULE OF REVENUES BY FUNCTION - ALL FUNDS

	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
<b>Revenue from Local Sources</b>							
1110 Ad Valorem Taxes Levied by District	\$32,591,971		\$21,333,110				
1120 Local Option Ad Valorem Taxes Levied by District	\$6,794,754						
1130 Construction Excise Tax				\$1,007,293			
1190 Penalties and Interest on Taxes	\$15,522		\$10,103				
1200 Revenue from Local Governmental Units Other Than Districts							
1311 Regular Day School Tuition - From Individuals	\$228,557						
1312 Regular Day School Tuition - Other Dist Within State	\$7,100						
1313 Regular Day School Tuition - Other Districts Outside							
1320 Adult/Continuing Education Tuition							
1330 Summer School Tuition	\$11,500						
1411 Transportation Fees - From Individuals							
1412 Transportation Fees - Other Dist Within State							
1413 Transportation Fees - Other Districts Outside							
1414 Transportation Fees - Foster Children							
1420 Summer School Transportation Fees							
1500 Earnings on Investments	\$383,473		\$17,640	\$363,936			\$2,689
1600 Food Service		\$800,733					
1700 Extracurricular Activities	\$882,412	\$57,832					\$2,734,814
1800 Community Services Activities							
1910 Rentals	\$95,687	\$253,333					
1920 Contributions and Donations From Private Sources	\$264,613	\$7,874					
1930 Rental or Lease Payments From Private Contractors							
1940 Services Provided Other Local Education Agencies							
1950 Textbook Sales and Rentals							
1960 Recovery of Prior Years' Expenditure	\$98,415			\$264,335			
1970 Services Provided Other Funds		\$547,415	\$4,050,255				
1980 Fees Charged to Grants							
1990 Miscellaneous	\$401,412	\$158,504		\$171,379			
<b>Total Revenue from Local Sources</b>	<b>\$41,775,415</b>	<b>\$1,825,691</b>	<b>\$25,411,108</b>	<b>\$1,806,943</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,737,503</b>
<b>Revenue from Intermediate Sources</b>							
2101 County School Funds	\$898						
2102 General ESD Revenue	\$1,498,633						
2103 Excess ESD Local Revenue							
2105 Natural Gas, Oil, and Mineral Receipts							
2110 Intermediate "I" Tax							
2199 Other Intermediate Sources		\$614,376					
2200 Restricted Revenue		\$46,995					
2800 Revenue in Lieu of Taxes							
2900 Revenue for/on Behalf of the District							
<b>Total Revenue from Intermediate Sources</b>	<b>\$1,499,531</b>	<b>\$661,371</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenue from State Sources</b>							
3101 State School Fund - General Support	\$48,125,835						
3102 State School Fund - School Lunch Match		\$17,900					
3103 Common School Fund	\$1,108,708						
3104 State Managed County Timber							
3106 State School Fund - Accrual							
3199 Other Unrestricted Grants-in-Aid	\$109,428						
3204 Driver Education							
3222 State School Fund (SSF) Transportation Equipment							
3299 Other Restricted Grants-in-Aid		\$67,800					
3800 Revenue in Lieu of Taxes							
3900 Revenue for/on Behalf of the District							
<b>Total Revenue from State Sources</b>	<b>\$49,343,972</b>	<b>\$85,700</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenue from Federal Sources</b>							
4100 Unrestricted Revenue Direct From the Federal Government							
4200 Unrestricted Revenue From the Federal Government Through the State							
4300 Restricted Revenue From the Federal Government							
4500 Restricted Revenue From the Federal Government Through the State		\$3,100,943					
4700 Grants-In-Aid From the Federal Government Through Other Intermediate Agencies		\$147,179					
4801 Federal Forest Fees	\$17,951						
4802 Impact Aid to School Districts for Operation (PL 874)							
4803 Coos Bay Wagon Road Funds							
4899 Other Revenue in Lieu of Taxes							
4900 Revenue for/on Behalf of the District		\$130,904					
<b>Total Revenue from Federal Sources</b>	<b>\$17,951</b>	<b>\$3,379,027</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenue from Other Sources</b>							
5100 Long Term Debt Financing Sources							
5200 Interfund Transfers		\$5,194					
5300 Sale of or Compensation for Loss of Fixed Assets							
5400 Resources - Beginning Fund Balance	\$6,196,907	\$3,871,826	\$1,117,468	\$82,903,599			\$1,243,766
<b>Total Revenue from Other Sources</b>	<b>\$6,196,907</b>	<b>\$3,877,020</b>	<b>\$1,117,468</b>	<b>\$82,903,599</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,243,766</b>
<b>Grand Totals</b>	<b>\$98,833,776</b>	<b>\$9,828,809</b>	<b>\$26,528,576</b>	<b>\$84,710,542</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,981,269</b>

WEST LINN-WILSONVILLE SCHOOL DISTRICT  
 SCHEDULE OF EXPENDITURES BY FUNCTION/OBJECT - GENERAL FUND

**Fund: 100 General Fund**

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
<b>Instruction Expenditures</b>								
1111 Elementary, K-5 or K-6	\$23,802,195	\$14,726,293	\$8,580,879	\$38,470	\$456,553			
1113 Elementary Extracurricular	\$0							
1121 Middle/Junior High Programs	\$11,297,489	\$6,929,037	\$4,039,805	\$122,864	\$205,784			
1122 Middle/Junior High School Extracurricular	\$274,130	\$195,701	\$66,944	\$742	\$10,082		\$662	
1131 High School Programs	\$13,432,451	\$8,357,066	\$4,764,849	\$67,865	\$214,233	\$22,214	\$6,225	
1132 High School Extracurricular	\$2,179,644	\$1,296,621	\$383,613	\$293,714	\$135,417	\$21,393	\$48,886	
1140 Pre-Kindergarten Programs	\$361,197	\$245,674	\$112,846		\$2,676			
1210 Programs for the Talented and Gifted	\$498,816	\$310,213	\$105,520	\$44,983	\$38,100			
1220 Restrictive Programs for Students with Disabilities	\$2,392,992	\$1,219,047	\$756,063	\$377,902	\$39,980			
1250 Less Restrictive Programs for Students with Disabilities	\$3,965,362	\$2,457,745	\$1,452,102	\$46,415	\$9,100			
1260 Treatment and Habilitation	\$304,775	\$183,270	\$118,300	\$1,354	\$1,851			
1271 Remediation	\$0							
1272 Title I	\$129,106	\$94,719	\$34,387					
1280 Alternative Education	\$1,847,423	\$559,807	\$308,634	\$960,705	\$17,613		\$664	
1291 English Language Learner Programs	\$849,072	\$534,038	\$310,106	\$3,268	\$1,660			
1292 Teen Parent Program	\$18,831			\$18,831				
1293 Migrant Education	\$0							
1294 Youth Corrections Education	\$0							
1295 English Language Learner - not in programs	\$0							
1299 Other Programs	\$405,530	\$246,285	\$118,828	\$15,877	\$24,540			
1300 Adult/Continuing Education Programs	\$0							
1400 Summer School Programs	\$139,163	\$80,351	\$26,832	\$31,200	\$780			
<b>Total Instruction Expenditures</b>	<b>\$61,898,176</b>	<b>\$37,435,869</b>	<b>\$21,179,708</b>	<b>\$2,024,189</b>	<b>\$1,158,368</b>	<b>\$43,607</b>	<b>\$56,436</b>	<b>\$0</b>
<b>Support Services Expenditures</b>								
2110 Attendance and Social Work Services	\$159,372	\$97,451	\$61,186		\$735			
2120 Guidance Services	\$1,683,479	\$1,023,399	\$646,580	\$5,447	\$7,303		\$750	
2130 Health Services	\$289,312	\$171,199	\$104,529	\$5,000	\$7,991		\$593	
2140 Psychological Services	\$439,035	\$270,945	\$158,788	\$1,381	\$7,921			
2150 Speech Pathology and Audiology Services	\$862,562	\$523,485	\$334,528	\$651	\$3,898			
2160 Other Student Treatment Services	\$4,332	\$2,481	\$1,851					
2190 Service Direction, Student Support Services	\$419,382	\$213,222	\$122,465	\$72,953	\$10,583		\$158	
2210 Improvement of Instruction Services	\$1,385,570	\$582,240	\$303,763	\$118,232	\$380,999		\$336	
2220 Educational Media Services	\$1,111,899	\$622,849	\$369,699	\$4,110	\$115,016		\$225	
2230 Assessment & Testing	\$93,663				\$93,663			
2240 Instructional Staff Development	\$291,561		\$291,561					
2310 Board of Education Services	\$149,172			\$95,274	\$9,581		\$44,317	
2320 Executive Administration Services	\$449,235	\$215,828	\$121,305	\$61,976	\$39,586		\$10,540	
2410 Office of the Principal Services	\$5,521,461	\$3,300,539	\$1,943,936	\$203,884	\$70,085		\$3,016	
2490 Other Support Services - School Administration	\$0							
2510 Direction of Business Support Services	\$656,837	\$119,664	\$64,401	\$14,594	\$385		\$457,793	
2520 Fiscal Services	\$567,966	\$270,849	\$191,899	\$45,004	\$42,942		\$17,273	
2540 Operation and Maintenance of Plant Services	\$8,299,393	\$2,875,194	\$1,803,775	\$2,950,974	\$669,125		\$326	
2550 Student Transportation Services	\$4,394,574			\$4,394,574				
2570 Internal Services	\$195,431	\$84,298	\$56,367	\$53,558	\$1,207			
2610 Direction of Central Support Services	\$0							
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$0							
2630 Information Services	\$0							
2640 Staff Services	\$429,961	\$232,505	\$118,335	\$69,969	\$9,153			
2660 Technology Services	\$1,609,371	\$610,794	\$386,876	\$261,960	\$349,741			
2670 Records Management Services	\$0							
2680 Interpretation and Translation Services	\$0							
2690 Other Support Services - Central	\$56,130	\$44,282	\$11,848					
2700 Supplemental Retirement Program	\$1,016,847	\$243,691	\$773,157					
<b>Total Support Services Expenditures</b>	<b>\$30,086,544</b>	<b>\$11,504,916</b>	<b>\$7,866,849</b>	<b>\$8,359,540</b>	<b>\$1,819,913</b>	<b>\$0</b>	<b>\$535,326</b>	<b>\$0</b>
<b>Enterprise and Community Services Expenditures</b>								
3100 Food Services	\$0							
3200 Other Enterprise Services	\$0							
3300 Community Services	\$0							
3500 Custody and Care of Children Services	\$0							
<b>Total Enterprise and Community Services Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Facilities Acquisition and Construction Expenditures</b>								
4110 Service Area Direction	\$0							
4120 Site Acquisition and Development Services	\$0							
4150 Building Acquisition, Construction, and Improvement	\$0							
4180 Other Capital Items	\$0							
4190 Other Facilities Construction Services	\$0							
<b>Total Facilities Acquisition and Construction Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Other Uses Expenditures</b>								
5100 Debt Service	\$0							
5200 Transfers of Funds	\$5,194							\$5,194
5300 Apportionment of Funds by ESD	\$0							
5400 PERS UAL Bond Lump Sum	\$0							
<b>Total Other Uses Expenditures</b>	<b>\$5,194</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,194</b>
<b>Grand Total</b>	<b>\$91,989,914</b>	<b>\$48,940,785</b>	<b>\$29,046,556</b>	<b>\$10,383,729</b>	<b>\$2,978,281</b>	<b>\$43,607</b>	<b>\$591,762</b>	<b>\$5,194</b>

