

CASCADE SCHOOL DISTRICT NO. 5
Turner, Oregon

Financial Statements

Year Ended June 30, 2020

CASCADE SCHOOL DISTRICT NO. 5
TURNER, OREGON
BOARD OF DIRECTORS AND OFFICERS

BOARD OF DIRECTORS FOR THE YEAR ENDED JUNE 30, 2020

	<u>Term Expires</u>
Brett Stegall, Chair	6/30/2021
David Kuenzi	6/30/2021
Ruth Stevens	6/30/2023
Dan Van De Hey	6/30/2023
Karen Ramsmeier	6/30/2021

All board members receive mail at the administrative office.

OFFICERS

Darin Drill
Scott Pillar

Superintendent
Director of Finance

ADMINISTRATIVE OFFICE

10226 Marion Road S.E.
Turner, OR 97392

CASCADE SCHOOL DISTRICT NO. 5
TURNER, OREGON
TABLE OF CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT	1 - 3
MANAGEMENT'S DISCUSSION AND ANALYSIS	7 - 10
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements:	
Statement of Net Position	14
Statement of Activities	15
Fund Financial Statements:	
Balance Sheet - Governmental Funds	18
Reconciliation of Governmental Funds Balance Sheet to Statement of Net Position	19
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	20
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	21
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund	22
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Special Revenue Fund	23
Notes to the Basic Financial Statements	24 - 50
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Changes in Total Other Post Employment Benefit and Related Ratios	52
Oregon Public Employees Retirement System Schedules -	
District's Proportionate Share of the Net Pension Liability and District Contributions	53
District's Proportionate Share of the Net OPEB - RHIA Liability and District Contributions	54
Notes to the Required Supplementary Information	55

CASCADE SCHOOL DISTRICT NO. 5

TURNER, OREGON

TABLE OF CONTENTS

	<u>Page</u>
SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Debt Service Fund	58
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Capital Project Fund	59
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Permanent Fund	62
Schedule of Property Tax Transactions	64
Supplemental Information Required by the Oregon Department of Education	65
Revenue Summary by Function - All Governmental Funds	66
Expenditures by Function/Object - General Fund	67
Expenditures by Function/Object - Special Revenue Funds	68
Expenditures by Function/Object - Debt Service Funds	69
Expenditures by Function/Object - Capital Projects Funds	70
Expenditures by Function/Object - Trust and Agency Funds	71
AUDIT COMMENTS AND DISCLOSURES REQUIRED BY STATE REGULATIONS	75 - 76
GRANT COMPLIANCE SECTION	
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with <i>Governmental Auditing Standards</i>	79 - 80
Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Uniform Guidance	81 - 82
Schedule of Expenditures of Federal Awards	83 - 84
Schedule of Findings and Questioned Costs	85-86

FINANCIAL SECTION

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To the School Board
Cascade School District No. 5
Turner, Oregon

INDEPENDENT AUDITORS' REPORT

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 Cascade School District No. 5, Turner, Oregon (District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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



Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2020, and, the respective changes in financial position and the respective budgetary comparisons for the General Fund and Special Revenue Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of Changes in Total Other Post Employment Benefits and Related Ratios and Oregon Public Employee Retirement System Information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government 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 information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* 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, as listed in the table of contents, 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 defined in the table of contents, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Other Reporting Required by *Governmental Auditing Standards*

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

Reports on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 31, 2020, on our consideration of the District's internal control over financial reporting and compliance with certain provisions of laws, regulations, contracts, and grants, 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 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.

Wilcox Arredondo & Co.

Certified Public Accountants
Canby, Oregon
December 31, 2020

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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CASCADE SCHOOL DISTRICT NO. 5
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
For the year ended June 30, 2020

Our discussion and analysis of Cascade School District's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2020. Please read it in conjunction with the District's Financial Statements, which follows this MD&A.

FINANCIAL HIGHLIGHTS

- At June 30, 2020, the District's assets and deferred outflows exceeded its liabilities and deferred inflows by \$5,362,843.
- The General Fund's fund balance increased by \$267,541.
- The District's net position increased by \$1,349,318 during 2019-20

OVERVIEW OF THE FINANCIAL STATEMENTS

The School District's annual report consists of a series of financial statements that show information for the District as a whole. The Statement of Net Position and the Statement of Activities provides information about the activities of the District as a whole and presents a longer-term view of the District's finances. Our fund financial statements are included later in the financial report. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insights into the District's overall financial health. Fund financial statements also report the District's operations in more detail than the government-wide financial statements by providing information about the District's most significant fund, the general fund.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

These statements present information on the District's finances in a manner similar to private sector businesses. One of the most important questions asked about the District is, "Is the District as a whole better off or worse off financially as a result of the year's activities?" The Statement of Net Position and Statement of Activities report information on the District as a whole and its activities in a way that helps answer this question. We prepare these statements to include all assets and liabilities, using the accrual basis of accounting. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Position shows the District's assets and liabilities, with the difference between the two reported as net position. All capital assets and long-term liabilities, and general government functions, are shown in the Statement of Net Position.

The Statement of Activities shows revenues, expenses, and the change in net position for the District as a whole. Revenues and expenses attributable to specific functions are segregated from general revenues, to display the extent to which general revenues support each function.

CASCADE SCHOOL DISTRICT NO. 5
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
For the year ended June 30, 2020

FUND FINANCIAL STATEMENTS

Governmental funds account for the same functions as are reported as governmental activities in the government-wide financial statements. The governmental fund reporting focuses on how money flows in and out of funds and the balances left at year end that are available for spending. They are reported using the accounting method called "modified accrual" accounting, which measures cash and all other financial assets that can be readily converted to cash. This information is essential for preparation of and compliance with annual budgets. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliations following the government statements. The notes to the financial statements provide additional information that is essential to a complete understanding of the data provided in the financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Total assets, liabilities and net position were as follows:

	Net Position at Fiscal Year-End		Increase (Decrease)
	For the Year Ended June 30, 2020 and 2019		
	<u>Governmental Activities</u>		
	<u>June 30, 2020</u>	<u>June 30, 2019</u>	
Assets			
Current and other assets	\$ 10,143,805	\$ 9,288,899	\$ 854,906
Capital assets	<u>30,684,486</u>	<u>29,508,749</u>	<u>1,175,737</u>
Total Assets	<u>40,828,291</u>	<u>38,797,648</u>	<u>2,030,643</u>
Deferred Outflows of Resources	<u>5,533,228</u>	<u>6,399,623</u>	<u>(866,395)</u>
Liabilities			
Current and other liabilities	4,343,107	4,309,628	33,479
Long-Term Obligations	<u>34,442,247</u>	<u>35,091,820</u>	<u>(649,573)</u>
Total Liabilities	<u>38,785,354</u>	<u>39,401,448</u>	<u>(616,094)</u>
Deferred Inflows of Resources	<u>2,213,322</u>	<u>1,782,298</u>	<u>431,024</u>
Net Position:			
Invested in capital assets, net of related debt	20,298,418	17,819,670	2,478,748
Restricted	2,056,335	2,071,091	(14,756)
Unrestricted	<u>(16,991,910)</u>	<u>(15,877,236)</u>	<u>(1,114,674)</u>
Total Net Position	<u>\$ 5,362,843</u>	<u>\$ 4,013,525</u>	<u>\$ 1,349,318</u>

CASCADE SCHOOL DISTRICT NO. 5
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
For the year ended June 30, 2020

The District's revenues and expenses for fiscal year 2019-20, were as follows:

	Governmental Activities		Increase (Decrease)
	June 30, 2020	June 30, 2019	
Revenues:			
Program Revenues:			
Charges for services	\$ 2,175,127	\$ 2,452,120	\$ (276,993)
Operating grants and contributions	3,722,892	2,759,924	962,968
General Revenues:			
Property Taxes	7,226,837	6,880,567	346,270
State School Fund - General Fund	20,195,202	17,483,672	2,711,530
Other State and Local Sources	746,593	757,166	(10,573)
Total Revenues	34,066,651	30,333,449	3,733,202
Expenses:			
Instruction Support Services	18,940,798	16,957,423	1,983,375
Support Services	10,876,628	10,522,114	354,514
Community Services	1,304,730	1,225,753	78,977
Interest on Long-Term Debt	1,595,177	1,561,399	33,778
Total Expenses	32,717,333	30,266,689	2,450,644
Change in Net Position	1,349,318	66,760	1,282,558
Net Position - July 1	4,013,525	3,946,765	66,760
Net position - June 30	\$ 5,362,843	\$ 4,013,525	\$ 1,349,318

FUND FINANCIAL ANALYSIS

The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Unreserved fund balance measures the District's net resources available for appropriation in the next fiscal year. As of June 30, 2020, total fund balance of the governmental funds was \$7,143,523 governmental fund balance includes unassigned balance of \$3,127,465. These amounts are available to use, in accordance with applicable restrictions on the nature of the expenditures.

CAPITAL ASSETS

At June 30, 2020 the District had \$30,684,486 invested in broad range of capital assets, including land, building, equipment and vehicles. The changes in capital assets for 2019-20 are due to the depreciation of capital assets, as well as various district improvements.

CASCADE SCHOOL DISTRICT NO. 5
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
For the year ended June 30, 2020

DEBT ADMINISTRATION

As of June 30, 2020 the District had \$18,860,601 in General Obligation Bonds and Other Bonds. The district's debt consists of a General Obligation Bonds, Pension Obligation Bonds and Limited Tax Qualified Revenue Bonds. See note 5 of the financial statement for additional information.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Forecasting for 2020-21 and beyond has been a challenge due to the COVID-19 global pandemic and its economic impact at the local, state and national levels. Cascade School district budgeted conservatively for the 2020-21 fiscal year with an emphasis on significant reductions in discretionary spending and a freeze on new positions. State and Federal support of education, while stronger than anticipated, is still viewed as in flux. A significant increase in grant funds will likely cushion the blow to the general operations of the district in the short term, however, the district is taking a multi-year conservative financial approach until at least 2022.

REQUESTS FOR INFORMATION

Our financial report is designed to provide our taxpayers, parents, teachers, students, investors and creditors with an overview of the District's finances. If you have any questions about this report or need any clarification of information please Scott Pillar, 10226 Marion Road SE, Turner, OR 97392

BASIC FINANCIAL STATEMENTS

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**GOVERNMENT-WIDE
FINANCIAL STATEMENTS**

CASCADE SCHOOL DISTRICT NO. 5
STATEMENT OF NET POSITION
JUNE 30, 2020

	Governmental Activities
Assets	
Cash and Investments	\$ 8,914,452
Restricted Cash	146,395
Receivables	820,587
Prepays	14,047
Inventory, at Cost	27,598
Other Post Employment Benefit Obligation - RHIA	220,726
Capital Assets	
Land	182,191
Construction in Progress	13,499
Buildings and equipment, net	30,488,796
Total Assets	40,828,291
Deferred Outflows of Resources	
Other Post Employment Benefit Obligation	29,266
Pension Plan	5,115,018
Deferred Charge on Refunding	388,944
Total Deferred Outflows of Resources	5,533,228
Liabilities	
Accounts Salaries, and Contracts Payable	2,538,603
Accrued Interest Payable	13,544
Unearned Revenue	20,695
Noncurrent Liabilities	
Obligations Due Within One Year:	
Long-term Debt	1,770,265
Obligations Due in More Than One Year:	
Long-term Debt	17,090,336
Compensated Absences	46,492
Net Pension Obligation - Early Retirement	48,240
Bond Premiums	1,146,468
Other Postemployment Benefit Obligation	1,602,016
Proportionate share of net pension liability	14,508,695
Total Liabilities	38,785,354
Deferred Inflows of Resources	
Other Post Employment Benefit Obligation	72,426
Pension Plan	2,140,896
Total Deferred Inflows of Resources	2,213,322
Net Position	
Net Investment in Capital Assets	20,298,418
Restricted for:	
Grant Programs	71,582
Capital Projects	1,378,508
Student Body Activities	444,571
Scholarships	39,815
Swimming Pool Endowment	121,859
Unrestricted	(16,991,910)
Total Net Position	\$ 5,362,843

See notes to the basic financial statements.

CASCADE SCHOOL DISTRICT NO. 5
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020

Functions/Programs	Program Revenues			Net (Expense) Revenue and Change in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	
Governmental Activities:				
Instructional Programs	\$ 18,940,798	\$ 1,221,631	\$ 1,877,995	\$ (15,841,172)
Support Services	10,876,628	669,117	1,307,610	(8,899,901)
Enterprise and Community Services	1,304,730	284,379	537,287	(483,064)
Interest on Long-term Debt	1,595,177	-	-	(1,595,177)
Total Governmental Activities	\$ 32,717,333	\$ 2,175,127	\$ 3,722,892	(26,819,314)
General Revenues				
Property Taxes Levied for General Purposes				5,641,150
Property Taxes Levied for Debt Service				1,585,687
Unrestricted grants and contributions				262,005
State School Fund - General Support				20,195,202
Common School Fund				238,975
Earnings on Investments				245,613
Total General Revenues				28,168,632
Change in Net Position				1,349,318
Net Position				
Beginning of Year				4,013,525
End of Year				\$ 5,362,843

See notes to the basic financial statements.

