LAKE COUNTY EDUCATION SERVICE DISTRICT

Lakeview, Oregon

Annual Financial Report

June 30, 2020

LAKE COUNTY EDUCATION SERVICE DISTRICT

357 N. L Street
Lakeview, OR 97630
(541) 947-3371

BOARD OF DIRECTORS

DALE CHIONO PO Box 37, Summer Lake, OR 97640	Chairperson
KENNETH WOLFE 28314 Hwy 395, Lakeview, OR 97630	Director
CLAYTON SHARP PO Box 112, Fort Rock, OR 97735	Director
STEPHANI ROSEBERRY PO Box 831, Lakeview, OR 97630	Director
JEANETTE GRANT 344 South F Street, Lakeview, OR 97630	Director
JOHN GRIFFIN 929 Millview, Lakeview, OR 97630	Director
JIM HIATT PO Box 18, Adel, OR 97620	Director

ADMINISTRATION

SARA SARENSEN 357 N. L Street, Lakeview, OR 97630	Business Manager
JACK THOMPSON 357 N. L Street, Lakeview, OR 97630	Superintendent
TAYLOR HILEMAN 357 N. L Street, Lakeview, OR 97630	Board Secretary

LAKE COUNTY EDUCATION SERVICE DISTRICT
AUDIT REPORT
June 30, 2020

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LAKE COUNTY EDUCATION SERVICE DISTRICT
AUDIT REPORT
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UMPQUA VALLEY
FINANCIAL

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Lake County Education Service District,
357 N. L Street Lakeview, OR 97630

I have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Lake County Education Service District as of and for the year ended June 30, 2020 which collectively comprise the District's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Lake County Education Service District as of June 30, 2020, and the respective changes in financial position and where applicable, cash flows thereof 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 on pages 2-9, the schedules of revenues, expenditures and changes in fund balances – budget and actuals on pages 46-47, the pension schedules on pages 48-49, and OPEB schedules on pages 50-51 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

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

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

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lake County Education Service District's basic financial statements. The other supplementary data on pages 52-80 is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Lake County Education Service District.

The other supplementary data on pages 52-80 is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, other supplementary data is fairly stated in all material respects in relation to the financial statements taken as a whole.

Report on Other Legal and Regulatory Requirements

In accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*, I have issued my report dated November 2, 2020, on my consideration of the Lake County Education Service District's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of my testing of compliance and the results of that testing and not to provide an opinion on the District's compliance.

Steve Tuchscherer, CPA
November 2, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

LAKE COUNTY EDUCATION SERVICE DISTRICT

Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ended June 30, 2020
Unaudited

The discussion and analysis of Lake County Education Service District's financial performance provides an overview of the District's financial activities for the fiscal year that ended June 30, 2020. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for the fiscal year ended June 30, 2020 are as follows:

- The District's net position began the fiscal year at $36,763 and decreased by $220,540 during the year. The primary reason for this decrease is because of an increase in the net pension liability of $300,868
- General revenues accounted for $1,520,460 in revenue, or 76.8% of all revenues. Program specific revenues in the form of charges for services, and grants and contributions accounted for $459,241 or 23.2% of total revenues of $1,979,701.
- The District had $2,193,153 in expenses, which was more than total revenues, resulting in a decrease in total net position of $213,452.
- Total assets of governmental activities increased by $24,212, primarily due to an increase in the accounts receivable balance from the prior year.
- Total liabilities increased by $320,473 during the year primarily due an increase in the net pension liability.
- The business-type activities provided $28,389 in revenue and $27,248 in expenses for the fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

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

Fund Financial Statements

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

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

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

Proprietary funds (Enterprise) The proprietary fund is used to account for the business-type activities of the District. This fund provides for the revenue and expenses from providing printing services to school districts served by the ESD.

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

Notes to the Financial Statements

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

Other Information

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

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

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

The District's net position at fiscal year-end was $(183,777). This is a $220,540 decrease from last year's net position and represents a 599.89% decrease from the previous year.