WEST LINN-WILSONVILLE SCHOOL DISTRICT  
 SCHEDULE OF EXPENDITURES BY FUNCTION/OBJECT - SPECIAL REVENUE FUND

**Fund: 200 Special Revenue Funds**

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
<b>Instruction Expenditures</b>								
1111 Elementary, K-5 or K-6	\$23,041	\$9,135	\$3,308		\$10,598			
1113 Elementary Extracurricular	\$13,749	\$11,088	\$2,205		\$456			
1121 Middle/Junior High Programs	\$1,110				\$1,110			
1122 Middle/Junior High School Extracurricular	\$42,619	\$15,500	\$4,741	\$10,213	\$12,166			
1131 High School Programs	\$28,575	\$88	\$7		\$28,480			
1132 High School Extracurricular	\$1,162				\$1,162			
1140 Pre-Kindergarten Programs	\$0							
1210 Programs for the Talented and Gifted	\$0							
1220 Restrictive Programs for Students with Disabilities	\$1,362,840	\$857,563	\$489,292	\$14,826	\$1,160			
1250 Less Restrictive Programs for Students with Disabilities	\$251,609	\$141,442	\$84,884	\$11,808	\$13,476			
1260 Treatment and Habilitation	\$0							
1271 Remediation	\$0							
1272 Title I	\$553,636	\$334,356	\$218,113		\$1,167			
1280 Alternative Education	\$45,510	\$20,564	\$8,219	\$1,041	\$12,318		\$3,368	
1291 English Language Learner Programs	\$0							
1292 Teen Parent Program	\$0							
1293 Migrant Education	\$0							
1294 Youth Corrections Education	\$0							
1295 English Language Learner - not in programs	\$0							
1299 Other Programs	\$0							
1300 Adult/Continuing Education Programs	\$0							
1400 Summer School Programs	\$8,642	\$6,100	\$1,857		\$685			
<b>Total Instruction Expenditures</b>	<b>\$2,332,493</b>	<b>\$1,395,835</b>	<b>\$812,626</b>	<b>\$37,887</b>	<b>\$82,778</b>	<b>\$0</b>	<b>\$3,368</b>	<b>\$0</b>
<b>Support Services Expenditures</b>								
2110 Attendance and Social Work Services	\$0							
2120 Guidance Services	\$0							
2130 Health Services	\$76,795	\$55,696	\$16,106	\$2,500	\$2,493			
2140 Psychological Services	\$158,010	\$99,003	\$59,007					
2150 Speech Pathology and Audiology Services	\$0							
2160 Other Student Treatment Services	\$347,497	\$233,318	\$114,179					
2190 Service Direction, Student Support Services	\$207,400	\$132,136	\$67,368	\$4,418	\$3,478			
2210 Improvement of Instruction Services	\$154,425	\$50,089	\$10,262	\$94,073				
2220 Educational Media Services	\$0							
2230 Assessment & Testing	\$0							
2240 Instructional Staff Development	\$0							
2310 Board of Education Services	\$0							
2320 Executive Administration Services	\$0							
2410 Office of the Principal Services	\$0							
2490 Other Support Services - School Administration	\$0							
2510 Direction of Business Support Services	\$0							
2520 Fiscal Services	\$0							
2540 Operation and Maintenance of Plant Services	\$0							
2550 Student Transportation Services	\$0							
2570 Internal Services	\$0							
2610 Direction of Central Support Services	\$0							
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$0							
2630 Information Services	\$0							
2640 Staff Services	\$0							
2660 Technology Services	\$0							
2670 Records Management Services	\$0							
2680 Interpretation and Translation Services	\$0							
2690 Other Support Services - Central	\$0							
2700 Supplemental Retirement Program	\$0							
<b>Total Support Services Expenditures</b>	<b>\$944,126</b>	<b>\$570,242</b>	<b>\$266,922</b>	<b>\$100,991</b>	<b>\$5,971</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Enterprise and Community Services Expenditures</b>								
3100 Food Services	\$1,758,177	\$647,443	\$382,763	\$19,833	\$706,456		\$1,682	
3200 Other Enterprise Services	\$0							
3300 Community Services	\$234,412	\$136,240	\$79,286	\$14,991	\$3,896			
3500 Custody and Care of Children Services	\$0							
<b>Total Enterprise and Community Services Expenditures</b>	<b>\$1,992,589</b>	<b>\$783,683</b>	<b>\$462,049</b>	<b>\$34,824</b>	<b>\$710,352</b>	<b>\$0</b>	<b>\$1,682</b>	<b>\$0</b>
<b>Facilities Acquisition and Construction Expenditures</b>								
4110 Service Area Direction	\$0							
4120 Site Acquisition and Development Services	\$0							
4150 Building Acquisition, Construction, and Improvement Services	\$0							
4180 Other Capital Items	\$0							
4190 Other Facilities Construction Services	\$0							
<b>Total Facilities Acquisition and Construction Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Other Uses Expenditures</b>								
5100 Debt Service	\$0							
5200 Transfers of Funds	\$0							
5300 Apportionment of Funds by ESD	\$0							
5400 PERS UAL Bond Lump Sum	\$0							
<b>Total Other Uses Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Grand Total</b>	<b>\$5,269,209</b>	<b>\$2,749,759</b>	<b>\$1,541,597</b>	<b>\$173,702</b>	<b>\$799,101</b>	<b>\$0</b>	<b>\$5,050</b>	<b>\$0</b>

WEST LINN-WILSONVILLE SCHOOL DISTRICT  
 SCHEDULE OF EXPENDITURES BY FUNCTION/OBJECT - DEBT SERVICE FUND

**Fund: 300 Debt Service Funds**

<b>Instruction Expenditures</b>		<b>Totals</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>
1111 Elementary, K-5 or K-6		\$0							
1113 Elementary Extracurricular		\$0							
1121 Middle/Junior High Programs		\$0							
1122 Middle/Junior High School Extracurricular		\$0							
1131 High School Programs		\$0							
1132 High School Extracurricular		\$0							
1140 Pre-Kindergarten Programs		\$0							
1210 Programs for the Talented and Gifted		\$0							
1220 Restrictive Programs for Students with Disabilities		\$0							
1250 Less Restrictive Programs for Students with Disabilities		\$0							
1260 Treatment and Habilitation		\$0							
1271 Remediation		\$0							
1272 Title I		\$0							
1280 Alternative Education		\$0							
1291 English Second Language Programs		\$0							
1292 Teen Parent Program		\$0							
1293 Migrant Education		\$0							
1294 Youth Corrections Education		\$0							
1295 English Language Learner - not in programs		\$0							
1299 Other Programs		\$0							
1300 Adult/Continuing Education Programs		\$0							
1400 Summer School Programs		\$0							
<b>Total Instruction Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Support Services Expenditures</b>		<b>Totals</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>
2110 Attendance and Social Work Services		\$0							
2120 Guidance Services		\$0							
2130 Health Services		\$0							
2140 Psychological Services		\$0							
2150 Speech Pathology and Audiology Services		\$0							
2160 Other Student Treatment Services		\$0							
2190 Service Direction, Student Support Services		\$0							
2210 Improvement of Instruction Services		\$0							
2220 Educational Media Services		\$0							
2230 Assessment & Testing		\$0							
2240 Instructional Staff Development		\$0							
2310 Board of Education Services		\$0							
2320 Executive Administration Services		\$0							
2410 Office of the Principal Services		\$0							
2490 Other Support Services - School Administration		\$0							
2510 Direction of Business Support Services		\$0							
2520 Fiscal Services		\$0							
2540 Operation and Maintenance of Plant Services		\$0							
2550 Student Transportation Services		\$0							
2570 Internal Services		\$0							
2610 Direction of Central Support Services		\$0							
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services		\$0							
2630 Information Services		\$0							
2640 Staff Services		\$0							
2660 Technology Services		\$0							
2670 Records Management Services		\$0							
2680 Interpretation and Translation Services		\$0							
2690 Other Support Services - Central		\$0							
2700 Supplemental Retirement Program		\$0							
<b>Total Support Services Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Enterprise and Community Services Expenditures</b>		<b>Totals</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>
3100 Food Services		\$0							
3200 Other Enterprise Services		\$0							
3300 Community Services		\$0							
3500 Custody and Care of Children Services		\$0							
<b>Total Enterprise and Community Services Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Facilities Acquisition and Construction Expenditures</b>		<b>Totals</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>
4110 Service Area Direction		\$0							
4120 Site Acquisition and Development Services		\$0							
4150 Building Acquisition, Construction, and Improvement Services		\$0							
4180 Other Capital Items		\$0							
4190 Other Facilities Construction Services		\$0							
<b>Total Facilities Acquisition and Construction Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Other Uses Expenditures</b>		<b>Totals</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>
5100 Debt Service		\$24,634,271	\$24,634,271						
5200 Transfers of Funds		\$0							
5300 Apportionment of Funds by ESD		\$0							
5400 PERS UAL Bond Lump Sum		\$0							
<b>Total Other Uses Expenditures</b>		\$24,634,271	\$24,634,271	\$0	\$0	\$0	\$0	\$0	\$0
<b>Grand Total</b>		\$24,634,271	\$24,634,271	\$0	\$0	\$0	\$0	\$0	\$0