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FUND
FINANCIAL STATEMENTS

CASCADE SCHOOL DISTRICT NO. 5
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2020

ASSETS	General Fund	Special	Debt	Capital	Nonmajor	Totals
		Projects Fund	Service Fund	Projects Fund	Governmental Fund	
Cash and Investments	\$ 5,326,805	\$ 1,487,390	\$ 141,847	\$ 1,936,551	\$ 21,859	\$ 8,914,452
Restricted Cash	-	46,395	-	-	100,000	146,395
Receivables	228,465	514,750	64,672	12,700	-	820,587
Prepays	14,047	-	-	-	-	14,047
Inventory, at Cost	-	27,598	-	-	-	27,598
Total Assets	\$ 5,569,317	\$ 2,076,133	\$ 206,519	\$ 1,949,251	\$ 121,859	\$ 9,923,079
LIABILITIES						
Accounts Payable	\$ 37,418	\$ -	\$ -	\$ 41,289	\$ -	\$ 78,707
Accrued Payroll and Payroll Liabilities	2,220,054	239,842	-	-	-	2,459,896
Unearned Revenue	-	20,695	-	-	-	20,695
Total Liabilities	2,257,472	260,537	-	41,289	-	2,559,298
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue from Property Taxes and Contracts	170,333	-	49,925	-	-	220,258
Total Deferred Inflows of Resources	170,333	-	49,925	-	-	220,258
FUND BALANCES						
Nonspendable	14,047	27,598	-	-	100,000	141,645
Restricted for:						
Grant Programs	-	71,582	-	-	-	71,582
Student Activities	-	444,571	-	-	-	444,571
Scholarships	-	39,815	-	-	-	39,815
Capital Projects	-	-	-	1,378,508	-	1,378,508
Debt Service	-	-	156,594	-	-	156,594
Permanent Fund	-	-	-	-	21,859	21,859
Committed to:						
Unemployment	-	127,378	-	-	-	127,378
Deductibles and Unisured Claims	-	34,882	-	-	-	34,882
Swimming Pool Operations and Maintenance	-	69,770	-	-	-	69,770
PERS Reserve	-	1,000,000	-	-	-	1,000,000
Assigned to:						
Capital Projects	-	-	-	529,454	-	529,454
Unassigned	3,127,465	-	-	-	-	3,127,465
Total Fund Balances	3,141,512	1,815,596	156,594	1,907,962	121,859	7,143,523
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 5,569,317	\$ 2,076,133	\$ 206,519	\$ 1,949,251	\$ 121,859	\$ 9,923,079

See notes to the basic financial statements.

CASCADE SCHOOL DISTRICT NO. 5
RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO STATEMENT OF NET POSITION
JUNE 30, 2020

Total Fund Balances		\$ 7,143,523
Capital assets are not financial resources and therefore are not reported in the governmental funds:		
Cost	\$ 41,222,444	
Accumulated depreciation	<u>(10,537,958)</u>	30,684,486
A portion of the District's property taxes and contract 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.		
		220,258
The Net OPEB - RHIA Asset is not available to pay for current period expenditures, and therefore, is not reported in the governmental funds.		
		220,726
Deferred outflows and inflows of resources are applicable to future periods and, therefore, are not reported in the governmental funds.		
Deferred outflows of resources related to OPEB	29,266	
Deferred outflows of resources related to pensions	5,115,018	
Deferred outflows of resources related to refunding	388,944	
Deferred inflows or resources related to pensions	(2,140,896)	
Deferred inflows or resources related to OPEB	<u>(72,426)</u>	3,319,906
Long-term liabilities not payable in the current year are not reported as governmental fund liabilities. Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due. These liabilities consist of:		
Accrued Interest Payable	(13,544)	
Accrued Compensated Absences Payable	(46,492)	
Bonds Payable and Bond Premiums	(20,007,069)	
Net Pension Obligation - Early Retirement	(48,240)	
Proportionate share of net pension liability	(14,508,695)	
Net OPEB obligations	<u>(1,602,016)</u>	<u>(36,226,056)</u>
Total Net Position		<u>\$ 5,362,843</u>

See notes to the basic financial statements.

CASCADE SCHOOL DISTRICT NO. 5
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020

Revenues	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Totals
Property Taxes	\$ 5,639,167	\$ -	\$ 1,587,692	\$ -	\$ -	\$ 7,226,859
Local Sources	427,574	1,270,412	1,571,716	454,377	-	3,724,079
Intermediate Sources	317,379	16,924	-	-	-	334,303
State Sources	20,659,632	614,531	-	1,012,370	-	22,286,533
Federal Sources	-	1,827,804	-	-	-	1,827,804
Investment Earnings	224,285	1,089	17,646	-	2,593	245,613
Total Revenues	<u>27,268,037</u>	<u>3,730,760</u>	<u>3,177,054</u>	<u>1,466,747</u>	<u>2,593</u>	<u>35,645,191</u>
Expenditures						
Current						
Instruction	15,239,147	2,467,296	-	-	-	17,706,443
Support Services	10,113,288	379,031	1,336	100,992	-	10,594,647
Enterprise and Community Services	-	1,263,056	-	-	-	1,263,056
Debt Service						
Principal	-	-	1,682,680	-	-	1,682,680
Interest	-	-	1,658,188	-	-	1,658,188
Capital Outlay						
Instruction	44,410	-	-	-	-	44,410
Support Services	54,375	-	-	1,829,400	-	1,883,775
Total Expenditures	<u>25,451,220</u>	<u>4,109,383</u>	<u>3,342,204</u>	<u>1,930,392</u>	<u>-</u>	<u>34,833,199</u>
Excess (Deficiency) of						
Revenues Over (Under) Expenditures	<u>1,816,817</u>	<u>(378,623)</u>	<u>(165,150)</u>	<u>(463,645)</u>	<u>2,593</u>	<u>811,992</u>
Other Financing Sources (Uses)						
Transfers In	-	1,399,276	150,000	400,000	-	1,949,276
Transfers (Out)	<u>(1,549,276)</u>	<u>(400,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,949,276)</u>
Total Other Financing Sources (Uses)	<u>(1,549,276)</u>	<u>999,276</u>	<u>150,000</u>	<u>400,000</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	267,541	620,653	(15,150)	(63,645)	2,593	811,992
Fund Balances						
Beginning of Year	<u>2,873,971</u>	<u>1,194,943</u>	<u>171,744</u>	<u>1,971,607</u>	<u>119,266</u>	<u>6,331,531</u>
End of Year	<u>\$ 3,141,512</u>	<u>\$ 1,815,596</u>	<u>\$ 156,594</u>	<u>\$ 1,907,962</u>	<u>\$ 121,859</u>	<u>\$ 7,143,523</u>

See notes to the basic financial statements.

CASCADE SCHOOL DISTRICT NO. 5
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020

Net Change in Fund Balance \$ 811,992

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 outlay in the current period.

Expenditures for capital assets	\$ 1,928,185	
Less current year depreciation	<u>(752,448)</u>	1,175,737

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This is the net effect of these differences in the treatment of long-term debt.

Less principal repaid		1,682,680
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Governmental funds report the effect of issuance costs, premiums, and discounts 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:

Amortization of Premium	191,079	
Amortization of Deferred Gain on Refunding	<u>(129,649)</u>	61,430

(Increases) decreases in proportionate share of net pension asset/liability reported in the Statement of Activities do not provide for or require the use of current financial resources and therefore are not reported as revenues or expenditures in the governmental funds.

(2,327,171)

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

1,581

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

(22)

In the Statement of Activities, contributions for other postemployment benefits less than the actuarially determined contribution amount increase the other postemployment benefit obligation. In the governmental funds the entire contribution is recognized as an expenditure. This is the amount by which the obligation decreased:

(50,057)

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

(6,852)

Change in Net Position

\$ 1,349,318

See notes to the basic financial statements.

CASCADE SCHOOL DISTRICT NO. 5
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2020

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
Revenues				
Local Sources	\$ 6,107,372	\$ 6,207,372	\$ 6,066,741	\$ (140,631)
Intermediate Sources	237,314	237,314	317,379	80,065
State Sources	18,710,867	20,510,867	20,659,632	148,765
Federal Sources	35,000	35,000	-	(35,000)
Earnings on Investments	267,840	267,840	224,285	(43,555)
Total Revenues	25,358,393	27,258,393	27,268,037	9,644
Expenditures				
Instruction *	15,323,635	15,883,635	15,283,557	600,078
Support Services *	10,239,412	10,539,412	10,167,663	371,749
Contingency *	1,801,778	2,001,778	-	2,001,778
Total Expenditures	27,364,825	28,424,825	25,451,220	2,973,605
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,006,432)	(1,166,432)	1,816,817	2,983,249
Other Financing Sources (Uses)				
Sale of Capital Assets	207,882	207,882	-	(207,882)
Transfers (Out) *	(390,000)	(1,530,000)	(1,549,276)	(19,276)
Total Other Financing Sources (Uses)	(182,118)	(1,322,118)	(1,549,276)	(227,158)
Net Change in Fund Balance	(2,188,550)	(2,488,550)	267,541	2,756,091
Fund Balance				
Beginning of Year	2,188,550	2,488,550	2,873,971	385,421
End of Year	\$ -	\$ -	\$ 3,141,512	\$ 3,141,512

* Legally adopted appropriation level

See notes to the basic financial statements.

CASCADE SCHOOL DISTRICT NO. 5
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2020

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
Revenues				
Local Sources	\$ 1,247,484	\$ 1,247,484	\$ 1,270,412	\$ 22,928
Intermediate Sources	-	-	16,924	16,924
State Sources	658,125	658,125	614,531	(43,594)
Federal Sources	1,914,140	1,914,140	1,827,804	(86,336)
Earnings on Investments	790	790	1,089	299
Total Revenues	3,820,539	3,820,539	3,730,760	(89,779)
Expenditures				
Instruction *	2,034,631	3,459,790	2,467,296	992,494
Support Services *	967,386	746,934	379,031	367,903
Enterprise and Community Services *	1,188,002	1,281,502	1,263,056	18,446
Contingency *	482,806	502,808	-	502,808
Total Expenditures	4,672,825	5,991,034	4,109,383	1,881,651
Excess (Deficiency) of Revenues Over (Under) Expenditures	(852,286)	(2,170,495)	(378,623)	1,791,872
Other Financing Sources (Uses)				
Transfers In	1,391,000	1,391,000	1,399,276	8,276
Transfers (Out) *	-	(400,000)	(400,000)	-
Total Other Financing Sources (Uses)	1,391,000	991,000	999,276	8,276
Net Change in Fund Balance	538,714	(1,179,495)	620,653	1,800,148
Fund Balance				
Beginning of Year	1,379,495	1,379,495	1,194,943	(184,552)
End of Year	\$ 1,918,209	\$ 200,000	\$ 1,815,596	\$ 1,615,596

* Legally adopted appropriation level

See notes to the basic financial statements.

CASCADE SCHOOL DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

1. Summary of Significant Accounting Policies

Cascade School District No. 5 (the District), a municipal corporation governed under the laws of the State of Oregon, is governed by a separately elected five-member board authorized to transact all business on the District's behalf. The District is the special-purpose primary government exercising financial accountability for all public education within its boundaries. The daily functioning of the District is under the supervision of the Superintendent. As required by generally accepted accounting principles, all activities of the District have been included in the basic financial statements.

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

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. Governmental activities are financed primarily through property taxes, income taxes, state support, 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. 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 not classified as program revenues, including property taxes and state support, are presented as general revenues.

Separate financial statements are provided for governmental funds.

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

FUND FINANCIAL STATEMENTS

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

The District reports the following major governmental funds:

General Fund - This fund accounts for all revenues and expenditures of the District except for those required to be accounted for in another fund. The principal revenue sources are property taxes and an apportionment from the State of Oregon.

CASCADE SCHOOL DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

1. Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

Special Revenue Fund - This fund accounts for federal, state, and local grant programs, the District's food programs, the swimming pool operations, extracurricular activities offered by the District and scholarships to District high school students. Principal sources of revenue are federal grants paid to the District through state and county agencies and other grants paid to the District directly from state, local, and private agencies, cash sales of foods, insurance reimbursements, pool admissions, fees, fundraising, and donations.

Debt Service Fund - This fund is used for the accumulation of resources and payment of general obligation bond and pension bond principal and interest. Primary resources in this fund are property taxes, charges to other funds, and earnings on investments.

Capital Projects Fund – This fund accounts for activities related to the acquisition, construction, and equipping of facilities. The principal revenue sources are proceeds from the sale of bonds, state capital grants, and interest earnings.

Measurement Focus and Basis of Accounting

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

Governmental fund financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year-end. Property taxes and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt 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.

Budget

A budget is prepared and legally adopted for each governmental fund on the modified accrual basis of accounting. The budgetary basis of accounting is the same as accounting principles generally accepted in the United States of America for the governmental funds. The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations.

CASCADE SCHOOL DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

1. Summary of Significant Accounting Policies (Continued)

Budget (Continued)

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

Supplemental budgets less than 10% of fund's budget may be adopted by the Board at a regular meeting. A supplemental budget greater than 10% of a fund's original budget requires hearing before the public, publication in newspapers or on the District website 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. The District's appropriations lapse at year-end. For budget purposes in conformance with Oregon Local Budget Law, outstanding encumbrances at year end are recorded as expenditures, but the District had no outstanding encumbrances at June 30, 2020. Expenditures in the General Fund exceeded appropriations in the other uses function for transfers by \$19,276.