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

Summary of Net Position

	Governmental Activities		Business-Type Activities		Total	
	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
Assets						
Current and Other Assets	$ 663,158	$ 629,737	$ 13,697	$ 15,476	$ 676,855	$ 645,213
Capital Assets	142,840	152,049	-	-	142,840	152,049
Total Assets	805,998	781,786	13,697	15,476	819,695	797,262
Deferred Outflow of Resources	534,389	492,232	-	-	534,389	492,232
Liabilities						
Long-Term Liabilities	1,330,433	1,029,565	-	-	1,330,433	1,029,565
Other Liabilities	64,121	42,379	-	2,137	64,121	44,516
Total Liabilities	1,394,554	1,071,944	-	2,137	1,394,554	1,074,081
Deferred Inflow of Resources	143,305	178,649	-	-	143,305	178,649
Net Position						
Net Investment in Capital Assets	126,209	128,983	-	-	126,209	128,983
Unrestricted	(323,682)	(105,558)	13,696	13,338	(309,986)	(92,220)
Total Net Position	$ (197,473)	$ 23,425	$ 13,696	$ 13,338	$ (183,777)	$ 36,763

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

Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Revenues						
Program Revenues						
Charges for Services	$ 172,512	$ 154,702	$ 28,389	$ 28,481	$ 200,901	$ 183,183
Operating Grants and Contributions	258,340	253,418	-	-	258,340	253,418
General Revenues						
Property Taxes	610,703	620,671	-	-	610,703	620,671
State Basic School Support	833,025	691,552	-	-	833,025	691,552
Other	76,732	84,253	-	-	76,732	84,253
Total Revenues	1,951,312	1,804,596	28,389	28,481	1,979,701	1,833,077
Program Expenses						
Instruction	326,886	256,641	-	-	326,886	256,641
Support Services	1,425,503	1,336,887	-	-	1,425,503	1,336,887
Community Services	-	13,579	-	-	-	13,579
Apportionment of Funds by ESD	412,662	388,066			412,662	388,066
Interest on Long-Term Debt	854	-	-	-	854	-
Business-Type Activities						
Printing Services	-	-	27,248	32,658	27,248	32,658
Total Program Expenses	2,165,905	1,995,173	27,248	32,658	2,193,153	2,027,831
Change in Net Position	$ (214,593)	$ (190,577)	$ 1,141	$ (4,177)	$ (213,452)	$ (194,754)

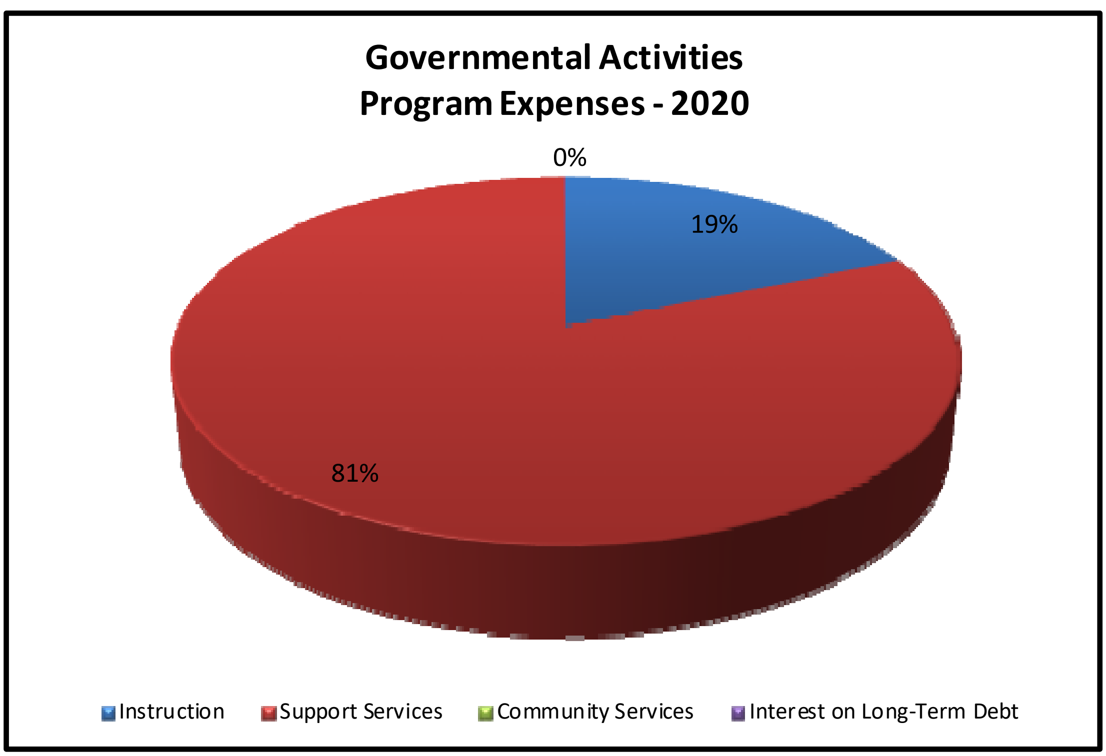
The Statement of Activities shows the cost of program services and the charges for services, grants, and contributions offsetting those services. The following table shows, for governmental activity, the total cost of the four major functional activities of the District. The table also shows each function's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