WEST LINN-WILSONVILLE SCHOOL DISTRICT  
 SCHEDULE OF EXPENDITURES BY FUNCTION/OBJECT - CAPITAL PROJECTS FUND

**Fund: 400 Capital Projects Funds**

<b>Instruction Expenditures</b>		<b>Totals</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>
1111 Elementary, K-5 or K-6		\$0							
1113 Elementary Extracurricular		\$0							
1121 Middle/Junior High Programs		\$0							
1122 Middle/Junior High School Extracurricular		\$0							
1131 High School Programs		\$0							
1132 High School Extracurricular		\$0							
1140 Pre-Kindergarten Programs		\$0							
1210 Programs for the Talented and Gifted		\$0							
1220 Restrictive Programs for Students with Disabilities		\$0							
1250 Less Restrictive Programs for Students with Disabilities		\$0							
1260 Treatment and Habilitation		\$0							
1271 Remediation		\$0							
1272 Title I		\$0							
1280 Alternative Education		\$0							
1291 English Second Language Programs		\$0							
1292 Teen Parent Program		\$0							
1293 Migrant Education		\$0							
1294 Youth Corrections Education		\$0							
1295 English Language Learner - not in programs		\$0							
1299 Other Programs		\$0							
1300 Adult/Continuing Education Programs		\$0							
1400 Summer School Programs		\$0							
<b>Total Instruction Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Support Services Expenditures</b>		<b>Totals</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>
2110 Attendance and Social Work Services		\$0							
2120 Guidance Services		\$0							
2130 Health Services		\$0							
2140 Psychological Services		\$0							
2150 Speech Pathology and Audiology Services		\$0							
2160 Other Student Treatment Services		\$0							
2190 Service Direction, Student Support Services		\$0							
2210 Improvement of Instruction Services		\$0							
2220 Educational Media Services		\$0							
2230 Assessment & Testing		\$0							
2240 Instructional Staff Development		\$0							
2310 Board of Education Services		\$0							
2320 Executive Administration Services		\$0							
2410 Office of the Principal Services		\$0							
2490 Other Support Services - School Administration		\$0							
2510 Direction of Business Support Services		\$0							
2520 Fiscal Services		\$0							
2540 Operation and Maintenance of Plant Services		\$0							
2550 Student Transportation Services		\$0							
2570 Internal Services		\$0							
2610 Direction of Central Support Services		\$0							
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services		\$0							
2630 Information Services		\$0							
2640 Staff Services		\$0							
2660 Technology Services		\$0							
2670 Records Management Services		\$0							
2680 Interpretation and Translation Services		\$0							
2690 Other Support Services - Central		\$0							
2700 Supplemental Retirement Program		\$0							
<b>Total Support Services Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Enterprise and Community Services Expenditures</b>		<b>Totals</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>
3100 Food Services		\$0							
3200 Other Enterprise Services		\$0							
3300 Community Services		\$0							
3500 Custody and Care of Children Services		\$0							
<b>Total Enterprise and Community Services Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Facilities Acquisition and Construction Expenditures</b>		<b>Totals</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>
4110 Service Area Direction		\$798,083	\$482,786	\$305,330	\$9,855			\$111	
4120 Site Acquisition and Development Services		\$0							
4150 Building Acquisition, Construction, and Improvement Services		\$47,905,278			\$4,327,376	\$443,158	\$43,134,745		
4180 Other Capital Items		\$1,054,828				\$1,054,828			
4190 Other Facilities Construction Services		\$182,581			\$97,567		\$85,014		
<b>Total Facilities Acquisition and Construction Expenditures</b>		\$49,940,770	\$482,786	\$305,330	\$4,434,798	\$1,497,986	\$43,219,758	\$111	\$0
<b>Other Uses Expenditures</b>		<b>Totals</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>
5100 Debt Service		\$0							
5200 Transfers of Funds		\$0							
5300 Apportionment of Funds by ESD		\$0							
5400 PERS UAL Bond Lump Sum		\$0							
<b>Total Other Uses Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Grand Total</b>		<b>\$49,940,770</b>	<b>\$482,786</b>	<b>\$305,330</b>	<b>\$4,434,798</b>	<b>\$1,497,986</b>	<b>\$43,219,758</b>	<b>\$111</b>	<b>\$0</b>

WEST LINN-WILSONVILLE SCHOOL DISTRICT  
 SCHEDULE OF EXPENDITURES BY FUNCTION/OBJECT - TRUST & AGENCY FUNDS

**Fund: 700 Trust and Agency Funds**

Instruction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Elementary, K-5 or K-6	\$0							
1113 Elementary Extracurricular	\$0							
1121 Middle/Junior High Programs	\$0							
1122 Middle/Junior High School Extracurricular	\$0							
1131 High School Programs	\$0							
1132 High School Extracurricular	\$2,655,330				\$2,655,330			
1140 Pre-Kindergarten Programs	\$0							
1210 Programs for the Talented and Gifted	\$0							
1220 Restrictive Programs for Students with Disabilities	\$0							
1250 Less Restrictive Programs for Students with Disabilities	\$0							
1260 Treatment and Habilitation	\$0							
1271 Remediation	\$0							
1272 Title I	\$0							
1280 Alternative Education	\$0							
1291 English Second Language Programs	\$0							
1292 Teen Parent Program	\$0							
1293 Migrant Education	\$0							
1294 Youth Corrections Education	\$0							
1295 English Language Learner - not in programs	\$0							
1299 Other Programs	\$0							
1300 Adult/Continuing Education Programs	\$0							
1400 Summer School Programs	\$0							
<b>Total Instruction Expenditures</b>	<b>\$2,655,330</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,655,330</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Support Services Expenditures</b>	<b>Totals</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>
2110 Attendance and Social Work Services	\$0							
2120 Guidance Services	\$0							
2130 Health Services	\$0							
2140 Psychological Services	\$0							
2150 Speech Pathology and Audiology Services	\$0							
2160 Other Student Treatment Services	\$0							
2190 Service Direction, Student Support Services	\$0							
2210 Improvement of Instruction Services	\$0							
2220 Educational Media Services	\$0							
2230 Assessment & Testing	\$0							
2240 Instructional Staff Development	\$0							
2310 Board of Education Services	\$0							
2320 Executive Administration Services	\$0							
2410 Office of the Principal Services	\$0							
2490 Other Support Services - School Administration	\$0							
2510 Direction of Business Support Services	\$0							
2520 Fiscal Services	\$0							
2540 Operation and Maintenance of Plant Services	\$0							
2550 Student Transportation Services	\$0							
2570 Internal Services	\$0							
2610 Direction of Central Support Services	\$0							
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$0							
2630 Information Services	\$0							
2640 Staff Services	\$0							
2660 Technology Services	\$0							
2670 Records Management Services	\$0							
2680 Interpretation and Translation Services	\$0							
2690 Other Support Services - Central	\$0							
2700 Supplemental Retirement Program	\$0							
<b>Total Support Services Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Enterprise and Community Services Expenditures</b>	<b>Totals</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>
3100 Food Services	\$0							
3200 Other Enterprise Services	\$0							
3300 Community Services	\$0							
3500 Custody and Care of Children Services	\$0							
<b>Total Enterprise and Community Services Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Facilities Acquisition and Construction Expenditures</b>	<b>Totals</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>
4110 Service Area Direction	\$0							
4120 Site Acquisition and Development Services	\$0							
4150 Building Acquisition, Construction, and Improvement Services	\$0							
4180 Other Capital Items	\$0							
4190 Other Facilities Construction Services	\$0							
<b>Total Facilities Acquisition and Construction Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Other Uses Expenditures</b>	<b>Totals</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>
5100 Debt Service	\$0							
5200 Transfers of Funds	\$0							
5300 Apportionment of Funds by ESD	\$0							
5400 PERS UAL Bond Lump Sum	\$0							
<b>Total Other Uses Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Grand Total</b>	<b>\$2,655,330</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,655,330</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT  
CLACKAMAS COUNTY, OREGON

SUPPLEMENTAL INFORMATION

As Required by the Oregon Department of Education

For The Year Ended June 30, 2017

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A.	Energy bills for heating - all funds:		<u>Objects 325 and 326</u>
		Function 2540	\$ 1,510,140
		Function 2550	

B.	Replacement of equipment - General Fund:		<u>Amount</u>
	Include all General Fund expenditures in Object 542, except for the following exclusions:		
	Exclude these functions:		
	1113, 1122 & 1132	Co-curricular activities	4150
	1140	Pre-kindergarten	2550
	1300	Continuing education	3100
	1400	Summer school	3300
		Construction	\$ 0
		Pupil transportation	
		Food service	
		Community services	

WEST LINN-WILSONVILLE SCHOOL DISTRICT 3JT  
CLACKAMAS COUNTY, OREGON

STATISTICAL SECTION

## Statistical Section

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

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b><i>Financial Trends</i></b> These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	54
<b><i>Revenue Capacity</i></b> These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	58
<b><i>Debt Capacity</i></b> These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	62
<b><i>Demographic and Economic Information</i></b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	66
<b><i>Operating Information</i></b> These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	68

Sources:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The District implemented GASB Statement 34 in 2002-03; schedules presenting government-wide information include information beginning in that year.