Budget amount shown in the financial statements have been revised since the original budget amounts were adopted. The school board must authorize all appropriation transfers and supplementary budgetary appropriations.

Cash and Investments

The District's cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition are considered to be cash and cash equivalents. Short-term investments are stated at cost, which approximates fair value.

State statutes authorize the District to invest in banker's acceptances, time certificates of deposit, repurchase agreements, obligations of the U.S. Treasury and its agencies, the Oregon State Treasury's Local Government Investment Pool (the LGIP), and demand deposits.

The District's investments consist of LGIP accounts. These investments are stated at cost, which approximates fair value. Fair value of the LGIP is the same as the District's value in the pool shares.

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

Property Taxes Receivable

Property taxes are levied and become a lien on all taxable property as of July 1. Collections 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.

CASCADE SCHOOL DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

1. Summary of Significant Accounting Policies (Continued)

Property Taxes Receivable (Continued)

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

Accounts and Other Receivables

Accounts and other receivables are comprised primarily of State school support and claims for reimbursement of costs under various federal and state grants.

Grants

Unreimbursed grant 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 deferred revenue.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oregon Public Employees Retirement System (OPERS) and additions to/deductions from OPERS fiduciary net position have been determined on the same basis as they are reported by OPERS. 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.

Interfund Transactions

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. This includes transfers occurring within governmental activities.

Inventory

Purchased inventory consists of food and supplies are stated at cost. The cost of purchased inventory is recorded as an expenditure at the time of purchase. Commodities inventory consists of food items donated to the district by USDA and is valued at estimated fair value on the donation date.

Capital Assets

Capital assets, which include land, buildings, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Management has elected to include certain homogeneous assets categories with individual assets less than \$5,000 as composite groups for financial statement reporting purposes. In addition, capital assets purchases funded by long-term obligations may be capitalized regardless of the thresholds established. Such assets are reported at historical costs or estimated historical cost if purchased or constructed. Donated assets are reported at estimated fair value at the date of donations. 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.

CASCADE SCHOOL DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

1. Summary of Significant Accounting Policies (Continued)

Capital Assets (Continued)

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

Building and Improvements	50 to 100 years
Play Sheds/Modular buildings	25 to 30 years
Equipment/Vehicles	5 to 110 years

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 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.

Deferred Outflows/Inflows of Resources

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

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

Retirement Plans

Substantially all of the District's employees are participants in the Oregon Public Employees Retirement System (PERS). Contributions to PERS are made on a current basis as required by the plan and are charged to expenses/expenditures as funded.

The District offers its employees a tax sheltered annuity plan established pursuant to Section 403(b) of the Internal Revenue Code.

CASCADE SCHOOL DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

1. Summary of Significant Accounting Policies (Continued)

Post-employment Health Care Benefits

Any past employee who began employment with the District before December 12, 1994, is entitled to District payment of group medical insurance premiums up to a monthly amount of \$403 if Cascade Union High and \$172 if Marion retiree. Such costs are charged to expenses/expenditures at actuarially determined amounts.

Post-employment Health Care Benefits (Continued)

Eligible employees who meet the vesting requirements for early retirement benefits under the OPERF are eligible for early retirement medical benefits under a District plan. The plan is accounted for under the provisions of Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions (OPEB). The OPEB obligation is actuarially determined, is reflected as a long-term liability in the government-wide financial statements.

Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the District does not have a policy to pay any amounts when employees separate from service with the District. All 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 resignations and retirements.

Fund Balances

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

Governmental fund balances are classified as nonspendable, restricted, committed, assigned or unassigned. The Board authorizes the Superintendent or his/her designee as the official who is authorized to assign amounts. Following are descriptions of fund classifications used by the district:

Nonspendable fund balance includes items not immediately converted to cash, such as prepaid items and inventory.

Restricted fund balance includes amounts that have constraints placed upon the use of the resources either by an external party or imposed by law through a constitutional provision or enabling legislation.

Committed fund balance includes amounts that can be used only for the specific purposes pursuant to constraints imposed by a formal action of the District board. Formal action is represented by board resolution.

Assigned fund balance includes amounts that are constrained by the District's intent to use them for a specific purpose, but are neither restricted nor committed. Intent is expressed when the Board approves which resources should be "reserved" during the adoption of the annual budget. The District's Director of Finance uses that information to determine whether those resources should be classified as assigned or unassigned for presentation in the District's Annual Financial Report.

CASCADE SCHOOL DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

1. Summary of Significant Accounting Policies (Continued)

Fund Balances (Continued)

Unassigned fund balance is the residual classification for balances not assigned to another category.

The District considers the spending of restricted fund balances on purposes for which such funds can be used to occur first when funds are spent for restricted and unrestricted purposes. When unrestricted classifications of fund balance are spent, the board will consider that committed amounts will be reduced first, followed by assigned amounts and then unassigned amounts.

Net Position

In the government-wide financial statements, net position is classified in the following categories:

Net Investment in Capital Assets – This amount consist of capital assets net of accumulated depreciation and reduced by outstanding debt attributed to the acquisition, construction, or improvement of the assets.

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

Unrestricted net position – This amount is all net position that does not meet the definition of “net investment in capital assets” or “restricted net position”.

Indirect Costs

Certain indirect costs have been included as part of the program expenses reported for the various functions.

Use of Estimates

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

2. Cash and Investments

The District maintains a cash pool that is available for use by all funds except the Student Body Fund. Each fund type’s portion of this pool is reported in the basic financial statements as Cash and Investments. In addition, cash is separately held by certain funds of the District.

CASCADE SCHOOL DISTRICT NO. 5
 NOTES TO BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2020

2. Cash and Investments (Continued)

Cash and investments on June 30, 2020 consist of the following:

Deposits with Financial Institutions	\$ (92,211)
Investments	9,152,808
Petty Cash	250
Total	\$ 9,060,847

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

Statement of Net Position	
Cash and Investments	\$ 8,914,452
Restricted Cash	146,395
Total	\$ 9,060,847

Deposits

Custodial credit risk – deposits: Custodial credit risk for deposits is the risk that in the event of bank failure, the District’s deposits may be lost. Insurance and collateral requirements for the deposits are established by federal banking regulations and Oregon law. State statutes require that the District’s deposits be covered by the Federal Deposit Insurance Corporation (FDIC) or by a multiple financial institution collateral pool under ORS 295.015 which is administered by the State of Oregon Office of the Treasury.

Deposits with financial institutions include primarily bank demand and money market deposits. The balances in these accounts according to the District’s records total \$(92,211) on June 30, 2020. The bank statement records reflect a balance of \$924,327 at year end. Of this amount, \$386,865 is covered by the FDIC’s general deposit insurance rules. As required by Oregon Revised Statutes, deposits in excess of federal depository insurance were held at a qualified depository for public funds. All qualified depositories for public funds are included in the multiple financial institution collateral pool that is maintained by and in the name of the Office of State Treasurer. As a result the District has no exposure to custodial credit risk for deposits with financial institutions.

Investments

The District’s investments as of June 30, 2020 were as follows:

	Average Maturities	Fair Value
Oregon State Treasury Local Government Investment Pool	six month average	\$ 9,152,808

Interest rate risk – investments. Under the District’s policy, investment maturities of over 18 months will be avoided, unless they can be matched with the specific expected use of funds as provided by ORS 294.135. For example, investment of capital bond funds shall be timed to meet projected construction payments, usually for a term not to exceed three years. Maturities over 18 months are allowed by ORS 294.135 following the review and approval for the District investment policy by the Oregon Short Term Fund Board, which has occurred.

CASCADE SCHOOL DISTRICT NO. 5
 NOTES TO BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2020

2. Cash and Investments (Continued)

Custodial credit risk – investments. The amounts in the Oregon State Treasury’s Local Government Investment Pool are part of the Oregon Short-Term Fund (Fund). The Fund’s portfolio rules provide that broker/dealers meet certain qualifications and that investments are delivered to and held by a third-party custodian, which holds the Fund’s securities in the State of Oregon’s name. Time certificates of deposit in the Fund are not exposed to custodial credit risk, as they are partially covered by FDIC insurance and the balance is covered by the multiple institution collateral pool under ORS 295.015. Per the District’s board policy, credit risk is minimized by considering the safest types of investment instruments, portfolio diversification and the credit worthiness of the security user or backer.

Credit risk – investments. The Oregon Short-Term Fund is not registered with the U.S. Securities and Exchange Commission as an investment company. The Fund currently has no credit rating as assigned by the credit rating agencies. The Fund’s policies provide for a composite minimum weighted average credit quality rating for the Fund’s holdings to be the equivalent of an AA Standard and Poor’s rating. This composite is calculated based on the median rating if three agencies rate the security, the lower rating if two ratings are available or the single rating if only one rating is available.

On June 30, 2020, the Fund’s composite weighted average rating was equivalent to Standard and Poor’s AA based on the method described above. The State’s investment policies are governed by Oregon Revised Statutes and the Oregon Investment Council (Council). The State Treasurer is the investment officer for the Council and is responsible for all funds in the State Treasury. Investments in the Fund are further governed by portfolio guidelines issued by the Oregon Short-Term Fund Board.

Concentration of credit risk – investments. The Fund rules provide that the maximum that may be invested in any one issuer, as a percentage of the of the total investments, is 33 percent for U.S. Agency securities, ten percent for foreign governments and instrumentalities and five percent for both commercial paper and corporate notes. On June 30, 2020, the Fund did not hold investments with any one issuer that exceeded these limits.

Foreign currency – investments. The Fund portfolio rules prohibit investments that are not US dollar-denominated; therefore, the Fund is not exposed to this risk.

As of June 30, 2020, and the for the year then ended, the District was in compliance with the State of Oregon statutes regarding investments as discussed under Note 1.

3. Receivables

Receivables at June 30, 2020 are comprised of the following:

Property Taxes	\$	287,467
Accounts		18,371
Grants		514,749
		514,749
	\$	820,587

CASCADE SCHOOL DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

4. Capital Assets

Capital assets activity for the year was as follows:

	Balance June 30, 2019	Increases	Decreases	Balance June 30, 2020
Capital Assets not being Depreciated				
Land	\$ 182,191	\$ -	\$ -	\$ 182,191
Construction in Progress	104,830	13,499	(104,830)	13,499
Total	<u>287,021</u>	<u>13,499</u>	<u>(104,830)</u>	<u>195,690</u>
Capital Assets being Depreciated				
Buildings and Improvements	38,191,996	1,920,731	-	40,112,727
Equipment	946,286	98,785	(131,044)	914,027
Total	<u>39,138,282</u>	<u>2,019,516</u>	<u>(131,044)</u>	<u>41,026,754</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	(9,198,960)	(697,562)	-	(9,896,522)
Equipment	(717,594)	(54,886)	131,044	(641,436)
Total	<u>(9,916,554)</u>	<u>(752,448)</u>	<u>131,044</u>	<u>(10,537,958)</u>
Total Capital Assets being Depreciated	<u>29,221,728</u>	<u>1,267,068</u>	<u>-</u>	<u>30,488,796</u>
Total Capital Assets, Net	<u>\$ 29,508,749</u>	<u>\$ 1,280,567</u>	<u>\$ (104,830)</u>	<u>\$ 30,684,486</u>

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

Instruction	\$ 687,894
Support Services	44,419
Enterprise and Community Services	20,135
Total	<u>\$ 752,448</u>

5. Long-Term Debt

Bonds Payable

General Obligation Bonds – General obligation bonds are direct obligations and pledge the full faith and credit of the District. The District issues general obligation bonds to provide funds for the acquisition and construction of school facilities.

CASCADE SCHOOL DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

5. Long-Term Debt (Continued)

Bonds Payable (Continued)

Other bonds

Pension Obligation Bonds – Series 2003, the District issued \$15,286,668 of limited tax pension obligation bonds to finance its portion of the unfunded actuarially liability (UAL) with the State of Oregon Public Employees Retirement System (PERS). The annual payments on the pension obligation bonds are accounted for as additional contributions to PERS.

Limited Tax Qualified Revenue Bonds 2010 - the District issued bonds to finance costs of capital construction and improvements and to fund the cost of issues.

Long-term liability activity for the year ended June 30, 2020 is as follows:

Issue Date	Issue Amount	Outstanding July 1, 2019	Additions	Reductions	Outstanding June 30, 2020	Due Within One Year	Interest Rates
General Obligation Bonds							
02/05/2013	13,445,000	\$ 10,005,000	\$ -	\$ 1,140,000	\$ 8,865,000	\$ 1,225,000	2.00-5.00%
		10,005,000	-	1,140,000	8,865,000	1,225,000	
Other Bonds							
04/08/2010	2,000,000	850,000	-	135,000	715,000	140,000	1.35%
04/21/2013	15,286,668	9,688,281	-	407,680	9,280,601	405,265	1.5-6.27%
		10,538,281	-	542,680	9,995,601	545,265	
Total G.O. and Other Bonds		20,543,281	-	1,682,680	18,860,601	\$ 1,770,265	
Compensated Absences		39,640	6,852	-	46,492		
Early Retirement		67,420	-	19,180	48,240		
Unamortized Premium		1,337,547	-	191,079	1,146,468		
Other OPEB Obligation		1,501,549	100,467	-	1,602,016		
Proportionate share of NPL		13,285,063	1,223,632	-	14,508,695		
Total		\$ 36,774,500	\$ 1,330,951	\$ 1,892,939	\$ 36,212,512		

Fiscal Year Ending June 30,	Principal	Interest	Total
2021	\$ 1,770,265	\$ 1,693,397	\$ 3,463,662
2022	1,877,863	1,724,909	3,602,772
2023	1,957,472	1,758,385	3,715,857
2024	3,145,000	702,499	3,847,499
2025	3,440,000	541,452	3,981,452
2026 - 2028	6,670,001	592,091	7,262,092
	\$ 18,860,601	\$ 7,012,733	\$ 25,873,334

Payments on bonds payable are made by the Debt Service Fund.