Governmental Activities

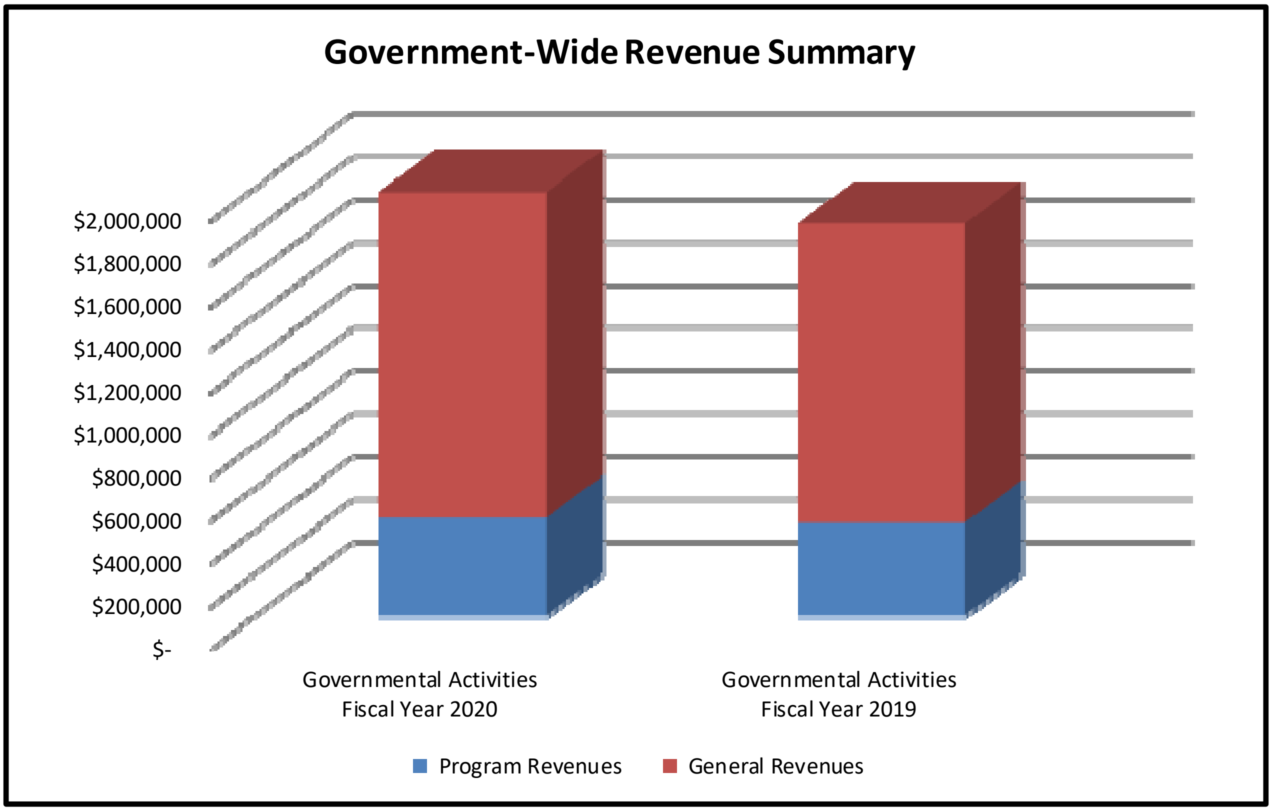
	2019-20		2018-19	
	Total Cost of Services	Net Cost (Profit) of Services	Total Cost of Services	Net Cost (Profit) of Services
Instruction	$ 326,886	$ 240,562	$ 256,641	$ 194,491
Support Services	1,425,503	1,081,479	1,336,887	1,004,895
Community Services	-	(504)	13,579	(399)
Interest on Long-Term Debt	854	854	-	-
Total Program Expenses	$ 1,753,243	$ 1,322,391	$ 1,607,107	$ 1,198,987

The dependence on general revenues for general government activities is apparent. For the current year, 74% of general government activities are supported through general revenues.