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**Condensed Statement of Net Position**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

<i>Governmental Activities</i>	Fiscal year				
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>Assets</b>					
Current and other assets	\$ 20,229,517	\$ 117,898,306	\$ 96,810,573	\$ 75,828,619	\$ 44,826,159
Prepaid PERS unfunded actuarial liability	32,346,209	30,728,898	29,111,587	27,494,277	25,876,966
Net capital assets	<u>162,366,848</u>	<u>162,711,325</u>	<u>177,196,765</u>	<u>180,140,259</u>	<u>209,736,544</u>
<b>Total assets</b>	<u>214,942,574</u>	<u>311,338,529</u>	<u>303,118,925</u>	<u>\$ 283,463,155</u>	<u>\$ 280,439,669</u>
<b>Deferred Outflows of Resources</b>					
Pension Related Deferrals					
Loss on Bond Refunding Expenses	-	-	-	-	-
<b>Total Deferred Outflows</b>	-	-	-	-	-
<b>Liabilities</b>					
Long-term debt outstanding	159,721,810	247,384,871	239,269,721	\$ 229,592,681	\$ 218,326,577
Prepaid PERS unfunded actuarial liability outstanding	-	-	-	-	-
Other liabilities	<u>10,450,967</u>	<u>15,812,732</u>	<u>12,342,167</u>	<u>9,169,717</u>	<u>12,987,009</u>
<b>Total liabilities</b>	<u>170,172,777</u>	<u>263,197,603</u>	<u>251,611,888</u>	<u>238,762,398</u>	<u>231,313,586</u>
<b>Deferred Inflows of Resources</b>					
Net Pension Related Deferrals	-	-	-	-	-
<b>Net Positions</b>					
Invested in capital assets, net of related debt	45,633,075	59,549,087	62,777,910	59,613,789	68,047,630
Restricted for: Debt Service	3,391,956	2,305,898	82,853	493,745	652,473
Restricted for Grants and Other Purposes			72,007	133,307	1,592,292
Restricted for Instruction					
Unrestricted	<u>(4,255,234)</u>	<u>(13,714,059)</u>	<u>(11,425,733)</u>	<u>(15,540,084)</u>	<u>(21,166,312)</u>
<b>Total Net Assets</b>	<u>\$ 44,769,797</u>	<u>\$ 48,140,926</u>	<u>\$ 51,507,037</u>	<u>\$ 44,700,757</u>	<u>\$ 49,126,083</u>

Fiscal year				
<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$ 25,605,145	\$ 27,559,827	\$ 118,356,892	\$ 110,924,720	\$ 68,100,858
24,259,656	22,642,346	11,885,311		
<u>217,942,689</u>	<u>216,565,751</u>	<u>216,012,650</u>	<u>230,189,932</u>	<u>291,765,318</u>
<u>\$ 267,807,490</u>	<u>\$ 266,767,924</u>	<u>\$ 346,254,853</u>	<u>\$ 341,114,652</u>	<u>\$ 359,866,176</u>
		\$ -	\$ 10,401,107	\$ 45,869,686
<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ 331,404</u>	<u>\$ 561,706</u>
		\$ -	\$ 10,732,511	\$ 46,431,392
\$ 193,780,326	\$ 194,571,517	\$ 286,220,361	\$ 277,526,728	\$ 254,725,667
-	-	-	28,137,018	78,384,174
<u>18,360,162</u>	<u>11,676,943</u>	<u>12,356,105</u>	<u>18,195,535</u>	<u>30,016,948</u>
<u>212,140,488</u>	<u>206,248,460</u>	<u>298,576,466</u>	<u>323,859,281</u>	<u>363,126,789</u>
<u>-</u>	<u>-</u>	<u>\$ 13,912,280</u>	<u>\$ 6,326,130</u>	<u>\$ 888,604</u>
60,080,449	58,703,511	71,289,067	81,383,510	112,282,222
699,718	1,201,295	1,668,258	1,117,589	1,894,306
329,419	436,040	322,844	1,423,511	4,547,243
			82,903,599	34,769,771
<u>(5,442,584)</u>	<u>841,426</u>	<u>(39,182,658)</u>	<u>(145,166,336)</u>	<u>(111,211,369)</u>
<u>\$ 55,667,002</u>	<u>\$ 61,182,272</u>	<u>\$ 34,097,511</u>	<u>\$ 21,661,873</u>	<u>\$ 42,282,173</u>

**Changes in Net Position**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

<i>Governmental Activities</i>	Fiscal year				
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>Expenses</b>					
Instruction	\$ 46,835,827	\$ 47,661,417	46,110,257	52,769,920	46,530,573
Support services	27,029,360	27,434,864	25,388,997	29,987,705	25,248,894
Enterprise and Community Services	2,513,565	2,439,278	2,451,763	2,625,723	2,137,665
Non-capital facilities maintenance & replacement	590,175	389,427	-	-	-
Interest and fees on long-term debt	8,165,996	9,625,281	12,522,456	11,394,527	11,082,263
Total expenditures	<u>85,134,923</u>	<u>87,550,267</u>	<u>86,473,473</u>	<u>96,777,875</u>	<u>84,999,395</u>
<b>Program Revenues</b>					
Charges for services	3,580,538	3,814,949	3,554,281	3,364,167	3,918,688
Instruction	-	-	-	-	-
Support services	-	-	-	-	-
Enterprise and Community Services	-	-	-	-	-
Operating grants and contributions	3,222,087	4,939,831	6,358,624	6,371,222	3,721,870
Instruction	-	-	-	-	-
Support services	-	-	-	-	-
Enterprise and Community Services	-	-	-	-	-
Total program revenues	<u>6,802,625</u>	<u>8,754,780</u>	<u>9,912,905</u>	<u>9,735,389</u>	<u>7,640,558</u>
<b>Net (Expenses)</b>	(78,332,298)	(78,795,487)	(76,560,568)	(87,042,486)	(77,358,837)
<b>General Revenues</b>					
Property taxes	37,157,757	38,002,939	40,965,816	42,840,890	43,922,204
Local Option Tax	7,022,392	7,420,022	6,736,010	4,861,280	3,164,769
State School Fund	36,829,154	34,928,350	30,936,476	29,912,976	33,928,944
Investment earnings	988,810	557,637	871,427	659,793	299,687
Other	2,846,406	449,631	416,950	383,063	407,133
Gain on disposal of capital assets	(1,315,927)	-	-	1,578,204	61,426
Total general revenues	<u>83,528,592</u>	<u>81,358,579</u>	<u>79,926,679</u>	<u>80,236,206</u>	<u>81,784,163</u>
<b>Change in Net Assets</b>	<u>\$ 5,196,294</u>	<u>\$ 2,563,092</u>	<u>3,366,111</u>	<u>(6,806,280)</u>	<u>4,425,326</u>

Fiscal year				
<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
49,486,455	52,933,695	48,087,074	77,474,978	60,592,272
23,051,308	29,167,674	26,437,672	40,427,152	30,311,977
1,895,933	1,963,207	2,038,325	2,074,007	1,684,507
-	-	-	-	-
10,681,883	8,842,269	22,107,917	12,424,772	12,748,141
85,115,579	92,906,845	98,670,988	132,400,909	105,336,897
3,883,200	3,938,788	3,250,887	1,525,406	3,332,450
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
3,515,930	4,026,129	3,864,011	4,002,229	4,029,252
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
7,399,130	7,964,917	7,114,898	5,527,635	7,361,702
(77,716,449)	(84,941,928)	(91,556,090)	(126,873,274)	(97,975,195)
43,877,179	45,580,819	45,830,813	51,133,867	53,765,978
2,800,796	2,801,069	3,884,793	5,087,515	6,791,972
36,192,101	41,541,170	44,111,818	48,614,895	49,411,772
162,710	194,772	2,236,722	724,913	767,738
1,223,627	1,655,070	9,285,485	8,276,826	7,783,463
954	(61,890)	-	665,084	-
84,257,367	91,711,010	105,349,631	114,503,100	118,520,923
6,540,918	6,769,082	13,793,541	(12,370,174)	20,545,728

**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

	Fiscal years 2007-2011				
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>Fund Balances (Deficit)</b>					
Nonspendable	\$ -	\$ -	\$ -	\$ 178,973	\$ 155,927
Restricted for:					
General Fund	-	-	-	133,307	1,592,292
Debt service funds	-	-	-	493,745	652,473
Future Capital Projects				57,548,496	23,223,469
Committed				1,224,746	-
Unassigned				4,659,738	3,255,981
Reserved, reported in					
General Fund	119,842	89,073	72,007	-	-
Debt service funds	3,391,956	2,305,898	82,853	-	-
Unreserved, reported in					
General Fund	2,509,842	1,562,018	2,439,735	-	-
Special revenue funds	262,444	120,015	300,976	-	-
Capital projects funds	580,102	96,932,803	78,851,796	-	-
Total fund balances	<u>\$ 6,864,186</u>	<u>\$ 101,009,807</u>	<u>\$ 81,747,367</u>	<u>\$ 64,239,005</u>	<u>\$ 28,880,142</u>

	Fiscal years 2012-2016				
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Fund Balances (Deficit)</b>					
Nonspendable	\$ 80,103	\$ 85,877	\$ 209,706	\$ 84,990	\$ 297,467
Restricted for:					
Grants and Other	329,419	436,040	322,844	1,423,551	4,547,243
Debt Service	699,718	1,201,295	1,668,258	1,117,468	1,894,306
Future Capital Projects	11,148,549	8,154,014	98,010,357	82,903,599	34,769,771
Committed	-	-	-		6,517,258
Unassigned	4,278,963	4,395,909	5,161,253	6,153,770	-
Reserved, reported in					
General Fund	-	-	-	-	-
Debt service funds	-	-	-	-	-
Unreserved, reported in					
General Fund	-	-	-	-	-
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Total fund balances	<u>\$ 16,536,752</u>	<u>\$ 14,273,135</u>	<u>\$ 105,372,418</u>	<u>\$ 91,683,378</u>	<u>\$ 48,026,045</u>