CASCADE SCHOOL DISTRICT NO. 5
 NOTES TO BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2020

6. Interfund Transfers

Interfund transfers were made to subsidize Special Revenue Fund, Debt Service Fund, and Capital Projects Fund operations for the year ended June 30, 2020 as follows:

	Transfers In	Transfers Out
General Fund	\$ -	\$ 1,549,276
Special Revenue Fund	1,399,276	400,000
Debt Service Fund	150,000	-
Capital Projects Fund	400,000	-
Total	\$ 1,949,276	\$ 1,949,276

7. Pension Plan

A. Oregon Public Employees Retirement System (PERS)

Plan Description

The District participates in the Oregon Public Employees Retirement System (OPERS), a cost-sharing multiple-employer defined benefit plan. OPERS provides retirement, disability, and death benefits to plan members and their beneficiaries.

All benefits of OPERS are established by the Oregon Legislature pursuant to Oregon Revised Statutes (ORS) Chapters 238 and 238A. The plan complies with Internal Revenue Service rules prescribed in 401(a). The Oregon Legislature has delegated the authority to the Public Employees Retirement Board (PERB) to administer and manage the system. OPERS issues a publicly available financial report that can be obtained at: http://www.oregon.gov/pers/Pages/section/financial_reports/financials.aspx. OPERS prepares their financial statements in accordance with GASB statements and generally accepted accounting principles. The accrual basis of accounting is used for all funds. Contributions are recognized when due, pursuant to legal (or statutory) requirements. Benefits are recognized in the month they are earned and withdrawals are recognized in the month they are due and payable. Investments are recognized at fair value, the amount at which financial instruments could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.

There are currently two programs within OPERS, with eligibility determined by the date of employment. Those employed prior to August 29, 2003 are OPERS Program members, and benefits are provided based on whether a member qualifies for Tier One or Tier Two described below. Those employed on or after August 29, 2003 are Oregon Public Service Retirement Plan (OPSRP) Program members. OPERS is a hybrid retirement plan with two components: 1) the Pension Program (defined benefit; established and maintained as a tax-qualified governmental defined benefit plan), and 2) the Individual Account Program (IAP) (defined contribution; established and maintained as a tax-qualified governmental defined contribution plan).

The 1995 Legislature created a second tier of benefits for those who became OPERS Program members after 1995 but before August 29, 2003. The second tier does not have the Tier One assumed earnings rate guarantee.

CASCADE SCHOOL DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

7. Pension Plan (continued)

Beginning January 1, 2004, all employees who were active members of OPERS became members of the OPSRP IAP Program. OPERS plan member contributions (the employee contribution, whether made by the employee or "picked-up" by the employer) go into the IAP portion of OPSRP. OPERS plan members retain their existing OPERS accounts; however, member contributions after January 1, 2004 are deposited in the member's IAP, not into the member's OPERS account.

a. Tier One/Tier Two Retirement Benefit Plan (Chapter 238).

Pension Benefits

The PERS retirement allowance is payable monthly for life. It may be selected from thirteen 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 (1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer. General service employees may retire after reaching age 55. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Tier Two members are eligible for full benefits at age 60.

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

Death Benefits

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

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

Disability Benefits

A member with ten 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 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 when determining the monthly benefit.

CASCADE SCHOOL DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

7. Pension Plan (Continued)

Benefit Changes after Retirement

Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments.

Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2015 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

b. OPSRP Pension Program (Chapter 238A).

Pension Benefits.

The OPSRP Pension Program (ORS Chapter 238A) provides benefits to members hired on or after August 29, 2003. This portion of OPSRP provides a life pension funded by employer contributions. For general service employees benefits are calculated with the following formula: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

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

Death Benefits

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

Disability Benefits

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

Benefit Changes after Retirement

Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2015 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

Contributions

PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans.

CASCADE SCHOOL DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

7. Pension Plan (Continued)

Employer contribution rates during the period were based on the December 31, 2017 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2019. The District made lump sum payments to establish side accounts in 2003, which reduces the District rates below the standard School District Pool rates. The District's contractually required contribution rate for the year ended June 30, 2019 was 14.33% of eligible payroll for Tier 1/Tier 2 members and 8.88% of eligible payroll for OPSRP members. Employer contributions for the year ended June 30, 2020 were \$1,497,106, excluding amounts to fund employer specific liabilities. \$1,571,715 was charged for the year ended June 30, 2020 as PERS benefit expenditures to be used for bond payments as they become due. In addition, \$803,973 in employee contributions were paid by the district for the year ended June 30, 2020.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions

At June 30, 2020, the District reported a net pension liability of \$14,508,695 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2017 rolled forward to June 30, 2019. The District's proportion of the net pension liability was based on the District's projected long-term contribution effort to the Plan with the total projected long-term contribution effort of all employers, actuarially determined. At June 30, 2019 the District's proportion was .08387690%. For the year ended June 30, 2020, the District recognized a pension expense of \$2,327,171. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual experience	\$ 800,112	\$ -
Changes in assumptions	1,968,270	-
Net difference between projected and actual earnings on pension plan investments	-	411,307
Changes in proportion	1,043,560	363,669
Changes between employer contributions and proportionate share of contributions	5,387	1,365,920
District contributions subsequent measurement date	1,297,689	
Total	\$ 5,115,018	\$ 2,140,896

\$1,297,689 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported by the District as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in subsequent years as follows:

	Pension Expense
June 30, 2021	\$ 1,328,064
June 30, 2022	(32,895)
June 30, 2023	257,470
June 30, 2024	142,223
June 30, 2025	(18,429)

CASCADE SCHOOL DISTRICT NO. 5
 NOTES TO BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2020

7. Pension Plan (Continued)

Actuarial Methods and Assumptions:

Actuarial Valuations

The employer contribution rates effective July 1, 2019, through June 30, 2021, were set using the projected unit credit actuarial cost method.

For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years.

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

Actuarial Assumptions

The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Valuation Date	December 31, 2017
Measurement Date	June 30, 2019
Experience Study Report	2016, published July 26, 2017
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Inflation rate	2.50 percent
Investment rate of return	7.20 percent
Discount rate	7.20 percent
Projected salary increases	3.50 percent

CASCADE SCHOOL DISTRICT NO. 5
 NOTES TO BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2020

7. Pension Plan (Continued)

Cost of living adjustments (COLA)	Blend of 2% COLA and graded COLA (1.25%/0.15% in accordance with <i>Moro</i> decision; blend based on service.
Mortality	<p>Healthy retirees and beneficiaries: RP-2014 Sex-distinct, generational per Scale BB, with collar adjustments and set-backs as described in the valuation.</p> <p>Active members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation.</p> <p>Disabled retirees: Mortality rates are a percentage (70% for males, 95% for females) of the RP-2014 static combined disabled mortality sex-distinct table.</p>

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

Discount Rate

The discount rate used to measure the total pension liability was 7.20 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from 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.

Assumed Asset Allocation

Asset Class/Strategy			OIC Target
Cash			0.0
Debt Securities			20.0
Public Equity			37.5
Private Equity			17.5
Real Estate			12.5
Alternative Equity			12.5
Opportunity Portfolio			0.0
Total			100.0

CASCADE SCHOOL DISTRICT NO. 5
 NOTES TO BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2020

7. Pension Plan (Continued)

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2017 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. For more information on the Plan's portfolio, assumed asset allocation, and the long-term expected rate of return for each major asset class, calculated using both arithmetic and geometric means, see PERS' audited financial statements at:

http://www.oregon.gov/pers/docs/financial_reports/2019_cafr.pdf

Asset Class	Target	Compound Annual Return (Geometric)
Core Fixed Income	8.00%	3.49%
Short-Term Bonds	8.00	3.38
Bank/Leverage loans	3.00	5.09
High Yield Bonds	1.00	6.45
Large/Mid Cap US Equities	15.75	6.30
Small Cap US Equities	1.31	6.69
Micro Cap US Equities	1.31	6.80
Developed Foreign Equities	13.13	6.71
Emerging Foreign Equities	4.12	7.45
Private Equity	17.50	7.82
Non US Small Cap Equities	1.88	7.01
Real Estate (Property)	10.00	5.51
Real Estate (REITS)	2.50	6.37
Hedge Fund of Funds –Diver	2.5	4.09
Hedge Fund Event Driven	.63	5.86
Timber	1.88	5.62
Farmland	1.88	6.15
Infrastructure	3.75	6.60
Commodities	1.88	3.84
Assumed Inflation Mean		2.50%

CASCADE SCHOOL DISTRICT NO. 5
 NOTES TO BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2020

7. 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 7.20 percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage point higher (8.20% percent) than the current rate:

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
District's proportionate share of the net pension liability (asset)	\$ 23,234,388	\$ 14,508,695	\$ 7,206,492

Pension plan fiduciary net position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued OPERS financial report. The effect of OPERS on the District’s net position has been determined on the same basis used by OPERS.

Changes in Plan Provisions Effecting the Roll Forward

Changes in actuarial methods, allocation, and assumption from December 31, 2015 to the December 31, 2017 actuarial valuation are listed in the Actuarial Valuation pages 103 and 104.

B. Early Retirement Benefits

Plan Description

The District provides single-employer, defined benefit early retirement programs for certain employees.

Eligibility

Eligibility under the plan is as follows:

- The retiree must be eligible to receive benefits from PERS.
- Cascade Union High Bargaining Unit – Retire after reaching age 55 or after earning 30 years of PERS service and has provided at least 15 years of continuous service to the District.
- Aumsville Bargaining Unit – Retire after reaching age 55 or after earning 30 years of PERS service, and has provided at least 15 years of full-time employment with the District.

CASCADE SCHOOL DISTRICT NO. 5
 NOTES TO BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2020

7. Pension Plan (Continued)

Benefits Provisions

Cascade Union High Bargaining Unit – A monthly stipend of \$319, paid for 7 years, until the participant dies, or until the participant reaches 62 whichever comes first.

Aumsville Bargaining Unit – A monthly stipend of \$300, pad for 7 years, until the participant dies, or until the participant reaches age 62, whichever comes first.

Funding Policy - The District pays for benefits without any cost to employees. The early retirement program is funded on a pay-as-you-go basis. There are no assets accumulated in a trust for the benefit of this plan.

Total Pension Stipend Liability – The District’s total Pension Stipend Liability of \$48,240 was measured as of June 30, 2020 and was determined by an actuarial valuation as of July 1, 2018.

Actuarial Methods and Assumptions – The actuarial methods and assumptions are identical to those described in the OPEB Health Insurance Subsidy previously discussed.

The following are the changes in the Pension Liability:

Balance at June 30, 2019	\$	67,420
Service Cost		-
Interest		2,268
Changes in benefit terms		-
Experience (gain)/loss		-
Changes in assumptions		-
Benefit payments		(21,448)
		\$ 48,240
Balance at June 30, 2020	\$	48,240

Sensitivity of the Total Pension Liability to Changes in the Discount Rate – The following presents the total Pension Liability of the District, as well as what that the District’s total Pension Liability would be if it were calculated using a discount rate that is one percentage point lower (3.00 percent) or one percentage point higher (5.00 percent) than the current rate:

	1% Decrease 3.00%	Current Discount Rate 4.00%	1% Increase 5.00%
	3.00%	4.00%	5.00%
Total Pension Liability	\$ 49,089	\$ 48,240	\$ 47,420

CASCADE SCHOOL DISTRICT NO. 5
 NOTES TO BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2020

8. Other Postemployment Benefits

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

	<u>Postemployment Health Insurance Subsidy</u>	<u>Postemployment Health Insurance Account</u>	<u>Net</u>
Total OPEB Asset	\$ -	\$ 220,726	\$ 220,726
Total OPEB Liability	1,602,016	-	1,602,016
OPEB Deferred Outflows of Resources	14,157	15,109	29,266
OPEB Deferred Inflows of Resources	27,830	44,596	72,426

Postemployment Health Care Benefits

Plan Description – The District operates a single-employer defined benefit retiree benefit plan that provides postemployment health, dental, vision and life insurance benefits to eligible employees and their spouses. Plan benefits and eligibility for members are established through collective bargaining agreements.

The District’s post-retirement healthcare plan was established in accordance with ORS 243.303, which stipulates that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees.

The difference between retiree claims costs, which because of the effect of age are generally higher in comparison to all plan members, and the amount of retiree healthcare premiums represents the District’s implicit employer contribution. This additional cost is required to be valued under GASB 75.

Funding Policy – The benefits from this program are paid by the retired employees on a self-pay basis and the required contribution is based on projected pay-as-you-go financing requirements. There is no obligation on the part of the District to fund these benefits in advance.