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



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



The District's business-type activities consisted of printing service operations. Business-type activities increased the District's net position by approximately $1,141. Below is a summary of the District's business-type activity and prior-year information is provided for comparative analysis.

Business-Type Activities

	2019-20		2018-19	
	Total Cost of Services	Net Cost (Profit) of Services	Total Cost of Services	Net Cost (Profit) of Services
Printing Service	$ 27,248	$ 1,141	$ 32,658	$ -
Total Program Expenses	$ 27,248	$ 1,141	$ 32,658	$ -

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Governmental Funds

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

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of $533,539, an increase of $13,670. The fund balance consists of restricted, committed, and unassigned amounts. Of the current fund balances, $79,237 is restricted, $103,189 is committed and $351,113 is unassigned and available for spending at the District's discretion.

The General Fund is the principal operating fund of the District. The increase in fund balance in the General Fund for the fiscal year was $14,651.

Proprietary Funds

The District's enterprise fund reported total net position of $13,696 an increase of $358. This is primarily attributed to revenues exceeding expenditures. The enterprise fund's net position is unrestricted and available for spending at the District's discretion.

BUDGETARY HIGHLIGHTS

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

General Fund revenues were budgeted and anticipated to be collected in the amount of $1,543,062 during the fiscal year. Actual revenues of $1,542,717 were less than budgeted revenues by $345. General Fund expenditures budget was under-spent by $331,996. The actual ending fund balance was more than the budgeted ending fund balance by $351,113.

The Student Mentoring Fund revenues were budgeted and anticipated to be collected in the amount of $102,225 during the fiscal year. Actual revenues of $88,783 were less than budgeted revenues by $13,442. Student Mentoring Fund expenditures budget was under-spent by $312. The actual ending fund balance was $79,237.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2020, the District had invested $245,963 in capital assets, including buildings, land, vehicles, computers and other equipment and furnishings. No additions or deletions to capital assets occurred during the fiscal year.

Total depreciation expense for the year was $9,209. Additional information on the District's capital assets can be found in the Capital Asset Note in the notes to the basic financial statements section of this report.

Long-Term Debt

As of June 30, 2020, the District had no long-term debt.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The primary factors considered in developing the budget for next year were the District's continued commitment to help meet the needs of their component districts while maintaining fiscal responsibility to their community. The future Lake County Education Service District budget reflects the financial estimates, yet to be determined by the legislature due to consequences of the financial downfall from the Coronavirus. The Lake County Education Service District continues to focus primarily on the four legislatively mandated service areas: 1) Programs for children with special needs, 2) School improvement services for component school districts, 3) Technology support for component school districts, 4) Administrative and support services for component school districts. Lastly, fiscal management policies for the Lake County Education Service District continue unchanged from the past.

The District's adopted budget for the fiscal year ending June 30, 2021 represents an overall increase of $148,190 or 6.1% when compared with the current fiscal year. The total budget for the fiscal year ending June 30, 2021 is $2,593,569. The most significant changes in the 2020-21 budget are the cut of the ETHOS program due to inability to provide housing for volunteer, as well as additional expenses including nursing services, added .1 FTE for School Psych, audit company increase in cost, and a 3% cost of living salary increase for all staff. The remaining operating costs of governmental activities are expected to be similar to those of the current period.

The District will levy its maximum permanent property tax rate of $0.6364 per $1,000 of assessed property valuation.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

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

If you have any questions about this report or need additional information, contact the Lake County Education Service District at 357 N. L Street, Lakeview, OR 97630.