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

**Changes in Fund Balance of All Governmental Funds**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

	Fiscal year				
	2008	2009	2010	2011	2012
<b>REVENUES:</b>					
Local Sources:	\$ 51,051,894	\$ 51,803,870	\$ 54,812,001	\$ 54,921,063	\$ 53,933,679
Intermediate Sources:	613,328	692,997	643,999	556,127	685,451
State Sources:	36,845,078	34,950,009	30,958,143	29,932,984	33,944,494
Federal Sources	2,673,125	4,285,121	5,728,494	5,806,422	3,130,511
<b>TOTAL REVENUES</b>	<b>91,183,425</b>	<b>91,731,997</b>	<b>92,142,637</b>	<b>91,216,596</b>	<b>91,694,135</b>
<b>EXPENDITURES:</b>					
Current:					
Instruction	42,975,316	45,023,547	42,784,272	40,239,385	42,867,738
Support Services	25,687,742	26,791,199	24,463,911	23,689,350	24,247,333
Enterprise and Community Services	2,269,268	2,260,424	2,232,378	1,956,123	1,895,339
Facilities Acquisition and Construction	688,116	4,452,264	9,823,777	22,538,547	35,220,168
Debt Service					
Principal	10,560,000	11,770,000	9,885,000	10,785,000	10,305,375
Interest	8,220,147	7,609,060	12,856,209	11,074,527	12,476,888
Capital Outlay	28,222	41,470	9,357,019	-	-
<b>TOTAL EXPENDITURES</b>	<b>90,428,811</b>	<b>97,947,964</b>	<b>111,402,566</b>	<b>110,282,932</b>	<b>127,012,841</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>754,614</b>	<b>(6,215,967)</b>	<b>(19,259,929)</b>	<b>(19,066,336)</b>	<b>35,318,706</b>
<b>OTHER FINANCING SOURCES, (USES):</b>					
Sale of Fixed Assets	350,000	-	-	1,529,687	-
Bond Sale Proceeds		100,355,737	-	-	-
Bond Issuance					
Transfers In	630,000	175,000	210,000	270,000	70,000
Transfers Out	(630,000)	(175,000)	(210,000)	(270,000)	(70,000)
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>350,000</b>	<b>100,355,737</b>	<b>-</b>	<b>1,529,687</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>1,104,614</b>	<b>94,139,770</b>	<b>(19,259,929)</b>	<b>(17,536,649)</b>	<b>(35,318,706)</b>
<b>BEGINNING FUND BALANCE</b>	<b>5,651,129</b>	<b>6,864,186</b>	<b>101,009,807</b>	<b>81,747,367</b>	<b>64,239,005</b>
<b>Adjustment for Inventories reported under the purchase method</b>	<b>108,443</b>	<b>5,851</b>	<b>(2,511)</b>	<b>28,287</b>	<b>(40,157)</b>
Prior Period Adjustment					
<b>ENDING FUND BALANCE</b>	<b>\$ 6,864,186</b>	<b>\$ 101,009,807</b>	<b>\$ 81,747,367</b>	<b>\$ 64,239,005</b>	<b>\$ 28,880,142</b>
Ratio of total debt service to total non-capital expenditures	0.209	0.207	0.246	0.249	0.246

	2013	2014	2015	2016	2017
\$	54,771,375	\$ 72,772,760	\$ 63,055,879	\$ 65,042,468	\$ 70,819,518
	597,987	581,843	1,901,939	2,045,644	2,160,902
	36,206,101	41,541,170	44,111,818	48,631,895	49,429,672
	2,970,799	3,479,826	3,317,707	3,418,297	3,396,978
	94,546,262	118,375,599	112,387,343	119,138,304	125,807,070
	43,533,497	50,021,283	54,429,715	59,822,353	64,230,670
	20,278,358	27,562,868	29,903,160	30,771,343	31,030,670
	1,667,862	1,855,191	1,902,839	1,953,835	1,992,591
	13,153,990	1,531,125	5,320,908	17,184,455	49,940,770
	13,710,000	27,231,781	112,223,602	11,221,288	11,877,387
	10,031,883	9,393,081	6,867,332	12,542,237	12,756,883
	4,500,000	3,043,887	-	-	-
	106,875,590	120,639,216	210,647,556	133,495,511	171,828,971
	(12,329,328)	(2,263,617)	(98,260,213)	(14,357,207)	(46,021,901)
	-	-	-	665,084	-
	-	-	189,333,774	-	-
	1,230,255	100,000	100,000	250,000	5,194
	(1,230,255)	(100,000)	(100,000)	(250,000)	(5,194)
	-	-	189,333,774	665,084	-
	(12,329,328)	(2,263,617)	91,073,561	(13,692,123)	(46,021,901)
	28,830,847	16,537,030	14,273,134	105,394,326	94,089,799
	35,233	(278)	25,723	(18,825)	(41,853)
\$	16,536,752	\$ 14,273,135	\$ 105,372,418	\$ 91,683,378	\$ 48,026,045
	0.209	0.315	0.580	0.210	0.239

**Assessed Values of Taxable Property within School District No. 3JT Boundaries  
Last Ten Fiscal Years**

Fiscal Year Ending June 30	Assessed Value			Total Direct Tax Rate *	Real Market Value		Total Real Market Value	AV as a % of RMV
	Real Property	Personal Property	Total Assessed Value		Real Property	Personal Property		
2008	5,094,620,465	155,796,810	5,250,417,275	9.05	8,837,919,704	155,796,810	8,993,716,514	58.4
2009	5,403,740,204	160,117,445	5,563,857,649	8.85	9,179,539,626	160,117,445	9,339,657,071	59.6
2010	5,690,536,150	148,349,758	5,838,885,908	8.83	8,340,052,650	148,349,758	8,488,402,408	68.8
2011	5,855,503,933	144,297,381	5,999,801,314	8.63	7,450,639,449	144,297,381	7,594,936,830	79.0
2012	6,013,239,941	130,267,169	6,143,507,110	8.38	6,978,592,430	130,267,169	7,108,859,599	86.4
2013	6,149,698,840	139,170,115	6,288,868,955	8.34	6,788,248,438	139,170,115	6,927,418,553	90.8
2014	6,233,375,454	327,631,848	6,561,007,302	8.25	6,899,647,051	145,725,863	7,243,162,431	90.6
2015	6,603,380,740	345,810,350	6,949,191,090	8.34	7,797,024,933	156,718,618	8,156,722,428	85.2
2016	6,922,003,063	380,069,754	7,302,072,817	9.24	8,570,270,178	404,806,749	8,975,076,927	81.4
2017	7,287,685,922	399,786,841	7,687,472,763	9.23	9,617,195,451	402,856,210	10,020,051,661	76.7

Source:

Assessors office of both Clackamas and Washington Counties.

\* Per \$1,000 of Assessed Value

**Direct and Overlapping Property Tax Rates  
Last Ten Fiscal Years**

District Direct Rates					
Fiscal Year	General Tax		GAP Bond (PERS)	General	
	Permanent Rate 1	Local Option 2		Obligation Debt Service Bonds	Total Direct Tax Rate
2008	4.84	1.34	-	2.87	9.05
2009	4.84	1.33	-	2.68	8.85
2010	4.84	1.18	-	2.81	8.83
2011	4.84	0.82	-	2.97	8.63
2012	4.87	0.52	-	2.99	8.38
2013	4.87	0.45	-	3.02	8.34
2014	4.87	0.43	-	2.95	8.25
2015	4.87	0.58	-	2.89	8.34
2016	4.87	0.72	-	2.87	8.46
2017	4.87	0.61	-	2.86	8.34

Overlapping Total Property Tax Rates							
Fiscal Year	City of West Linn	City of Wilsonville	Clackamas Community College	Clackamas County	Clackamas County		
					Education Service Dist	Tualatin Valley Fire & Rescue	Metropolitan Service District
2008	2.43	2.25	0.71	2.23	0.36	1.87	0.33
2009	2.50	2.20	0.74	2.81	0.36	1.84	0.39
2010	2.45	2.17	0.72	3.59	0.36	1.77	0.43
2011	2.45	2.20	0.70	3.13	0.36	1.88	0.40
2012	2.42	2.20	0.68	3.31	0.36	1.93	0.31
2013	2.56	2.21	0.70	3.32	0.36	1.91	0.40
2014	2.56	2.14	0.71	3.18	0.37	1.91	0.47
2015	2.54	2.13	0.70	3.18	0.36	1.51	0.45
2016	2.54	2.10	0.74	3.19	0.37	2.11	0.37
2017	2.54	1.97	0.74	3.19	0.37	1.98	0.40

1. Permanent tax rates are determined by the State of Oregon Constitution and State Statutes. Existing districts cannot increase their permanent rate authority. Local option levies are limited to five years for operations and ten years for capital projects. Elections for local option levies must meet the double majority election test, except in the November and May election every year. Rates for debt service are based on each year's requirements.

2. Local Option taxes are assessed at \$1.50 per thousand AV. The district-wide average rate for 2016-17 is \$.61. Local option taxes are assessed on a property by property basis. Not all properties pay at the highest \$1.50 rate.