Total OPEB Liability – The District’s total OPEB liability of \$1,602,016 was measured as of June 30, 2020 and was determined by an actuarial valuation as of July 1, 2018.

Actuarial Assumptions and Other Inputs – The total OPEB liability in the July 1, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

CASCADE SCHOOL DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

8. Other Postemployment Benefits (Continued)

Valuation Date	July 1, 2018
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry Age Normal, level percent of salary
Actuarial Assumptions:	
Discount Rate	4.5 percent
Inflation Rate	2.50 percent
Salary Scale	3.50 percent
Annual Premium Rate	Decreasing from 7.00 percent in 2018-2019 to 5.10 percent in 2037-2038 and beyond by 0.10 percent increments
Mortality	Health retirees and beneficiaries: RP-2014 Sex-distinct, generational per Scale BB, with collar adjustments and set-backs as described in the valuation.
Turnover Rates	As developed for the valuation of benefits under Oregon PERS.
Disability Rates	As developed for the valuation of benefits under Oregon PERS.
Retirement rates	As developed for the valuation of benefits under Oregon PERS.

The following are changes in the OPEB liability:

Balance at June 30, 2019	\$ 1,501,549
Service Cost	88,572
Interest	77,857
Changes in benefit terms	-
Experience (gain)/loss	-
Changes in assumptions	-
Benefit payments	<u>(65,962)</u>
Balance at June 30, 2020	<u>\$ 1,602,016</u>

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual experience	\$ 14,157	\$ -
Changes in assumptions	<u>-</u>	<u>27,830</u>
Total	<u>\$ 14,157</u>	<u>\$ 27,830</u>

CASCADE SCHOOL DISTRICT NO. 5
 NOTES TO BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2020

8. Other Postemployment Benefits (Continued)

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

	Expense
June 30, 2021	\$ (2,279)
June 30, 2022	(2,279)
June 30, 2023	(2,279)
June 30, 2024	(2,279)
June 30, 2025	(2,279)
Thereafter	(2,278)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the District, as well as what that the District’s total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.00 percent) or one percentage point higher (5.00 percent) than the current rate:

	1% Decrease 3.00%	Current Discount Rate 4.00%	1% Increase 5.00%
Total OPEB Liability	\$ 1,713,969	\$ 1,602,016	\$ 1,468,829

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Trend Rate – The following presents the total OPEB liability of the District, as well as what that the District’s total OPEB liability would be if it were calculated using a healthcare trend rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease 6.00% Graded Down to 4.00%	Current Trend Rate 7.00% Graded Down to 5.00%	1% Increase 8.00% Graded Down to 6.00%
Total OPEB Liability	\$ 1,398,951	\$ 1,602,016	\$ 1,810,546

Retirement Health Insurance Account (RHIA)

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

Benefits - RHIA Pays \$60 monthly contribution towards the cost of Medicare companion health insurance premiums of eligible retirees.

CASCADE SCHOOL DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

8. Other Postemployment Benefits (Continued)

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

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by OPERS, currently 0.50% of Tier 1 and Tier 2 payroll and 0.43% of OPSRP of annual covered payroll. The OPERS Board of Trustees sets the employer contribution rate based on the annual required contribution (ARC) of the employers, an amount actuarially determined. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The District's contributions to RHIA for the years ended June 30, 2020, 2019, and 2018, were approximately \$15,109, \$56,617, and \$54,336 which equaled the required contributions each year.

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

At June 30, 2020, the District reported an asset of \$220,726 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date. The District's proportion of the net OPEB liability was based on the District's actual, legally required contributions made during the fiscal year being compared to the total actual contributions made in the fiscal year by all employers. The District's proportionate share as of the measurement date is .11422597%.

For the year ended June 30, 2020, the District recognized OPEB expense reduction of (\$44,903) related to the RHIA OPEB. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to the RHIA OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual experience	\$ -	\$ 29,107
Changes in assumptions	-	229
Net difference between projected and actual earnings on pension plan investments	-	13,624
Changes in proportion	-	1,636
District contributions subsequent measurement date	15,109	-
Total	\$ 15,109	\$ 44,596

CASCADE SCHOOL DISTRICT NO. 5
 NOTES TO BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2020

8. Other Postemployment Benefits (Continued)

\$15,109 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as an addition of the net pension liability in the year ended June 30, 2021. Other amounts reported by the District as deferred outflows of resources and deferred inflows of resources related to the RHIA OPEB will be recognized in OPEB expense follows:

	Pension Expense
June 30, 2021	\$ (23,049)
June 30, 2022	(20,377)
June 30, 2023	(2,573)
June 30, 2024	1,403
June 30, 2025	-

Actuarial assumptions and other inputs

The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified

Valuation Date	December 31, 2017
Measurement Date	June 30, 2019
Experience Study Report	2016, published July 26, 2017
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Inflation rate	2.50 percent
Long-term expected rate of return	7.20 percent
Discount rate	7.20 Percent
Projected salary increases	3.50 Percent
Retiree Healthcare Participation	Healthy retirees: 38% Disable Retirees: 20%
Health Cost Trend rate	Not Applicable. Statute stipulates \$60 monthly payment for healthcare insurance.
Mortality	Healthy retirees and beneficiaries: RP-2014 Sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Active members: RP-2014 Sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Disabled retirees: : RP-2014 Sex-distinct, generational with Unisex, Social Security Data Scale sex-distinct table.

CASCADE SCHOOL DISTRICT NO. 5
 NOTES TO BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2020

8. Other Postemployment Benefits (Continued)

Discount Rate

The discount rate used to measure the total OPEB liability at June 30, 2019 was 7.20 percent. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2017 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. For more information on the long-term expected rate of return for each major asset class, calculated using both the arithmetic and geometric means, see the breakdown in note 7.

Sensitivity Analysis

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the District for the Retirement Health Insurance Account, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20%) or 1-percentage-point higher (8.20%) than the current discount rate:

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
District's proportionate share of the net OPEB liability (asset)	\$ (171,119)	\$ (220,726)	\$ (262,994)

Changes Subsequent to Measurement Date

A change subsequent to the June 30, 2019 Measurement Date is the passage of the Further Consolidated Appropriations Act (HR1865), which became law in December 2020. The Act repealed the "Cadillac tax" on high cost health plans and removed the Health Insurer Fee permanently beginning in 2021. Both of these legislated changes are expected to decrease future expected medical costs projected by our trend assumption. For Oregon PERS, this has no effect on RHIA, but would be expected to decrease future projected RHIPA benefits. An initial estimate is that the change to RHIPA Net OPEB Liability may be a reduction of \$1 million to \$2 million.

CASCADE SCHOOL DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

9. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is insured with Property & Casualty Coverage for Education, a property and liability risk pool for school entities in Oregon and pays an annual premium for its property, crime, public liability, boiler and machinery, difference in conditions, excess earthquake, foreign liability, errors and omission coverage, builders risk coverage and Oregon contractor's license bonds. The District also carries worker's compensation coverage through SAIF.

Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years. The District's coverage in all areas remains consistent with prior years.

10. Contingent Liabilities

The amounts of grant revenue reflected in the basic financial statements are subject to audit and adjustment by grantor agencies, principally the federal government. Any costs which are questioned or recommended to be disallowed which ultimately result in disallowed claims may become a liability of the District. The amount, if any, of costs which may be disallowed by the grantor cannot be determined at this time, although District management expects such amounts, if any, to be immaterial.

The District is dependent on the State of Oregon for a substantial portion of its operating funds. Due to funding uncertainties at the State level, future funding for school district may be reduced. The ultimate effect of this possible reduction in funding on the District's future operations is not yet determinable.

11. Operating Leases

The District leases copiers under five-year, non-cancelable operating leases. Operating lease expenses amounted to \$17,788 for the year ended June 30, 2020. Future payments for the next fiscal year are \$17,800.

12. Property Tax Abatements

The District's property tax revenues were reduced by \$45,114 under various exemptions agreements by other municipalities within the District's boundaries.

13. COVID-19

The COVID-19 outbreak worldwide has resulted in government mandated closures that have caused disruption in the District's ability to deliver-in-person education. The outbreak has affected local and global economies. The extent and duration of the impact of this outbreak on the operations of the District is unknown at this time.

REQUIRED SUPPLEMENTARY INFORMATION

Includes required supplementary information for Other Postemployment Benefits, including the funding progress and required disclosures related to Pensions.

CASCADE SCHOOL DISTRICT NO. 5
SCHEDULE OF CHANGES IN TOTAL OTHER POST EMPLOYMENT BENEFIT AND
RELATED RATIOS
JUNE 30, 2020

	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Total Pension Liability - Beginning	\$ 67,420	\$ 82,268	\$ 105,908	\$ 132,133
Service Cost	-	-	228	228
Interest	2,268	2,669	3,463	4,381
Changes in benefit terms	-	-	-	-
Experience (gain)/loss	-	5,019	-	-
Changes in assumptions	-	(366)	-	-
Benefit payments	(21,448)	(22,170)	(27,331)	(30,834)
Net Change in Total Pension Liability	(19,180)	(14,848)	(23,640)	(26,225)
Total Pension Liability - End of Year	\$ 48,240	\$ 67,420	\$ 82,268	\$ 105,908
Covered Payroll	\$ 99,745	\$ 96,372	\$ 61,769	\$ 60,262
Total Pension Liability as a Percentage of Covered Payroll	48.36%	69.96%	133.19%	175.75%

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

OTHER POSTEMPLOYMENT BENEFITS - HEALTH INSURANCE SUBSIDY

	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Total OPEB Liability - Beginning	\$ 1,501,549	\$ 1,442,554	\$ 1,370,480	\$ 1,286,229
Service Cost	88,572	68,313	66,647	66,647
Interest	77,857	55,779	51,774	48,896
Changes in benefit terms	-	-	-	-
Experience (gain)/loss	-	16,179	-	-
Changes in assumptions	-	(34,410)	-	-
Benefit payments	(65,962)	(46,866)	(46,347)	(31,292)
Net Change in Total OPEB Liability	100,467	58,995	72,074	84,251
Total OPEB Liability - End of Year	\$ 1,602,016	\$ 1,501,549	\$ 1,442,554	\$ 1,370,480
Covered Payroll	\$ 17,846,692	\$ 17,243,181	\$ 11,051,883	\$ 10,782,325
Total OPEB Liability as a Percentage of Covered Payroll	8.98%	8.71%	13.05%	12.71%

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

CASCADE SCHOOL DISTRICT NO. 5
 REQUIRED SUPPLEMENTARY INFORMATION
 OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM
 JUNE 30, 2020

SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Fiscal Year Ended	(a) District's Proportion of the net pension Liability (NPL)	(b) District's Proportionate Share of the Net Pension Liability (NPL)	(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
June 30, 2014	0.0529%	\$ 2,683,592	\$ 8,718,549	30.78%	91.97%
June 30, 2015	0.0529%	(1,191,997)	9,546,101	-12.49%	103.60%
June 30, 2016	0.0561%	3,220,625	9,668,257	33.31%	91.88%
June 30, 2017	0.0744%	11,166,021	10,458,771	106.76%	80.53%
June 30, 2018	0.0780%	10,521,143	10,933,500	96.23%	83.12%
June 30, 2019	0.0877%	13,285,063	11,750,189	113.06%	82.10%
June 30, 2020	0.0839%	14,508,695	12,328,362	117.69%	80.20%

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

SCHEDULE OF DISTRICT CONTRIBUTIONS

Fiscal Year Ended	Statutorily required contribution	Contributions in relation to the statutorily required Contribution	Contributon deficiency (excess)	District's Covered payroll	Contributions as a percent of covered payroll
June 30, 2011	\$ 12,518	\$ 12,518	-	\$ 10,028,040	0.12%
June 30, 2012	604,906	604,906	-	9,287,194	6.51%
June 30, 2013	563,225	563,225	-	8,718,549	6.46%
June 30, 2014	500,641	500,641	-	9,546,101	5.24%
June 30, 2015	762,314	762,314	-	9,968,257	7.65%
June 30, 2016	243,517	243,517	-	10,458,771	2.33%
June 30, 2017	232,765	232,765	-	10,933,500	2.13%
June 30, 2018	779,238	779,338	-	11,750,189	6.63%
June 30, 2019	731,063	731,063	-	12,328,362	5.93%
June 30, 2020	1,497,106	1,497,106	-	13,949,706	10.73%

CASCADE SCHOOL DISTRICT NO. 5
 REQUIRED SUPPLEMENTARY INFORMATION
 OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM
 JUNE 30, 2020

SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB - RHIA LIABILITY

Fiscal Year Ended	(a) District's Proportion of the net OPEB - RHIA Liability (NPL)	(b) District's Proportionate Share of the Net OPEB - RHIA Liability (NPL)	(c) District's Covered Payroll	(b/c) NPL as a Percentage of covered Payroll	Plan Fiduciary net position as a percentage of the total OPEB - RHIA liability
June 30, 2018	0.1077%	\$ (44,937)	\$ 10,933,500	-0.41%	108.90%
June 30, 2019	0.1122%	(125,365)	11,750,189	-1.07%	124.00%
June 30, 2020	0.1142%	(220,726)	12,328,362	-1.79%	144.40%

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

SCHEDULE OF DISTRICT CONTRIBUTIONS

Fiscal Year Ended	Statutorily required contribution	Contributions in relation to the statutorily required Contribution	Contributon deficiency (excess)	District's Covered payroll	Contributions as a percent of covered payroll
June 30, 2018	\$ 54,336	\$ 54,336	-	11,750,189	0.46%
June 30, 2019	56,617	56,617	-	12,328,362	0.46%
June 30, 2020	15,109	15,109		13,949,706	0.11%

CASCADE SCHOOL DISTRICT NO. 5
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2020

1. Other Postemployment Benefits

The schedule of changes in total other postemployment benefits and related ratios will eventually present multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

2. Employee Retirement Pension Benefits.

Changes in Plan Provisions

A summary of key changes in plan provisions are described in the Oregon Public Employees Retirement System's GASB information found at:

<https://www.oregon.gov/pers/EMP/Pages/gasb-68.aspx>

Changes in Assumptions

A summary of key changes implemented since the December 31, 2017 valuation are described in the Oregon Public Retirement System's GASB 68 disclosure information which can be found at:

<https://www.oregon.gov/pers/EMP/Pages/gasb-68.aspx>

A summary of key changes in plan provisions and assumptions implemented since the December 31, 2017 valuation are described in the Oregon Public Employees Retirement System's Actuarial Presentations and Reports Information. Additional details and a comprehensive list of changes in methods and assumptions can be found in the 2018 Experience Study for the System, which was published on July 24, 2019. These reports can be found at:

<https://www.oregon.gov/pers/Pages/Financials/Actuarial-Presentations-and-Reports.aspx>

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SUPPLEMENTARY INFORMATION

Includes supplementary data for Other Major Governmental Funds and Nonmajor Governmental Funds.