BASIC FINANCIAL STATEMENTS

Government -Wide Financial Statements

LAKE COUNTY EDUCATION SERVICE DISTRICT

STATEMENT OF NET POSITION

For the Fiscal Year Ended June 30, 2020

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	$ 490,224	$ 10,497	$ 500,721
Property Taxes Receivable	68,706	-	68,706
Accounts Receivable	95,358	-	95,358
Inventory-Food, Supplies & Commodities	-	3,200	3,200
Total Current Assets	654,288	13,697	667,985
Restricted Assets:			
Net OPEB Asset (RHIA)	8,870	-	8,870
Total Restricted Assets	8,870	-	8,870
Capital Assets:			
Land	12,344	-	12,344
Building and Building Improvement	152,498	-	152,498
Machinery and Equipment	81,121	-	81,121
Less: Accumulated Depreciation	(103,123)	-	(103,123)
Total Capital Assets, Net of Depreciation	142,840	-	142,840
Total Assets	**805,998**	**13,697**	**819,695**
DEFERRED OUTFLOW OF RESOURCES			
Pension Related Deferrals	533,517	-	533,517
OPEB Related Deferrals - RHIA	872	-	872
Total Deferred Outflow of Resources	**534,389**		**534,389**
LIABILITIES:			
Accounts Payable	1,712	-	1,712
Accrued Interest Payable	854	-	854
Payroll Liabilities	61,555	-	61,555
Net Pension Liability	1,330,433	-	1,330,433
Total Liabilities	**1,394,554**	**-**	**1,394,554**
DEFERRED INFLOW OF RESOURCES			
Pension Related Deferrals	141,529	-	141,529
OPEB Related Deferrals - RHIA	1,776	-	1,776
Total Deferred Inflow of Resources	**143,305**	**-**	**143,305**
NET POSITION:			
Net Investment in Capital Assets	126,209		126,209
Unrestricted	(323,682)	13,696	(309,986)
Total Net Position	**$ (197,473)**	**$ 13,696**	**$ (183,777)**

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

LAKE COUNTY EDUCATION SERVICE DISTRICT

STATEMENT OF ACTIVITIES

For the Fiscal Year Ended June 30, 2020

		Program Revenues		Net (Expenses), Revenues and Change in Net Position		
	(Expenses)	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
GOVERNMENTAL ACTIVITIES:						
Instruction	$ 326,886	$ -	$ 86,324	$ (240,562)	$ -	$ (240,562)
Support Services	1,425,503	172,512	171,512	(1,081,479)	-	(1,081,479)
Enterprise and Community Services	-	-	504	504	-	504
Interest on Long-Term Debt	854	-	-	(854)	-	(854)
Apportionment of Funds by ESD	412,662	-	-	(412,662)	-	(412,662)
Total Governmental Activities	**2,165,905**	**172,512**	**258,340**	**(1,735,053)**	**-**	**(1,735,053)**
BUSINESS-TYPE ACTIVITIES:						
Printing Services	27,248	28,389	-	-	1,141	1,141
Total Business-Type Activities	27,248	28,389	-	-	1,141	1,141
Total Primary Government	**$ 2,193,153**	**$ 200,901**	**$ 258,340**	**$ (1,735,053)**	**$ 1,141**	**$ 2,282**
GENERAL REVENUES:						
Property Taxes, Levied for General Purposes				$ 610,703	$ -	$ 610,703
Earnings on Investments				11,063	-	11,063
Unrestricted State and Local Revenue				65,669	-	65,669
State School Fund for Education and Support Services				833,025	-	833,025
Subtotal - General Revenues				1,520,460	-	1,520,460
Change in Net Position				(214,593)	1,141	(213,452)
Net Position, July 1, 2019				17,120	12,555	29,675
Net Position, June 30, 2020				**$ (197,473)**	**$ 13,696**	**$ (183,777)**

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

BASIC FINANCIAL STATEMENTS

Governmental Fund Financial Statements

LAKE COUNTY EDUCATION SERVICE DISTRICT

BALANCE SHEET

GOVERNMENTAL FUNDS

For the Fiscal Year Ended June 30, 2020

	General Fund #100	Student Mentoring Fund #256	Other Governmental Funds	Total Governmental Funds
ASSETS:				
Cash and Cash Equivalents	$ 380,230	$ 65,737	$ 44,257	$ 490,224
Property Taxes Receivable	68,706	-	-	68,706
Accounts Receivable	-	13,500	81,858	95,358
Due From Other Funds	22,926	-	-	22,926
Total Assets	**$ 471,862**	**$ 79,237**	**$ 126,115**	**$ 677,214**
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:				
LIABILITIES:				
Accounts Payable	$ 1,712	$ -	$ -	$ 1,712
Payroll Liabilities	61,555	-	-	61,555
Due to Other Funds	-	-	22,926	22,926
Total Liabilities	**63,267**	**-**	**22,926**	**86,193**
DEFERRED INFLOWS OF RESOURCES:				
Unavailable Revenue - Property Taxes	57,482	-	-	57,482
Total Deferred Inflows of Resources	**57,482**	**-**	**-**	**57,482**
FUND BALANCES:				
Restricted for:				
Educational Programs	-	79,237	-	79,237
Committed for:				
Capital Construction & Building Maintenance	-	-	32,897	32,897
Educational Programs	-	-	59,204	59,204
Equipment Acquisition	-	-	11,088	11,088
Unassigned	351,113	-	-	351,113
Total Fund Balances	**351,113**	**79,237**	**103,189**	**533,539**
Total Liabilities, Deferred Inflows of Resources and Fund Balances	**$ 471,862**	**$ 79,237**	**$ 126,115**	**$ 677,214**