Source: Clackamas County Assessors Office

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Port of Portland	Tri-Met	City of Tualatin	Washington County	City of Lake Oswego
0.07	0.08	2.26	3.03	5.28
0.07	0.08	2.72	2.98	5.28
0.07	0.08	2.18	2.98	5.21
0.07	0.09	2.53	2.98	5.18
0.07	0.06	2.56	2.97	5.18
0.07	-	2.56	2.97	5.17
0.07	-	2.55	2.97	5.14
0.07	-	2.53	2.82	4.99
0.07	-	2.52	2.84	4.82
0.07	-	2.51	2.96	4.77

**Principal Property Tax Payers for the West Linn-Wilsonville School District**  
**Current Year and Ten Years Ago**  
*Taxing District - School District*

		<b>2016-17</b>	
<b>Employer</b>	<b>Type of Business</b>	<b>Taxable Assessed Value</b>	<b>Percentage of Total Taxable Assessed Value</b>
PORTLAND GEN ELEC CO	Utilities	721,428,800	9.38%
SHORENSTEIN PROPERTIES LLC	Real Estate	288,286,098	3.75%
GENERAL GROWTH PROPERTIES INC	Real Estate	249,221,847	3.24%
FRED MEYER FUEL	Retail	204,065,376	2.65%
NORTHWEST NATURAL GAS	Utilities	200,341,500	2.61%
COMCAST CORPORATION	Television and Internet	189,429,300	2.46%
PCC STRUCTURALS INC	Document Imaging	134,221,980	1.75%
MENTOR GRAPHICS CORP	Document Imaging	78,002,631	1.01%
MARVIN F POER & COMPANY	Property Tax Consulting	75,140,905	0.98%
ROIC OREGON LLC	Real Estate	74,347,897	0.97%
ALL OTHER TAXPAYERS		<u>5,472,986,429</u>	<u>71.19%</u>
	TOTAL	7,687,472,763	100.00%

		<b>2007</b>	
<b>Employer</b>	<b>Type of Business</b>	<b>Value</b>	<b>Total Taxable</b>
XEROX CORPORATION	Document Imaging	66,073,152	1.26%
PORTLAND GEN ELEC CO	Utilities	55,044,000	1.05%
MENTOR GRAPHICS CORPORATION	Document Imaging	47,798,161	0.91%
GOODMAN FINANCIAL SERVICES INC	Financial/Consulting	30,360,140	0.58%
BIT HOLDINGS FIFTY-SEVEN, INC	Engineering Services	26,317,711	0.50%
NORTHWEST NATURAL GAS CO	Utilities	24,444,500	0.47%
CH REALTY III/PORTLAND INDUSTRIAL	Real Estate	24,131,948	0.46%
CB RICHARD ELLIS INVESTORS	Real Estate	21,943,796	0.42%
SIMPSON REALTY GROUP	Real Estate	21,556,593	0.41%
SPM-WILSONVILLE LLC		21,331,375	0.41%
ALL OTHER TAXPAYERS		<u>4,911,415,899</u>	<u>93.54%</u>
	TOTAL	\$ 5,250,417,275	100.00%

Source:  
Clackamas County, Division of Assessment and Taxation

**Property Tax Levies and Collections  
Last Ten Fiscal Years**

Fiscal Year Ending June 30	Net Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections for Prior Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2008	45,222,362	42,540,415	94.07	1,148,280	43,688,695	96.61
2009	46,519,129	43,344,411	93.20	1,362,944	44,707,355	96.10
2010	48,871,072	45,805,570	93.73	1,784,543	47,590,113	97.38
2011	49,197,378	46,235,456	93.98	1,695,545	47,931,001	97.43
2012	48,139,714	45,362,760	94.23	1,324,095	46,686,855	96.98
2013	48,123,591	45,345,170	94.23	1,368,641	46,713,810	97.07
2014	49,475,387	47,191,004	95.38	1,363,510	48,554,513	98.14
2015	49,662,152	47,271,135	95.19	1,166,181	48,427,316	97.51
2016	52,453,818	49,927,677	95.18	978,962	50,906,639	97.00
2017	55,161,417	52,990,663	96.06	934,418	53,925,081	97.75

**Note:**

Net taxes levied are combined for Clackamas and Washington counties. Responsibility for the collection of all property taxes rests within the County's Department of Assessment and Taxation. Current taxes are assessed as of July, become due as of November 15 and become delinquent as of May 15. Assessed taxes become a lien upon real property in the fourth year of delinquency. Proceeds of tax sales are applied to delinquent taxes, interest and other costs attributable to the property sold.

**Outstanding Debt by Type**  
**Last Ten Fiscal Years**  
*(dollars in thousands, except per capita)*

Fiscal Year	Governmental Activities			Outstanding Debt Per Capita	Outstanding Debt as a Percentage of Personal Income (1)
	General Obligation Bonds	Pension Obligation Bonds	Total Primary Government		
2008	114,852	42,180	157,032	3,795	0.95
2009	201,162	42,135	243,297	5,738	1.77
2010	191,637	41,955	233,592	5,398	1.68
2011	181,492	41,635	223,127	5,107	1.50
2012	170,272	41,155	211,427	4,687	1.17
2013	157,862	40,505	198,367	4,307	1.15
2014	146,914	39,675	186,589	3,930	1.01
2015	214,126	38,640	252,766	5,232	1.32
2016	204,155	37,390	272,021	4,907	1.29
2017	193,768	35,900	257,131	4,536	1.15

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

(1) Personal Income data is for all of Clackamas County.

**Direct and Overlapping Governmental Activities Debt  
As of June 30, 2017**

<u>Overlapping Issuer</u>	Net Property-tax Backed Debt <sup>1</sup>	Percent Overlapping	Net Overlapping Debt
Clackamas Community College	102,608,913	20.61%	21,147,697
City of West Linn	15,940,000	99.16%	15,806,104
METRO	183,510,000	3.51%	6,441,201
Clackamas County	155,330,136	15.10%	23,454,851
Washington County	232,130,277	0.18%	417,834
Portland Community College	302,090,000	0.07%	211,463
City of Tualatin	6,054,594	1.74%	105,350
Tualatin Valley Fire & Rescue Dist.	48,820,000	13.23%	6,458,886
City of Lake Oswego	9,190,000	0.00%	-
Subtotal, overlapping debt	\$ 1,055,673,920		74,043,386
Direct District net property-tax backed debt	\$ 229,668,066	0%	229,668,066
Total direct and overlapping debt	<u>\$ 1,285,341,986</u>		<u>\$ 303,711,452</u>

<sup>1</sup> Net Property-tax Backed Debt includes all General Obligation (GO) bonds and Limited-tax GO bonds, less Self-supporting Unlimited-tax (GO) and Self-supporting Limited-tax GO debt.

Source:

Overlapping Debt compiled from records published by the Oregon State Treasury, Debt Management Division using NET overlapping property tax debt as a percentage of NET property tax debt.

**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**  
*(dollars in thousands, except per capita)*

Fiscal Year	General Bonded Debt			Percentage of Actual Taxable Value of Property (1)	Net G.O. Debt per Student Average Daily Membership (2)	Other Governmental Activities Debt				
	General Obligation Bonds	Less Amount Available for Repayment	Net General Obligation Bonds Outstanding			Limited Tax G.O. Refunding Bonds	Certificates of Participation	Refunding Special Obligations	Small Scale Energy Loan Programs	Total District (3)
2008	114,852,238		114,852,238	3.26%	14,251					
2009	201,162,238		201,162,238	5.37%	24,998					
2010	191,637,238		191,637,238	4.83%	23,762					
2011	181,492,238		181,492,238	3.02%	22,357					
2012	170,272,238		170,272,238	2.77%	20,828					
2013	157,862,238		157,862,238	2.50%	18,849					
2014	146,914,645		146,914,645	2.24%	17,006					
2015	214,126,741		214,126,741	3.08%	24,046					
2016	204,155,453		204,155,453	2.80%	21,538					
2017	193,768,066		193,768,066	2.66%	19,910					
2008			42,180,000		157,032,238				19,485	3,796
2009			42,135,000		243,297,238				30,235	5,738
2010			41,955,000		233,592,238				28,964	5,398
2011			41,635,000		223,127,238				27,485	5,107
2012			41,135,000		211,428,238				25,863	4,687
2013			40,505,000		198,367,238				23,686	4,304
2014			39,675,000		186,589,645				21,599	3,930
2015			38,640,000		252,766,741				28,385	5,232
2016			37,390,000		241,545,453				25,482	4,907
2017			35,900,000		229,668,066				23,599	4,536

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

<sup>1</sup> See schedule titled "Assessed Values of Taxable Property ..."

<sup>2</sup> Student enrollment data can be found on the sheet titled "Operating Statistics"

<sup>3</sup> Includes net general bonded debt and other governmental activities debt.

<sup>4</sup> Per capita is calculated using the estimated District population of 49,565 for 2016-17

<u>Fiscal</u> <u>Year</u>	<u>ADM</u>	<u>Population</u>
2008	8,059	41,373
2009	8,047	42,400
2010	8,065	43,276
2011	8,118	43,687
2012	8,175	45,107
2013	8,375	46,089
2014	8,639	47,476
2015	8,905	48,315
2016	9,479	49,222
2017	9,732	50,627

**Legal Debt Margin Information  
Last Ten Fiscal Years**

<b>Legal Debt Margin Calculation for Fiscal Year 2017</b>	
Real Market Value	\$ 10,020,051,661
Debt Limit (7.95%) <sup>1</sup>	796,594,107
Amount of Debt Applicable to Debt Limit:	
General Obligation Bonded Debt	193,768,066
Less: Amount Available in Debt Service Funds	-
Amount of Debt Applicable to Debt Limit	<u>193,768,066</u>
Legal Debt margin	<u>\$ 602,826,041</u>

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Debt Limit	\$ 715,000,463	\$ 742,502,737	674,827,991	603,797,478	565,154,338	550,729,775	575,831,413	648,459,433	713,518,616	796,594,107
Total net debt applicable to limit	<u>114,852,238</u>	<u>201,162,238</u>	<u>191,637,238</u>	<u>181,492,238</u>	<u>170,272,238</u>	<u>157,862,238</u>	<u>146,914,645</u>	<u>214,126,741</u>	<u>204,155,453</u>	<u>193,768,066</u>
Legal debt margin	<u>\$ 600,148,225</u>	<u>\$ 541,340,499</u>	<u>\$ 483,190,753</u>	<u>\$ 422,305,240</u>	<u>\$ 394,882,100</u>	<u>\$ 392,867,537</u>	<u>\$ 428,916,768</u>	<u>\$ 434,332,692</u>	<u>\$ 509,363,163</u>	<u>\$ 602,826,041</u>
Total net debt applicable to the limit as a percentage of debt limit	20.90%	16.06%	27.09%	28.40%	30.06%	30.13%	28.66%	25.51%	28.61%	24.32%

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

<sup>A</sup> For each grade from kindergarten to eighth for which the District operates schools, fifty-five one-hundredths of one percent (.0055) of the real market value.

<sup>B</sup> For each grade from ninth to twelfth for which the District operates schools, seventy-five one-hundredths of one percent (.0075) of the real market value.