CASCADE SCHOOL DISTRICT NO. 5
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2020

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
Revenues				
Revenues from Local Sources				
Property Taxes				
Current Year	\$ 1,573,630	\$ 1,573,630	\$ 1,561,509	\$ (12,121)
Prior Year	8,645	8,645	26,184	17,539
Services Provided to Other Funds	1,525,334	1,525,334	1,571,715	46,381
Earnings on Investments	20,000	20,000	17,646	(2,354)
Total Revenues	<u>3,127,609</u>	<u>3,127,609</u>	<u>3,177,054</u>	<u>49,445</u>
Expenditures				
Support Services *	2,000	2,000	1,336	664
Debt Service*				
Redemption of Principal	1,682,680	1,682,680	1,682,680	-
Interest	1,664,142	1,664,142	1,658,188	5,954
Contingency	11,288	4,487	-	4,487
Total Debt Service*	<u>3,358,110</u>	<u>3,351,309</u>	<u>3,340,868</u>	<u>10,441</u>
Total Expenditures	<u>3,360,110</u>	<u>3,353,309</u>	<u>3,342,204</u>	<u>11,105</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(232,501)	(225,700)	(165,150)	60,550
Other Financing Sources (Uses)				
Transfers In	<u>155,000</u>	<u>155,000</u>	<u>150,000</u>	<u>(5,000)</u>
Net Change in Fund Balance	(77,501)	(70,700)	(15,150)	55,550
Fund Balance				
Beginning of Year	<u>170,700</u>	<u>170,700</u>	<u>171,744</u>	<u>1,044</u>
End of Year	<u>\$ 93,199</u>	<u>\$ 100,000</u>	<u>\$ 156,594</u>	<u>\$ 56,594</u>

* Legally adopted appropriation level

CASCADE SCHOOL DISTRICT NO. 5
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2020

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
Revenues				
Revenues from Local Sources	\$ 528,000	\$ 528,000	\$ 454,377	\$ (73,623)
Revenues from State Sources	950,000	950,000	1,012,370	62,370
Total Revenues	<u>1,478,000</u>	<u>1,478,000</u>	<u>1,466,747</u>	<u>(11,253)</u>
Expenditures				
Support Services *	2,595,000	2,595,000	1,930,392	664,608
Contingency	<u>100,000</u>	<u>100,000</u>	-	<u>100,000</u>
Total Expenditures	<u>2,695,000</u>	<u>2,695,000</u>	<u>1,930,392</u>	<u>764,608</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,217,000)	(1,217,000)	(463,645)	753,355
Other Financing Sources (Uses)				
Transfers In	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>	<u>-</u>
Net Change in Fund Balance	(817,000)	(817,000)	(63,645)	753,355
Fund Balance				
Beginning of Year	<u>2,045,000</u>	<u>2,045,000</u>	<u>1,971,607</u>	<u>(73,393)</u>
End of Year	<u>\$ 1,228,000</u>	<u>\$ 1,228,000</u>	<u>\$ 1,907,962</u>	<u>\$ 679,962</u>

* Legally adopted appropriation level

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NONMAJOR GOVERNMENTAL FUND

The District's Nonmajor Governmental Fund is as follows:

Permanent Fund – this fund accounts for the endowment to assist in the operations of the District's swimming pool. The principal revenue source is earnings on investments.

CASCADE SCHOOL DISTRICT NO. 5
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - PERMANENT FUND
YEAR ENDED JUNE 30, 2020

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Adopted</u>	<u>Final</u>		
Revenues				
Revenues from Local Sources				
Earnings on Investments	<u>\$ 2,200</u>	<u>\$ 2,200</u>	<u>\$ 2,593</u>	<u>\$ 393</u>
Expenditures				
Debt Services *	<u>18,200</u>	<u>18,200</u>	<u>-</u>	<u>18,200</u>
Total Expenditures	<u>18,200</u>	<u>18,200</u>	<u>-</u>	<u>18,200</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(16,000)</u>	<u>(16,000)</u>	<u>2,593</u>	<u>18,593</u>
Net Change in Fund Balance	(16,000)	(16,000)	2,593	18,593
Fund Balance				
Beginning of Year	<u>116,000</u>	<u>116,000</u>	<u>119,266</u>	<u>3,266</u>
End of Year	<u><u>\$ 100,000</u></u>	<u><u>\$ 100,000</u></u>	<u><u>\$ 121,859</u></u>	<u><u>\$ 21,859</u></u>

* Legally adopted appropriation level

OTHER FINANCIAL SCHEDULES

CASCADE SCHOOL DISTRICT NO. 5
SCHEDULE OF PROPERTY TAX TRANSACTIONS
YEAR ENDED JUNE 30, 2020

Tax Roll Year	Beginning Balance and 2019-2020 Levy	Less Discounts	Net Adjustments	Add Interest	Collections	Balance June 30, 2020
2019-2020	\$ 7,448,724	\$ (200,688)	\$ (7,608)	\$ 1,780	\$ 7,088,534	\$ 151,894
2018-2019	142,043	9	(894)	5,224	82,967	58,191
2017-2018	56,400	4	(599)	3,889	22,187	33,618
2016-2017	32,783	2	(470)	5,664	20,135	12,180
2015-2016	12,901	1	(329)	2,769	8,064	4,509
and prior	20,736	1	(1,031)	2,104	2,998	16,708
	<u>\$ 7,713,587</u>	<u>\$ (200,671)</u>	<u>\$ (10,931)</u>	<u>\$ 21,430</u>	<u>\$ 7,224,885</u>	<u>\$ 277,100</u>

SUPPLEMENTAL INFORMATION

School District Business Managers and Auditors:

This page is a required part of your annual audited financial statements. Please make sure it is included.
 Part A is needed for computing Oregon’s full allocation for ESSA, Title I & other Federal Funds for Education.

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

	Objects 325 & 326 & *327
Function 2540	\$413,237
Function 2550	\$0

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

Exclude these functions:

\$0

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

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

**2019 - 20 DISTRICT AUDIT REVENUE SUMMARY
CASCADE SCHOOL DISTRICT #5**

	100	200	300	400	600	700
Revenue from Local Sources						
1110 Ad Valorem Taxes Levied by District	\$5,639,167	\$0	\$1,587,692	\$0	\$0	\$0
1120 Local Option Ad Valorem Taxes Levied by District	\$0	\$0	\$0	\$0	\$0	\$0
1130 Construction Excise Tax	\$0	\$0	\$0	\$386,882	\$0	\$0
1190 Penalties and Interest on Taxes	\$0	\$0	\$0	\$0	\$0	\$0
1200 Revenue from Local Governmental Units Other Than Districts	\$0	\$0	\$0	\$0	\$0	\$0
1311 Regular Day School Tuition - From Individuals	\$0	\$0	\$0	\$0	\$0	\$0
1312 Regular Day School Tuition - Other Dist Within State	\$0	\$175,000	\$0	\$0	\$0	\$0
1313 Regular Day School Tuition - Other Districts Outside	\$0	\$0	\$0	\$0	\$0	\$0
1320 Adult/Continuing Education Tuition	\$0	\$0	\$0	\$0	\$0	\$0
1330 Summer School Tuition	\$0	\$0	\$0	\$0	\$0	\$0
1411 Transportation Fees - From Individuals	\$0	\$0	\$0	\$0	\$0	\$0
1412 Transportation Fees - Other Dist Within State	\$0	\$0	\$0	\$0	\$0	\$0
1413 Transportation Fees - Other Districts Outside	\$0	\$0	\$0	\$0	\$0	\$0
1420 Summer School Transportation Fees	\$0	\$0	\$0	\$0	\$0	\$0
1500 Earnings on Investments	\$224,286	\$1,089	\$17,645	\$0	\$0	\$2,593
1600 Food Service	\$0	\$241,890	\$0	\$0	\$0	\$0
1700 Extracurricular Activities	\$61,826	\$649,356	\$0	\$0	\$0	\$0
1800 Community Services Activities	\$0	\$0	\$0	\$0	\$0	\$0
1910 Rentals	\$84,000	\$1,950	\$0	\$26,830	\$0	\$0
1920 Contributions and Donations From Private Sources	\$0	\$45,862	\$0	\$0	\$0	\$0
1930 Rental or Lease Payments From Private Contractors	\$0	\$0	\$0	\$0	\$0	\$0
1940 Services Provided Other Local Education Agencies	\$0	\$0	\$0	\$0	\$0	\$0
1950 Textbook Sales and Rentals	\$0	\$0	\$0	\$0	\$0	\$0
1960 Recovery of Prior Years' Expenditure	\$0	\$0	\$0	\$0	\$0	\$0
1970 Services Provided Other Funds	\$0	\$6,804	\$1,571,715	\$0	\$0	\$0
1980 Fees Charged to Grants	\$0	\$0	\$0	\$0	\$0	\$0
1990 Miscellaneous	\$281,748	\$149,217	\$0	\$40,666	\$0	\$0
Total Revenue from Local Sources	\$6,291,027	\$1,271,168	\$3,177,052	\$454,378	\$0	\$2,593
Revenue from Intermediate Sources						
2101 County School Funds	\$65,248	\$0	\$0	\$0	\$0	\$0
2102 General ESD Revenue	\$252,130	\$16,924	\$0	\$0	\$0	\$0
2103 Excess ESD Local Revenue	\$0	\$0	\$0	\$0	\$0	\$0
2105 Natural Gas, Oil, and Mineral Receipts	\$0	\$0	\$0	\$0	\$0	\$0
2110 Intermediate "I" Tax	\$0	\$0	\$0	\$0	\$0	\$0
2199 Other Intermediate Sources	\$0	\$0	\$0	\$0	\$0	\$0
2200 Restricted Revenue	\$0	\$0	\$0	\$0	\$0	\$0
2800 Revenue in Lieu of Taxes	\$0	\$0	\$0	\$0	\$0	\$0
2900 Revenue for/on Behalf of the District	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenue from Intermediate Sources	\$317,378	\$16,924	\$0	\$0	\$0	\$0
Revenue from State Sources						
3101 State School Fund - General Support	\$20,195,202	\$0	\$0	\$0	\$0	\$0
3102 State School Fund - School Lunch Match	\$0	\$0	\$0	\$0	\$0	\$0
3103 Common School Fund	\$238,975	\$0	\$0	\$0	\$0	\$0
3104 State Managed County Timber	\$0	\$0	\$0	\$0	\$0	\$0
3106 State School Fund - Accrual	\$0	\$0	\$0	\$0	\$0	\$0
3199 Other Unrestricted Grants-in-Aid	\$210,837	\$0	\$0	\$0	\$0	\$0
3200 Restricted Grants in Aid	\$11,489	\$6,494	\$0	\$0	\$0	\$0
3298 Measure 98	\$0	\$535,440	\$0	\$0	\$0	\$0
3299 Other Restricted Grants-in-Aid	\$0	\$72,596	\$0	\$1,012,370	\$0	\$0
3800 Revenue in Lieu of Taxes	\$0	\$0	\$0	\$0	\$0	\$0
3900 Revenue for/on Behalf of the District	\$3,011	\$0	\$0	\$0	\$0	\$0
Total Revenue from State Sources	\$20,659,514	\$614,530	\$0	\$1,012,370	\$0	\$0
Revenue from Federal Sources						
4100 Unrestricted Revenue Direct From the Federal Government	\$0	\$0	\$0	\$0	\$0	\$0
4200 Unrestricted Revenue From the Federal Government Through the State	\$0	\$0	\$0	\$0	\$0	\$0
4300 Restricted Revenue From the Federal Government	\$0	\$0	\$0	\$0	\$0	\$0
4500 Restricted Revenue From the Federal Government Through the State	\$0	\$1,764,276	\$0	\$0	\$0	\$0
4700 Grants-In-Aid From the Federal Government Through Other Intermediate Agencies	\$0	\$0	\$0	\$0	\$0	\$0
4801 Federal Forest Fees	\$0	\$0	\$0	\$0	\$0	\$0
4802 Impact Aid to School Districts for Operation (PL 874)	\$0	\$0	\$0	\$0	\$0	\$0
4803 Coos Bay Wagon Road Funds	\$0	\$0	\$0	\$0	\$0	\$0
4899 Other Revenue in Lieu of Taxes	\$0	\$0	\$0	\$0	\$0	\$0
4900 Revenue for/on Behalf of the District	\$0	\$63,528	\$0	\$0	\$0	\$0
Total Revenue from Federal Sources	\$0	\$1,827,804	\$0	\$0	\$0	\$0
Revenue from Other Sources						
5100 Long Term Debt Financing Sources	\$0	\$0	\$0	\$0	\$0	\$0
5200 Interfund Transfers	\$0	\$1,399,276	\$150,000	\$400,000	\$0	\$0
5300 Sale of or Compensation for Loss of Fixed Assets	\$0	\$0	\$0	\$0	\$0	\$0
5400 Resources - Beginning Fund Balance	\$2,873,971	\$1,195,278	\$171,744	\$1,971,606	\$0	\$119,266
Total Revenue from Other Sources	\$2,873,971	\$2,594,554	\$321,744	\$2,371,606	\$0	\$119,266
Grand Totals	\$30,141,890	\$6,324,980	\$3,498,796	\$3,838,354	\$0	\$121,859