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

LAKE COUNTY EDUCATION SERVICE DISTRICT

RECONCILIATION OF THE BALANCE SHEET
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

For the Fiscal Year Ended June 30, 2020

Total Fund Balances - Governmental Funds		$ 533,539
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Cost of assets	$ 245,963	
Accumulated depreciation	(103,123)	
Net Value of Capital Assets		142,840
Property taxes receivable that will not be available to pay for current-period expenditures are deferred in the governmental funds.		57,482
Deferred inflows and outflows of pension and OPEB contributions and earnings are not reported in the governmental funds.		
Deferred Pension/OPEB Contributions	534,389	
Deferred Earnings on Pension/OPEB Assets	(143,305)	
Net Value of Deferrals		391,084
Some liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
These liabilities consist of :		
Accrued Interest Payable	854	
Net Pension Liability	1,330,433	
Net OPEB Obligations	$ (8,870)	
Total		(1,322,417)
Net Position of Governmental Activities		**$ (197,472)**

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

LAKE COUNTY EDUCATION SERVICE DISTRICT

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

For the Fiscal Year Ended June 30, 2020

	General Fund #100	Student Mentoring Fund #256	Other Governmental Funds	Total Governmental Funds
REVENUES:				
Taxes	$ 614,930	$ -	$ -	$ 614,930
Earnings on Investments	11,063	-	-	11,063
Fees and Charges	220	-	-	220
Miscellaneous Revenue	82,412	21,720	122,875	227,007
Intermediate Government Aid	-	67,063	-	67,063
State Aid	833,025	-	149,827	982,852
Federal Aid	1,067	-	51,337	52,404
Total Revenues	**1,542,717**	**88,783**	**324,039**	**1,955,539**
EXPENDITURES:				
Current:				
Instruction	111,680	-	166,887	278,567
Support Services	1,018,572	107,393	89,188	1,215,153
Capital Outlay:				
Support Services	-	-	35,487	35,487
Total Expenditures	**1,130,252**	**107,393**	**291,562**	**1,529,207**
Excess (Deficiency) of Revenues Over Expenditures	412,465	(18,610)	32,477	426,332
OTHER FINANCING SOURCES (USES):				
Interfund Transfers In	-	-	10,000	10,000
Interfund Transfers Out	(10,000)	-	-	(10,000)
Apportionment of Funds by ESD	(387,814)	-	(24,848)	(412,662)
Total Other Financing Sources (Uses)	**(397,814)**	**-**	**(14,848)**	**(412,662)**
Net Change in Fund Balance	14,651	(18,610)	17,629	13,670
Beginning Fund Balance	336,462	97,847	85,560	519,869
Ending Fund Balance	**$ 351,113**	**$ 79,237**	**$ 103,189**	**$ 533,539**

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

LAKE COUNTY EDUCATION SERVICE DISTRICT

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

For the Fiscal Year Ended June 30, 2020

Net Changes in Fund Balances - Total Governmental Funds		$ 13,670
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense.		
Less current year depreciation	$ (9,209)	
		(9,209)
Some property tax revenues will not be collected for several months after the District's fiscal year end and are therefore not considered "available" revenues in the governmental funds, instead these funds are shown as deferred revenue.		
Deferred revenues increased by this amount this year.		(4,227)
Government funds report pension contributions as expenditures. However, in the Statement of Activities, pension expense and changes in deferred inflows and outflows related to the net pension asset/(liablity) are recorded based upon an actuarial valuation of such activity.		
This is the net change in pension related items.		(221,938)
Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
The activities consist of:		
Net increase/(decrease) in accrued interest expense	(854)	
Increase/(decrease) in accrued OPEB	7,966	
		7,112
Change in Net Position of Governmental Activities		**$ (214,592)**