Allowable Percentage of Real Market Value:

<sup>A</sup> Kindergarten through eighth grade, 9 x .0055 4.95%

<sup>B</sup> Ninth through twelfth, 4 x .0075 3.00%

Allowable Percentage 7.95%

Source  
Market value per Clackamas and Washington County Assessors Offices.

**Demographic and Economic Statistics**  
**Last Ten Calendar Years**  
*Clackamas County*

<b>Year</b>	<b>District Population</b> <i>(Estimated)</i>	<b>County Personal</b> <b>Income (1)</b> <i>(thousands of</i> <i>dollars)</i>	<b>County Per</b> <b>Capita Personal</b> <b>Income (3)</b>	<b>Clackamas</b> <b>County</b> <b>Unemployment</b> <b>Rate (2)</b>
2008	41,373	16,492,000	43,965	6.7%
2009	42,400	16,853,655	43,646	10.4%
2010	43,276	16,945,867	44,954	10.1%
2011	43,687	17,457,115	44,480	8.9%
2012	45,107	18,813,208	47,110	8.0%
2013	46,089	17,863,812	46,028	7.1%
2014	47,476	18,724,587	47,464	6.2%
2015	48,315	19,901,153	49,565	5.1%
2016	49,222	N/A	N/A	4.4%
2017	50,627	N/A	N/A	N/A

Sources:

<sup>1</sup> Bureau of Economic Analysis for Clackamas County. District-level data unavailable

<sup>2</sup> State of Oregon Unemployment Rate for Clackamas County

<sup>3</sup> For constituents residing in Clackamas County

**Full-time Equivalent District Employees by Type  
Last Ten Fiscal Years**

Full-time Equivalent Employees as of June 30 (1)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b><u>Instructional Staff</u></b>							
Primary, K-5 Instruction	261.11	239.27	229.55	202.00	199.42	193.11	137.00
Intermediate, 4-5 Instruction (2)		0.00	0.00	0.00	0.00	0.00	70.23
Middle School Instruction	113.65	106.16	94.95	92.52	86.16	85.19	101.46
High School Instruction	125.00	123.70	116.50	104.10	102.02	100.53	110.60
High School Activities	2.00	2.00	2.00	2.00	2.20	2.60	2.20
Pre-Kindergarten Instruction	5.10	6.55	5.61	4.41	5.88	5.52	7.28
Talented & Gifted	1.71	1.71	3.06	2.81	1.76	1.76	2.61
High Needs Students	38.00	30.88	26.75	22.25	31.54	30.89	39.53
Resource Rooms	57.14	41.22	40.95	34.58	30.00	28.82	36.73
Alternative Education	12.30	10.64	9.14	5.45	6.18	6.19	4.90
Charter Schools		0.00	0.00	0.00	0.00	0.00	0.00
English - Second Language	8.10	5.20	5.00	5.00	4.38	3.70	7.31
CREST	3.60	3.00	3.00	2.00	3.00	3.00	2.75
Subtotal Instructional Staff	<u>627.71</u>	<u>570.33</u>	<u>536.51</u>	<u>477.12</u>	<u>472.54</u>	<u>461.31</u>	<u>522.60</u>
<b><u>Support Services Staff</u></b>							
Social Work Services	1.50						
Counseling	18.50	18.90	19.00	15.00	18.50	18.50	18.25
District Nurse	3.00	3.00	3.00	3.00	3.00	3.00	3.15
Psychological Services	4.00	4.50	2.00	0.50	0.00	0.00	0.60
Speech	8.00	7.40	8.80	5.80	5.00	5.00	2.55
Special Services-Direction	3.00	3.00	4.00	3.00	3.00	2.00	3.21
Curriculum Development	3.75	3.50	2.00	2.00	2.00	2.00	2.00
Curriculum - Direction		0.00	1.00	1.00	1.00	1.00	1.50
Libraries-Media	14.50	13.14	11.50	10.22	14.96	14.84	19.70
Executive Administration	2.00	3.00	2.50	2.50	2.50	1.50	2.00
Office of the Principal	45.70	44.70	44.70	42.50	43.10	36.50	45.10
Business - Direction	1.00	1.00	1.00	0.89	0.89	0.89	1.88
Fiscal Office	5.00	5.00	5.00	4.72	4.61	4.61	5.63
Operations Direction		0.00	0.00	0.00	0.00	0.00	0.00
Maintenance - Direction	3.20	3.20	4.00	1.88	2.88	2.88	2.69
Care & Upkeep of Buildings	40.50	40.00	42.00	40.00	41.50	39.50	39.50
Care & Upkeep of Grounds		0.00	0.00	0.00	0.00	0.00	14.96
Maintenance	16.00	16.00	15.00	15.00	15.15	15.10	0.00
Warehouse & Distribution	2.00	2.00	2.00	2.00	1.95	0.99	2.91
Staff Services - Personnel	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Technology Services	12.50	11.50	11.00	7.73	8.23	8.48	9.98
Subtotal Support Services Staff	<u>187.15</u>	<u>182.84</u>	<u>181.50</u>	<u>160.74</u>	<u>171.27</u>	<u>159.79</u>	<u>178.61</u>
<b>Total</b>	<b><u>814.86</u></b>	<b><u>753.17</u></b>	<b><u>718.01</u></b>	<b><u>637.86</u></b>	<b><u>643.81</u></b>	<b><u>621.10</u></b>	<b><u>701.21</u></b>

**Source:**

District Budget Office

**Notes:**

(1) General Fund Employees Only.

(2) State no longer recognizes "Intermedeiate, 4-5 Instruction." It is now included as part of "Primary K-5 Instruction."

Full-time Equivalent Employees as of June 30 (1)

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<u>2010</u>	<u>2009</u>	<u>2008</u>
129.16	140.32	140.72
68.30	71.02	70.32
99.51	107.42	106.92
108.56	117.82	116.12
2.20	2.20	2.20
6.48	5.59	5.59
2.61	2.51	2.51
37.90	47.75	47.05
41.53	45.69	45.49
5.90	1.15	1.15
1.25	0.00	0.00
6.50	11.01	11.01
2.75	2.50	2.50
<u>512.65</u>	<u>554.98</u>	<u>551.58</u>

17.50	19.70	19.30
3.37	3.12	3.12
0.00	3.50	3.50
3.05	9.85	9.55
3.00	4.00	4.00
2.50	2.31	2.31
1.50	0.50	0.50
18.40	20.60	21.40
2.00	3.00	3.00
43.60	45.60	45.60
0.83	1.00	1.00
5.41	6.00	6.00
0.00	0.00	0.00
2.53	4.00	4.00
39.50	36.90	39.00
0.00	5.00	5.00
8.00	9.50	9.50
3.00	3.00	3.00
3.00	3.50	3.50
7.03	8.00	8.00
<u>164.22</u>	<u>189.08</u>	<u>191.28</u>
<u><b>676.87</b></u>	<u><b>744.06</b></u>	<u><b>742.86</b></u>

**Operating Statistics  
Last Ten Fiscal Years**

Fiscal Year Ending June 30	Student Average Daily Membership (1)	Charter Schools			Certified			Tchr Salary Range-Low	Tchr Salary Range-High	Percentage
		Student Average Daily Membership	Operating Expenses (2)	Cost Per ADM (1)	Staff FTE (3)	ADM to Certified Ratio (3)	Ave Tchr Salary			Free & Reduced per ADM
2007-08	8,059	180	70,932,326	8,801	475	16.6	51,919	32,529	64,662	16.2
2008-09	8,047	100	74,075,170	9,205	481	16.7	53,932	32,270	65,940	16.9
2009-10	8,065	100	69,480,561	8,615	445	18.1	54,902	33,830	67,248	19.6
2010-11	8,118	100	66,319,321	8,169	451	18.0	50,561	34,425	68,732	21.3
2011-12	8,175	100	69,081,540	8,450	430	19.0	53,119	35,183	69,938	23.3
2012-13	8,375	100	72,466,034	8,653	444	18.9	57,121	35,610	70,997	21.8
2013-14	8,639	105	79,439,342	9,195	447	19.3	57,121	35,877	71,336	23.6
2014-15	8,905	110	86,322,425	9,694	537	16.6	57,326	36,057	71,693	22.7
2015-16	9,479	110	92,547,531	9,763	553	17.1	59,663	37,499	74,541	21.7
2016-17	9,732	110	104,677,615	10,756	595	16.4	62,549	38,346	76,404	21.2

(1) Includes charter school students

(2) Operating expenditures are all governmental fund expenditures less debt service and capital outlays.

(3) Excludes charter school staff/teachers

Source:

District Records

**Principal Employers for the West Linn-Wilsonville School District Area (1)  
Current Year and Eight Years Ago**

		<b>2016-17</b>	
<b>Employer</b>	<b>Type of Business</b>	<b>Number of Employees</b>	<b>Percentage of Total City Employment*</b>
Mentor Graphics Corporation	CAD Software Systems	986	5.7%
Stream International Inc	Facilities Support Services	798	4.6%
Xerox Corporation	Copiers and Printers	687	4.0%
Sysco Portland Inc	Warehouse & Distribution	545	3.1%
Rockwell Collins Head-Up Guidance Systems	Aviation Guidance Systems	475	2.7%
Coca Cola Bottling Co	Warehouse & Distribution	366	2.1%
Precision Interconnect	Manufacturing	359	2.1%
Costco Wholesale #766	Warehouse	292	1.7%
Southern Wine & Spirits	Beverage distribution	283	1.6%
Fred Meyer	Grocer	261	1.5%
		<b>5,052</b>	<b>29.1%</b>

		<b>2008-09</b>	
<b>Employer</b>	<b>Type of Business</b>	<b>Number of Employees</b>	<b>Percentage of Total City Employment**</b>
Xerox Corporation	Copiers and Printers	1,563	10.7%
Mentor Graphics Corporation	CAD Software Systems	1,110	7.6%
Precision Interconnect	Electronic Machinery	654	4.5%
Sysco/Continental Food Service	Warehouse & Distribution Center	582	4.0%
Hollywood Entertainment Corporation	Headquarters, warehouse, retail	356	2.4%
Flir Systems, Inc	Thermal imaging/infrared equipment	352	2.4%
Fry's Electronics	Retail	309	2.1%
Infocus Corporation	Projectors & Display Systems	309	2.1%
Rite Aid Distribution Center	Warehouse & Distribution Center	275	1.9%
Orepac Building Products	Forest Products	198	1.4%
		<b>5,708</b>	<b>39.1%</b>