**2019-20 DISTRICT AUDIT EXPENDITURE SUMMARY
CASCADE SCHOOL DISTRICT #5**

Fund: 100 General Fund								
Instruction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Elementary, K-5 or K-6	\$4,965,256	\$2,940,253	\$1,939,963	\$26,099	\$58,768	\$0	\$173	\$0
1113 Elementary Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1121 Middle/Junior High Programs	\$2,624,441	\$1,498,947	\$1,032,790	\$7,644	\$84,996	\$0	\$64	\$0
1122 Middle/Junior High School Extracurricular	\$138,834	\$89,598	\$34,673	\$11,929	\$2,613	\$0	\$21	\$0
1131 High School Programs	\$3,501,864	\$1,965,809	\$1,323,383	\$14,368	\$197,365	\$0	\$939	\$0
1132 High School Extracurricular	\$414,384	\$240,836	\$90,722	\$60,813	\$18,949	\$0	\$3,064	\$0
1140 Pre-Kindergarten Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1210 Programs for the Talented and Gifted	\$3,814	\$2,824	\$990	\$0	\$0	\$0	\$0	\$0
1220 Restrictive Programs for Students with Disabilities	\$1,923,980	\$1,025,437	\$817,657	\$77,553	\$3,333	\$0	\$0	\$0
1250 Less Restrictive Programs for Students with Disabilities	\$955,307	\$537,262	\$407,658	\$2,254	\$8,133	\$0	\$0	\$0
1260 Treatment and Habilitation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1271 Remediation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1272 Title I	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1280 Alternative Education	\$319,660	\$194,282	\$113,463	\$6,739	\$5,176	\$0	\$0	\$0
1291 English Second Language Programs	\$379,071	\$227,609	\$147,770	\$1,079	\$2,613	\$0	\$0	\$0
1292 Teen Parent Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1293 Migrant Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1294 Youth Corrections Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1299 Other Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1300 Adult/Continuing Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1400 Summer School Programs	\$56,945	\$43,253	\$13,189	\$0	\$503	\$0	\$0	\$0
Total Instruction Expenditures	\$15,283,556	\$8,766,110	\$5,922,258	\$208,478	\$382,449	\$0	\$4,261	\$0
Support Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance and Social Work Services	\$148,452	\$83,706	\$64,746	\$0	\$0	\$0	\$0	\$0
2120 Guidance Services	\$671,728	\$393,861	\$275,471	\$79	\$2,317	\$0	\$0	\$0
2130 Health Services	\$251,695	\$154,548	\$80,823	\$8,255	\$2,634	\$0	\$5,435	\$0
2140 Psychological Services	\$3,400	\$0	\$0	\$650	\$2,750	\$0	\$0	\$0
2150 Speech Pathology and Audiology Services	\$411,450	\$242,816	\$164,796	\$1,578	\$1,988	\$0	\$272	\$0
2160 Other Student Treatment Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2190 Service Direction, Student Support Services	\$595,518	\$351,435	\$223,201	\$5,335	\$14,753	\$0	\$794	\$0
2210 Improvement of Instruction Services	\$83,895	\$51,403	\$30,962	\$146	\$196	\$0	\$1,188	\$0
2220 Educational Media Services	\$321,107	\$187,173	\$112,357	\$0	\$19,958	\$0	\$1,619	\$0
2230 Assessment & Testing	\$8,967	\$2,000	\$793	\$0	\$6,174	\$0	\$0	\$0
2240 Instructional Staff Development	\$5,100	\$0	\$0	\$5,100	\$0	\$0	\$0	\$0
2310 Board of Education Services	\$75,413	\$0	\$0	\$41,239	\$8,478	\$0	\$25,696	\$0
2320 Executive Administration Services	\$367,760	\$206,965	\$150,507	\$4,996	\$3,244	\$0	\$2,048	\$0
2410 Office of the Principal Services	\$1,845,800	\$1,099,573	\$725,455	\$5,003	\$9,420	\$0	\$6,349	\$0
2490 Other Support Services - School Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2510 Direction of Business Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2520 Fiscal Services	\$382,726	\$216,448	\$118,081	\$28,351	\$7,889	\$0	\$11,957	\$0
2540 Operation and Maintenance of Plant Services	\$2,532,518	\$550,418	\$355,733	\$1,187,829	\$148,696	\$54,357	\$235,485	\$0
2550 Student Transportation Services	\$1,718,029	\$8,315	\$10,586	\$1,624,047	\$75,081	\$0	\$0	\$0
2570 Internal Services	\$6,323	\$0	\$0	\$6,298	\$25	\$0	\$0	\$0
2610 Direction of Central Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2630 Information Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2640 Staff Services	\$204,095	\$92,995	\$71,915	\$1,487	\$35,016	\$0	\$2,682	\$0
2660 Technology Services	\$510,543	\$236,314	\$135,223	\$59,421	\$70,777	\$0	\$8,808	\$0
2670 Records Management Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2690 Other Support Services - Central	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2700 Supplemental Retirement Program	\$23,156	\$12,489	\$10,667	\$0	\$0	\$0	\$0	\$0
Total Support Services Expenditures	\$10,167,675	\$3,890,459	\$2,531,316	\$2,979,814	\$409,396	\$54,357	\$302,333	\$0
Enterprise and Community Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3200 Other Enterprise Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3300 Community Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3500 Custody and Care of Children Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Enterprise and Community Services Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Facilities Acquisition and Construction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4120 Site Acquisition and Development Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4150 Building Acquisition, Construction, and Improvement Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4180 Other Capital Items	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4190 Other Facilities Construction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Facilities Acquisition and Construction Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Uses Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5200 Transfers of Funds	\$1,549,276	\$0	\$0	\$0	\$0	\$0	\$0	\$1,549,276
5300 Apportionment of Funds by ESD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5400 PERS UAL Bond Lump Sum	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Uses Expenditures	\$1,549,276	\$0	\$0	\$0	\$0	\$0	\$0	\$1,549,276
Grand Total	\$27,000,507	\$12,656,569	\$8,453,574	\$3,188,292	\$791,845	\$54,357	\$306,594	\$1,549,276

**2019-20 DISTRICT AUDIT EXPENDITURE SUMMARY
CASCADE SCHOOL DISTRICT #5**

Fund: 200 Special Revenue 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	\$72,006	\$19,292	\$15,024	\$9,815	\$18,800	\$0	\$9,075	\$0
1113 Elementary Extracurricular	\$88,304	\$0	\$0	\$0	\$88,304	\$0	\$0	\$0
1121 Middle/Junior High Programs	\$137,933	\$25,512	\$7,660	\$9,249	\$48,430	\$0	\$47,082	\$0
1122 Middle/Junior High School Extracurricular	\$102,490	\$0	\$0	\$0	\$102,490	\$0	\$0	\$0
1131 High School Programs	\$369,658	\$26,513	\$7,132	\$57,831	\$274,989	\$0	\$3,193	\$0
1132 High School Extracurricular	\$471,878	\$0	\$0	\$1,908	\$469,970	\$0	\$0	\$0
1140 Pre-Kindergarten Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1210 Programs for the Talented and Gifted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1220 Restrictive Programs for Students with Disabilities	\$451,357	\$177,215	\$159,575	\$99,337	\$15,231	\$0	\$0	\$0
1250 Less Restrictive Programs for Students with Disabilities	\$297,638	\$148,667	\$148,971	\$0	\$0	\$0	\$0	\$0
1260 Treatment and Habilitation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1271 Remediation	\$327	\$0	\$0	\$327	\$0	\$0	\$0	\$0
1272 Title I	\$434,642	\$223,286	\$184,260	\$122	\$26,794	\$0	\$179	\$0
1280 Alternative Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1291 English Second Language Programs	\$10,829	\$3,000	\$1,194	\$6,635	\$0	\$0	\$0	\$0
1292 Teen Parent Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1293 Migrant Education	\$16,924	\$7,690	\$7,326	\$0	\$1,908	\$0	\$0	\$0
1294 Youth Corrections Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1299 Other Programs	\$13,310	\$0	\$0	\$3,232	\$660	\$0	\$9,418	\$0
1300 Adult/Continuing Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1400 Summer School Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Instruction Expenditures	\$2,467,296	\$631,174	\$531,143	\$188,456	\$1,047,575	\$0	\$68,948	\$0
Support Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance and Social Work Services	\$4,200	\$3,119	\$1,081	\$0	\$0	\$0	\$0	\$0
2120 Guidance Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2130 Health Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2140 Psychological Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2150 Speech Pathology and Audiology Services	\$55,417	\$32,061	\$23,356	\$0	\$0	\$0	\$0	\$0
2160 Other Student Treatment Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2190 Service Direction, Student Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2210 Improvement of Instruction Services	\$134,454	\$76,049	\$52,726	\$1,653	\$4,026	\$0	\$0	\$0
2220 Educational Media Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2230 Assessment & Testing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2240 Instructional Staff Development	\$25,318	\$193	\$60	\$3,843	\$16	\$0	\$21,206	\$0
2310 Board of Education Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2320 Executive Administration Services	\$5,969	\$0	\$0	\$0	\$0	\$0	\$5,969	\$0
2410 Office of the Principal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2490 Other Support Services - School Administration	\$122,257	\$73,948	\$48,210	\$0	\$99	\$0	\$0	\$0
2510 Direction of Business Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2520 Fiscal Services	\$3,818	\$0	\$0	\$0	\$3,818	\$0	\$0	\$0
2540 Operation and Maintenance of Plant Services	\$14,510	\$0	\$0	\$1,549	\$12,961	\$0	\$0	\$0
2550 Student Transportation Services	\$2,513	\$0	\$0	\$2,513	\$0	\$0	\$0	\$0
2570 Internal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2610 Direction of Central Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$10,574	\$7,500	\$3,074	\$0	\$0	\$0	\$0	\$0
2630 Information Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2640 Staff Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2660 Technology Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2670 Records Management Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2690 Other Support Services - Central	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2700 Supplemental Retirement Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Support Services Expenditures	\$379,030	\$192,871	\$128,507	\$9,558	\$20,920	\$0	\$27,175	\$0
Enterprise and Community Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	\$1,178,528	\$326,480	\$282,748	\$11,793	\$550,864	\$0	\$6,643	\$0
3200 Other Enterprise Services	\$77,028	\$43,911	\$5,723	\$18,480	\$7,802	\$0	\$1,112	\$0
3300 Community Services	\$7,500	\$0	\$0	\$6,500	\$0	\$0	\$1,000	\$0
3500 Custody and Care of Children Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Enterprise and Community Services Expenditures	\$1,263,056	\$370,391	\$288,471	\$36,773	\$558,666	\$0	\$8,755	\$0
Facilities Acquisition and Construction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4120 Site Acquisition and Development Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4150 Building Acquisition, Construction, and Improvement Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4180 Other Capital Items	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4190 Other Facilities Construction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Facilities Acquisition and Construction Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Uses Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5200 Transfers of Funds	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$400,000
5300 Apportionment of Funds by ESD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5400 PERS UAL Bond Lump Sum	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Uses Expenditures	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$400,000
Grand Total	\$4,509,383	\$1,194,436	\$948,122	\$234,787	\$1,627,161	\$0	\$104,878	\$400,000