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

BASIC FINANCIAL STATEMENTS

Proprietary Fund Financial Statements

LAKE COUNTY EDUCATION SERVICE DISTRICT

STATEMENT OF NET POSITION

PROPRIETARY FUND

For the Fiscal Year Ended June 30, 2020

	Printing Service Fund
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	$ 10,497
Inventory-Food, Supplies & Commodities	3,200
Total Assets	**13,697**
NET POSITION:	
Unrestricted	13,696
Total Net Position	**$ 13,696**

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

LAKE COUNTY EDUCATION SERVICE DISTRICT

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

PROPRIETARY FUND

For the Fiscal Year Ended June 30, 2020

	Printing Service Fund
OPERATING REVENUES:	
Miscellaneous Revenue	$ 28,389
Total Operating Revenues	**28,389**
OPERATING EXPENSES:	
Support Services	27,248
Total Operating Expenses	**27,248**
Change in Net Position	1,141
Beginning Net Position	12,555
Ending Net Position	**$ 13,696**

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

LAKE COUNTY EDUCATION SERVICE DISTRICT

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2020

	Enterprise Fund
	Printing Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash Received from User Charges	$ 28,469
Cash Payments to Suppliers & Service Providers	(28,070)
Net Cash Provided (Used) by Operating Activities	**399**
Cash and Cash Equivalents at July 1, 2019	10,881
Cash and Cash Equivalents at June 30, 2020	**$ 11,280**
Reconciliation of Income (Loss) From Operations to net cash provided (used) by operating activities:	
Income (loss) from operations	$ 1,141
Adjustments to reconcile income (loss) from operations to net cash provided (used) by operating activities:	
Change in assets and liabilities:	
Decrease (increase) in accounts receivable	80
Decrease (increase) in inventory	1,315
Increase (decrease) in payables	(2,137)
Net cash provided (used) by operating activities	$ 399

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

BASIC FINANCIAL STATEMENTS

Notes to the Basic Financial Statements

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The administration of Lake County Education Service District is vested in a seven-member board of directors, a District superintendent, and a business manager. The district offers two advisory positions, which are currently vacant. The seven-member board of directors' exercises governance responsibilities over all entities related to public elementary and secondary school education within the jurisdiction of Lake County Education Service District as set by the state of Oregon. The board receives funding from local, state, and federal sources; however, Lake County Education Service District is not included in any other governmental reporting entity as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards. Board members are elected by the public and have decision making authority, the power to designate management, the responsibility to significantly influence operations, and primary accountability for fiscal matters. As required by generally accepted accounting principles, all activities of the District have been included in the basic financial statements.

The basic financial statements of Lake County Education Service District have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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

Reporting Entity

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

Basis of Presentation

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

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

Basis of Presentation (Cont.)

Fund Financial Statements: The fund financial statements provide information about the District's funds including those of a fiduciary nature, if applicable. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as other governmental funds.

Governmental Funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The District reports the following major governmental funds:

> General Fund - is the main operating fund of the District. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.
>
> Student Mentoring Fund – is used to track a variety of grants, all awarded for the purpose of funding a program focused on getting adults involved with youth in a mentoring relationship.

Proprietary Funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of net income, financial position and cash flow. All assets and liabilities are included on the Statement of Net Position. The District has presented the following major proprietary funds:

> Printing Service Fund – is used to account for the printing service operations of the District.

Measurement Focus/Basis of Accounting

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

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

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

Measurement Focus/Basis of Accounting (Cont.)

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the district's Printing Service Fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and support services. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

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

Budgeting

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

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

Cash and Investments

For purposes of the statement of cash flows, cash and cash equivalents include cash on hand, checking, savings and money market accounts and any short-term, highly liquid investments with initial maturity dates of three months or less. All cash and investments of the proprietary fund types are pooled with the District's pooled cash and investments.

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

The District's investments may consist of time certificates of deposit, banker's acceptances, commercial paper, U.S. Government Agency securities, and the State of Oregon Treasurer's Local Government Investment Pool (LGIP). The District's investments are reported at fair value at year-end. Changes in the fair value of investments are recorded as investment earnings. The LGIP is stated at cost, which approximates fair value. Fair value of the LGIP is the same as the District's value in the pool shares.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

Cash and Investments (Cont.)