\*Total city employment for 2016-17 17,387

\*\*Total city employment for 2008-09 14,612

(1) City of Wilsonville only, City of West Linn not available  
Number of employees is listed as FTE (full-time equivalent)

Source:  
City of Wilsonville Business License Database

**Capital Asset Information  
Last Ten Fiscal Years**

	Fiscal Year										Average Age of Buildings (in years)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
<b>Schools</b>											
<b>Primary</b>											
Buildings	7	7	7	7	7	9	9	9	9	9	52
Square Feet	446,982	446,982	446,982	446,982	446,982	581,626	581,626	581,626	581,626	581,626	
Capacity	3,382	3,382	3,382	3,382	3,382	4,401	4,401	4,401	4,401	4,401	
Membership (ADM)	3,375	3,375	3,375	3,375	3,516	3,716	3,716	3,716	3,716	3,716	
Percent Used	100%	100%	100%	100%	104%	84%	84%	84%	84%	84%	
<b>Middle</b>											
Buildings	3	3	3	3	3	3	3	3	3	3	23
Square Feet	282,519	282,519	282,519	282,519	284,519	284,519	284,519	284,519	284,519	284,519	
Capacity	2,082	2,082	2,082	2,082	1,932	1,932	1,932	1,932	1,932	1,932	
Membership (ADM)	1,899	1,899	1,899	1,899	1,985	1,985	1,985	1,985	1,985	1,985	
Percent Used	91%	91%	91%	91%	103%	103%	103%	103%	103%	103%	
<b>High</b>											
Buildings	2	2	2	2	2	2	2	2	2	2	42
Square Feet	500,631	500,631	500,631	500,631	499,943	499,943	499,943	499,943	499,943	499,943	
Capacity	3,291	3,291	3,291	3,291	3,220	3,220	3,220	3,220	3,220	3,220	
Membership (ADM)	2,508	2,508	2,508	2,508	2,674	2,674	2,674	2,674	2,674	2,674	
Percent Used	76%	76%	76%	76%	83%	83%	83%	83%	83%	83%	
<b>Other</b>											
Buildings	3	3	3	3	3	3	3	3	3	3	11
Square Feet	7,442	7,442	7,442	7,442	46,266	46,266	46,266	46,266	46,266	46,266	
<b>Administration</b>											
Buildings	1	1	1	1	1	1	1	1	1	1	81
Square Feet	21,000	21,000	21,000	21,000	17,439	17,439	17,439	17,439	17,439	17,439	
<b>Maintenance</b>											
Buildings	5	5	5	5	5	5	5	5	5	5	18
Square Feet	40,020	40,020	40,020	40,020	54,900	54,900	54,900	54,900	54,900	54,900	

Source: West Linn-Wilsonville School District Department of Operations Statistics

WEST LINN-WILSONVILLE SCHOOL DISTRICT 3JT  
CLACKAMAS COUNTY, OREGON

INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS



**PAULY, ROGERS, AND CO., P.C.**  
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December 18, 2017

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

We have audited the basic financial statements of West Linn-Wilsonville School District 3JT as of and for the year ended June 30, 2017, and have issued our report thereon dated December 18, 2017. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards.

#### Compliance

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

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

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

In connection with our testing nothing came to our attention that caused us to believe the West Linn-Wilsonville School District 3JT 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 noted below and on page 25 of this report:

- No Transportation Report (Form 581-2249-M) was filed with the Department of Education for the Fiscal Year Ended June 30, 2017

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

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

This report is intended solely for the information and use of the Board of Directors, 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 "Matthew Graves". The signature is written in a cursive, flowing style.

Matthew Graves, CPA  
PAULY, ROGERS AND CO., P.C.

WEST LINN-WILSONVILLE SCHOOL DISTRICT 3JT  
CLACKAMAS COUNTY, OREGON

GRANT COMPLIANCE REVIEW

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT  
 CLACKAMAS COUNTY, OREGON

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 AS REQUIRED BY THE OREGON DEPARTMENT OF EDUCATION  
 YEAR ENDED JUNE 30, 2017

Federal Grantor/Pass Through Grantor/ Program Title	Pass Through Organization	Federal CFDA Number	Pass Through Entity Number	Period Covered	Expenditures
<b>US DEPARTMENT OF EDUCATION</b>					
Title I-A	Oregon Department of Education	84.010	41186	7/1/16 - 9/30/17	<b>539,068</b>
Title IIA- Teacher Quality	Oregon Department of Education	84.367	41441	7/1/16 - 9/30/17	<b>86,255</b>
Title III- English Language Acquisition	Oregon Department of Education	84.365	41804	7/1/16 - 9/30/17	<b>38,448</b>
ODE					
IDEA Part B, Section 611	Oregon Department of Education	84.027	41642	7/1/16 - 9/30/18	<b>1,273,474</b>
IDEA Part B, Section 619	Oregon Department of Education	84.173	33555	7/1/14 - 9/30/16	<b>1,270</b>
IDEA Part B, Section 619	Oregon Department of Education	84.173	37272	7/1/15 - 9/30/17	<b>4,139</b>
IDEA Part B, Section 619	Oregon Department of Education	84.173	40700	7/1/16 - 9/30/18	<b>1,731</b>
IDEA SPR&I	Oregon Department of Education	84.027	40979	7/1/16 - 6/30/17	<b>5,549</b>
IDEA Enhancement	Oregon Department of Education	84.027	38459	10/1/15 - 9/30/16	<b>12,731</b>
IDEA Extended Assessment	Oregon Department of Education	84.027	42022	7/1/16 - 6/30/17	<b>408</b>
<i>Total Special Education Cluster</i>					<u><u>1,299,302</u></u>
<b>Total U.S. Department of Education</b>					<b>1,963,073</b>
Carl Perkins	Clackamas County ESD	84.048	40307/40331	7/1/16 - 6/30/2017	<b>30,662</b>
<b>Total Clackamas ESD</b>					<b>30,662</b>
Youth Transition Program	Department of Human Services	84.126A	143295	7/1/16 - 6/30/17	<b>147,179</b>
<b>Total Department of Human Services</b>					<b>147,179</b>
Columbia Regional Program Autism Services	Portland Public Schools	NA	NA	7/1/16 - 6/30/17	<b>129,600</b>
<b>Total Portland Public Schools</b>					<b>129,600</b>
Food Donation	Oregon Department of Education	10.555	NA		<b>130,904</b>
National School Lunch Program Breakfast	Oregon Department of Education	10.553	NA		<b>85,829</b>
National School Lunch Program	Oregon Department of Education	10.555	NA		<b>637,211</b>
<i>Total Child Nutrition Cluster</i>					<u><u>853,945</u></u>
Federal Forest Fees	US Department of Agriculture	10.665	NA		<b>17,951</b>
<b>Total U.S. Department of Agriculture</b>					<b>871,896</b>
*major program					
<b>TOTALS</b>					<u><u>\$ 3,142,411</u></u>
<b>Reconciliation to Federal Revenue</b>					
Medicaid (via Multnomah ESD)					<u>254,567</u>
<b>Total Federal Revenue</b>					<u><u>\$ 3,396,978</u></u>



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December 18, 2017

To the Board of Directors  
West Linn-Wilsonville School District 3JT  
22210 SW Stafford Road  
Tualatin, Oregon 97062

**Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards***

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of West Linn-Wilsonville School District 3JT as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated December 18, 2017.

**Internal Control Over Financial Reporting**

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

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

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

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

**Compliance and Other Matters**

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

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



Matthew Graves, CPA  
PAULY, ROGERS AND CO., P.C.



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December 18, 2017

To the Board of Directors  
West Linn-Wilsonville School District 3JT  
22210 SW Stafford Road  
Tualatin, Oregon 97062

## **Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with the Uniform Guidance**

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

We have audited West Linn-Wilsonville School District 3JT's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2017. The major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### **Management's Responsibility**

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

### **Auditors' Responsibility**

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

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

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

In our opinion, West Linn-Wilsonville School District 3JT, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

### **Report on Internal Control Over Compliance**

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

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

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

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



Matthew Graves, CPA  
PAULY, ROGERS AND CO., P.C.

WEST LINN-WILSONVILLE SCHOOL DISTRICT 3  
 CLACKAMAS COUNTY, OREGON  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED JUNE 30, 2017

**Section I – Summary of Auditors’ Results**

***Financial Statements***

Type of Auditors’ report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes     X  No
- Significant deficiency(ies) identified that are not considered to be material weaknesses \_\_\_\_\_ Yes     X  None reported

Noncompliance material to financial statements noted? \_\_\_\_\_ Yes     X  No

Any GAGAS audit findings disclosed that are required to be reported in accordance with section 515(d)(2) of the Uniform Guidance? \_\_\_\_\_ Yes     X  No

***Federal Awards***

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ Yes     X  No
- Significant deficiency(ies) identified that are not considered to be material weaknesses \_\_\_\_\_ Yes     X  None reported

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

Any audit findings disclosed that are required to be reported in accordance with section 200.516(a) of the Uniform Guidance? \_\_\_\_\_ Yes     X  No

Identification of major programs

CFDA Number(s):	Name of Federal Program:
84.027 and 84.173	Special Education Cluster

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

Auditee qualified as low-risk auditee?  X  Yes    \_\_\_\_\_ No

**NOTES TO THE SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS**

1. BASIS OF PRESENTATION

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

WEST LINN-WILSONVILLE SCHOOL DISTRICT 3  
CLACKAMAS COUNTY, OREGON  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2017

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Section II – Current Year Financial Statement Findings

None Reported.

Section III – Prior Year Financial Statement Findings

None Reported.

Section IV – Federal Award Findings and Question Costs

None Reported.