**2019-20 DISTRICT AUDIT EXPENDITURE SUMMARY
CASCADE SCHOOL DISTRICT #5**

Fund: 300 Debt Service 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	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1113 Elementary Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1121 Middle/Junior High Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1122 Middle/Junior High School Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1131 High School Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1132 High School Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1140 Pre-Kindergarten Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1210 Programs for the Talented and Gifted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1220 Restrictive Programs for Students with Disabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1250 Less Restrictive Programs for Students with Disabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1260 Treatment and Habilitation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1271 Remediation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1272 Title I	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1280 Alternative Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1291 English Second Language Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1292 Teen Parent Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1293 Migrant Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1294 Youth Corrections Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1299 Other Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1300 Adult/Continuing Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1400 Summer School Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Instruction Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Support Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance and Social Work Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2120 Guidance Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2130 Health Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2140 Psychological Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2150 Speech Pathology and Audiology Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2160 Other Student Treatment Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2190 Service Direction, Student Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2210 Improvement of Instruction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2220 Educational Media Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2230 Assessment & Testing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2240 Instructional Staff Development	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2310 Board of Education Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2320 Executive Administration Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2410 Office of the Principal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2490 Other Support Services - School Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2510 Direction of Business Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2520 Fiscal Services	-\$275	\$0	\$0	\$0	\$0	\$0	-\$275	\$0
2540 Operation and Maintenance of Plant Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2550 Student Transportation Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2570 Internal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2610 Direction of Central Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2630 Information Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2640 Staff Services	\$1,611	\$0	\$0	\$0	\$0	\$0	\$1,611	\$0
2660 Technology Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2670 Records Management Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2690 Other Support Services - Central	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2700 Supplemental Retirement Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Support Services Expenditures	\$1,336	\$0	\$0	\$0	\$0	\$0	\$1,336	\$0
Enterprise and Community Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3200 Other Enterprise Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3300 Community Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3500 Custody and Care of Children Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Enterprise and Community Services Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Facilities Acquisition and Construction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4120 Site Acquisition and Development Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4150 Building Acquisition, Construction, and Improvement Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4180 Other Capital Items	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4190 Other Facilities Construction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Facilities Acquisition and Construction Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Uses Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	\$3,340,868	\$0	\$0	\$0	\$0	\$0	\$3,340,868	\$0
5200 Transfers of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5300 Apportionment of Funds by ESD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5400 PERS UAL Bond Lump Sum	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Uses Expenditures	\$3,340,868	\$0	\$0	\$0	\$0	\$0	\$3,340,868	\$0
Grand Total	\$3,342,204	\$0	\$0	\$0	\$0	\$0	\$3,342,204	\$0

**2019-20 DISTRICT AUDIT EXPENDITURE SUMMARY
CASCADE SCHOOL DISTRICT #5**

Fund: 400 Capital Projects 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	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1113 Elementary Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1121 Middle/Junior High Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1122 Middle/Junior High School Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1131 High School Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1132 High School Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1140 Pre-Kindergarten Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1210 Programs for the Talented and Gifted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1220 Restrictive Programs for Students with Disabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1250 Less Restrictive Programs for Students with Disabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1260 Treatment and Habilitation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1271 Remediation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1272 Title I	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1280 Alternative Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1291 English Second Language Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1292 Teen Parent Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1293 Migrant Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1294 Youth Corrections Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1299 Other Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1300 Adult/Continuing Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1400 Summer School Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Instruction Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Support Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance and Social Work Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2120 Guidance Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2130 Health Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2140 Psychological Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2150 Speech Pathology and Audiology Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2160 Other Student Treatment Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2190 Service Direction, Student Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2210 Improvement of Instruction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2220 Educational Media Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2230 Assessment & Testing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2240 Instructional Staff Development	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2310 Board of Education Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2320 Executive Administration Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2410 Office of the Principal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2490 Other Support Services - School Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2510 Direction of Business Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2520 Fiscal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2540 Operation and Maintenance of Plant Services	\$1,912,590	\$1,960	\$178	\$1,881,805	\$27,643	\$0	\$1,004	\$0
2550 Student Transportation Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2570 Internal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2610 Direction of Central Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2630 Information Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2640 Staff Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2660 Technology Services	\$17,802	\$0	\$0	\$0	\$17,802	\$0	\$0	\$0
2670 Records Management Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2690 Other Support Services - Central	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2700 Supplemental Retirement Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Support Services Expenditures	\$1,930,392	\$1,960	\$178	\$1,881,805	\$45,445	\$0	\$1,004	\$0
Enterprise and Community Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3200 Other Enterprise Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3300 Community Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3500 Custody and Care of Children Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Enterprise and Community Services Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Facilities Acquisition and Construction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4120 Site Acquisition and Development Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4150 Building Acquisition, Construction, and Improvement Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4180 Other Capital Items	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4190 Other Facilities Construction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Facilities Acquisition and Construction Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Uses Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5200 Transfers of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5300 Apportionment of Funds by ESD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5400 PERS UAL Bond Lump Sum	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Uses Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grand Total	\$1,930,392	\$1,960	\$178	\$1,881,805	\$45,445	\$0	\$1,004	\$0

**2019-20 DISTRICT AUDIT EXPENDITURE SUMMARY
CASCADE SCHOOL DISTRICT #5**

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	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1113 Elementary Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1121 Middle/Junior High Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1122 Middle/Junior High School Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1131 High School Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1132 High School Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1140 Pre-Kindergarten Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1210 Programs for the Talented and Gifted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1220 Restrictive Programs for Students with Disabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1250 Less Restrictive Programs for Students with Disabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1260 Treatment and Habilitation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1271 Remediation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1272 Title I	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1280 Alternative Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1291 English Second Language Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1292 Teen Parent Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1293 Migrant Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1294 Youth Corrections Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1299 Other Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1300 Adult/Continuing Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1400 Summer School Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Instruction Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Support Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance and Social Work Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2120 Guidance Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2130 Health Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2140 Psychological Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2150 Speech Pathology and Audiology Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2160 Other Student Treatment Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2190 Service Direction, Student Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2210 Improvement of Instruction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2220 Educational Media Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2230 Assessment & Testing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2240 Instructional Staff Development	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2310 Board of Education Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2320 Executive Administration Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2410 Office of the Principal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2490 Other Support Services - School Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2510 Direction of Business Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2520 Fiscal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2540 Operation and Maintenance of Plant Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2550 Student Transportation Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2570 Internal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2610 Direction of Central Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2630 Information Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2640 Staff Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2660 Technology Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2670 Records Management Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2690 Other Support Services - Central	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2700 Supplemental Retirement Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Support Services Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Enterprise and Community Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3200 Other Enterprise Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3300 Community Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3500 Custody and Care of Children Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Enterprise and Community Services Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Facilities Acquisition and Construction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4120 Site Acquisition and Development Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4150 Building Acquisition, Construction, and Improvement Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4180 Other Capital Items	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4190 Other Facilities Construction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Facilities Acquisition and Construction Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Uses Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5200 Transfers of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5300 Apportionment of Funds by ESD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5400 PERS UAL Bond Lump Sum	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Uses Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grand Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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**AUDIT COMMENTS AND
DISCLOSURES REQUIRED
BY STATE REGULATIONS**

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INDEPENDENT AUDITORS' REPORT
REQUIRED BY OREGON STATE REGULATIONS

We have audited the basic financial statements of Cascade School District No. 5 (the District) as of and for the year ended June 30, 2020, and have issued our report thereon dated December 31, 2020. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

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

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

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

1. Budgets: Expenditures in the General Fund Other Uses (Transfers) function exceed appropriations by \$19,276 and we were unable to verify timely filing of the budget with the county, as disclosed in the notes to the financial statements.

OAR 162-10-0230 Internal Control

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



Purpose of this Report

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

Wilcox Arredondo & Co.

Certified Public Accountants
Canby, Oregon
December 31, 2020

GRANT COMPLIANCE SECTION

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To the School Board
Cascade School District No. 5
Turner, Oregon

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF THE 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 Cascade School District No. 5 (District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 31, 2020.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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 District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.



Purpose of this Report

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

Wilcox Arredondo & Co.

Certified Public Accountants
Canby, Oregon
December 31, 2020



To the School Board
Cascade School District No. 5
Turner, Oregon

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Report on Compliance for Each Major Federal Program

We have audited Cascade School District No. 5's (District's) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2020. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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



Other Matters

The result of our auditing procedures disclosed other instances of noncompliance, which are required to be reported in accordance with Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2020-01. Our opinion on each major federal program is not modified with respect to these matters.

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

Report on Internal Control over Compliance

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

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

This 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.

Wilcox Arredondo & Co.

Certified Public Accountants
Canby, Oregon
December 31, 2020

CASCADE SCHOOL DISTRICT NO. 5
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2020

Federal Grantor/Pass-through Grantor/ Program Title	Grant Period	Federal CFDA Number	Pass-through Grantor's Number	Expenditures
U.S. Department of Education				
Passed through the Oregon State Department of Education:				
Title I Grant to LEAs	07/01/2019 - 09/30/2020	84.010	53229	531,178
Subtotal Title I Grants to LEAs				531,178
Special Education Cluster				
IDEA Part B Section 611	07/01/2018 - 09/30/2019	84.027	45142	375
SPR&I (System Performance Review and Enhancement)	07/01/2018 - 09/30/2020	84.027	49469	42,006
Extended Assessment	07/01/2019 - 09/30/2021	84.027	49116	392,437
Subtotal IDEA				434,818
IDEA Part B, Section 619	07/01/2018 - 09/30/2019	84.173	45350	113
	07/01/2018 - 09/30/2020	84.173	50043	1,758
	07/01/2019 - 09/30/2021	84.173	53927	19
Subtotal IDEA Part B, Section 619				1,890
Total Special Education Cluster				436,708
Title III English Language Acquisition	07/01/2019- 09/30/2020	84.365	53406	10,627
Subtotal Title III English Language Acquisition				10,627
Title II-A Improving Teacher Quality State Grants	07/01/2018 - 09/30/2019	84.367	49268	299
	07/01/2019 - 09/30/2020	84.367	53491	80,849
Subtotal Title II-A Improving Teacher Quality State Grants				81,148
Student Support and Academic Enrichment	07/01/2017 - 09/30/2019	84.424	47684	7,747
	07/01/2018 - 09/30/2020	84.424	50684	22,022
	07/01/2019 - 09/30/2021	84.424	54481	16,046
Subtotal Student Support and Academic Enrichment				45,815
Total U.S. Department of Education				1,105,476
U.S. Department of Agriculture				
Passed through the Oregon State Department of Education:				
Child Nutrition Cluster				
School Breakfast Program	07/01/2019- 06/30/2020	10.553	N/A	164,289
COVID-19 School Breakfast Program	07/01/2019- 06/30/2020	10.553	N/A	19,453
Subtotal School Breakfast Program				183,742
National School Lunch Program	07/01/2019- 06/30/2020	10.555	N/A	320,230
COVID-19 National School Lunch Program	07/01/2019- 06/30/2020	10.555	N/A	30,947
National School Lunch Program - Commodities	07/01/2019- 06/30/2020	10.555	N/A	63,528
Subtotal National School Lunch Program				414,705
Summer Food Service Program	07/01/2019- 06/30/2020	10.559	N/A	67,321
COVID-19 Summer Food Service Program	07/01/2019- 06/30/2020	10.559	N/A	56,560
Subtotal Summer Food Service Program				123,881
Total Child Nutrition Cluster				722,328
Total U.S. Department of Agriculture				722,328
Total Federal Awards				\$ 1,827,804

CASCADE SCHOOL DISTRICT NO. 5
NOTES RELATIVE TO SCHEDULE OF FEDERAL AWARDS
For the Year Ended June 30, 2020

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Cascade School District No. 5 (District) programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the District.

2. Summary of 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 and OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*) wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Indirect Cost Rate

The District has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance and does not charge indirect costs to the federal programs.

4. Subrecipients

The District had no subrecipients.

CASCADE SCHOOL DISTRICT NO. 5
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

Type of auditor's report issued:	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	Yes	No ✓
Significant deficiency(ies) identified that are not considered to be material weakness(es)	Yes	None reported ✓
Noncompliance material to financial statements noted?	Yes	No ✓

Federal Awards:

Internal control over major programs:		
Material weakness(es) identified?	Yes	No ✓
Significant deficiency(s) identified not considered to be material weakness(es)?	Yes ✓	None reported
Type of auditor's report issued on compliance for major programs?	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 516(a)?	Yes ✓	No

Identification of major programs:

<u>CFDA NUMBER</u>	<u>NAME OF PROGRAM OR CLUSTER</u>
84.027, 84.173	Special Education Cluster
Dollar threshold used to distinguish between type A and B programs	\$750,000
Auditee qualified as low-risk auditee?	Yes ✓ No

CASCADE SCHOOL DISTRICT NO. 5
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

SECTION II - FINANCIAL STATEMENT FINDINGS – FINANCIAL STATEMENT FINDINGS – NONE

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Finding 2020-01

Federal Program: CFDA 84.027, 84.173 Special Education Cluster

Federal Agencies: Department of Education

Pass Through Entity: Oregon Department of Education

Criteria: The District is required to complete the Excess Cost Calculator to support that it only uses federal funds under this program for the excess costs of providing special education and related services to children with disabilities, and to ensure that it is submitted to the Oregon Department of Education in a timely manner by the deadline.

Condition: The Excess Cost Calculator was not submitted to the Oregon Department of Education by the March 9, 2020 deadline.

Cause: The District did not review the program requirements in detail to ensure the requirement to complete the Excess Cost Calculator was met.

Effect: Without the required Excess Cost Calculator it is not possible for the District to support this requirement under the program.

Questioned Costs: None

Context: The Excess Cost Calculator was not submitted to the Oregon Department of Education by March 9, 2020 because the District personnel overlooked the required deadline.

Recommendation: Implement a review process to ensure timely completion of the Excess Cost Calculator requirement for this program.

View of Responsible Officials: The District is aware of this requirement and has implemented a procedure to ensure that the program coordinator and the business office are completing the Excess Cost Calculator in a timely manner for this program.

SECTION IV - SUMMARY OF PRIOR AUDIT FINDINGS - NONE