The Oregon State Treasury administers the LGIP. It is an open-ended, non-load diversified portfolio offered to any agency, political subdivision or public corporation of the State that by law is made the custodian of, or has control of, any fund. The LGIP is included in the Oregon Short Term Fund (OSTF) which was established by the State Treasurer. In seeking to best serve local governments of Oregon, the Oregon legislature established the Oregon Short-Term Fund Board. The purpose of the Board is to advise the Oregon State Treasury in the management and investment options of the LGIP.

Receivables

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

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

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

Inventory

The ESD maintains inventory for the printing services. Inventory is valued at cost using the first-in, first-out method.

Restricted Assets and Liabilities

Assets with use restricted to future bond payments and the related liability, are segregated in the statements of net position.

Capital Assets

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

Capital Assets (Cont.)

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

Asset Class	Estimated Years of Useful Lives
Building and Improvements	50-100
Equipment	5-30

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

Compensated Absences and Accrued Liabilities:

The District has no provision for accumulated unpaid vacation, sick pay, and other employee benefits. The District's policy is that all vacation must be used by the June 30 fiscal year end or it is lost. Each employee may accumulate sick leave and carry it over to the succeeding year. In a year when sick leave is used, the employee is paid the regular contract salary during the absence to the extent of sick leave earned. If necessary, substitutes must be hired by the District. When an employee becomes employed by another District, the accumulated sick leave can be transferred to that District, up to 75 days. If sick leave is not transferred, it is lost and not paid to the employee upon leaving Lake County Education Service District.

Deferred Inflows/Outflows of Resources

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

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

Long-Term Debt

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

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

Equity Classifications

Government-wide Statements

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

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

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

Equity Classifications (Cont.)

Governmental Fund Financial Statements

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

- Nonspendable: This classification includes amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.

- Restricted: This classification includes fund balance amounts that are constrained for specific purposes which are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

- Committed: This classification includes fund balance amounts that are constrained for specific purpose that are internally imposed by the government through resolution of the highest level of decision-making authority, the District Council, and does not lapse at year-end.

- Assigned: This classification includes fund balance amounts that are intended to be used for specific purposes that are neither restricted nor committed. This intent can be expressed by the District Council or through the District Council delegating this responsibility to selected staff members or through the budgetary process.

- Unassigned: This classification includes positive fund balance within the General Fund which has not been classified within the above-mentioned categories, and negative fund balances of other governmental funds.

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

Property Taxes

Real and personal property taxes attach as an enforceable lien on property as of January 1. All taxes are levied as of the lien date and are payable in three installments on November 15, February 15, and May 15. Taxes unpaid and outstanding on May 16 are considered delinquent. Foreclosure is started three years after taxes become delinquent. The District turns all tax collection duties over to Lake County, Oregon.

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

Inter-Fund Transactions

Quasi-external transactions are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other inter-fund transactions, except quasi-external transactions and reimbursements, are reported as transfers in the fund financial statements. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other inter-fund transfers are reported as operating transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

Use of Estimates

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

Pensions

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

CASH AND INVESTMENTS:

For discussion of deposit and investment policies and other related information, see Cash and Investments note in the Summary of Significant Accounting Policies section.

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

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

CASH AND INVESTMENTS (Cont.):

Deposits - All cash is deposited in compliance with Oregon statutes. The insurance and collateral requirements for deposits are established by banking regulations and Oregon law. FDIC insurance of $250,000 applies to the deposits in each depository. ORS 295 governs the collateralization of Oregon public funds and provides the statutory requirements for the Oregon Public Funds Collateralization Program (PFCP). Where balances continually exceed $250,000, ORS 295 requires the depositor to verify that deposit accounts are only maintained at financial institutions on the list of qualified depositories found on the state treasurer's website.

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

As of June 30, 2020, the reported amount of the District's deposits was $249,288, the bank balance was $740,999. Of the bank balance, the entire amount was insured by the FDIC or covered by the collateral held in a multiple financial institutions collateral pool administered by the Oregon State Treasurer.

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

Credit Risk - Credit risk exists when there is a possibility the issuer or other counterparty to an investment may be unable to fulfill its obligations. As of June 30, 2020, the District's investment in the Oregon State Treasurer's Local Government Investment Pool (LGIP) was unrated.

At June 30, 2020, the District's investments in financial institutions are as follows:

Type of Investment	Fair Value	Credit Rating
Oregon State Treasurer's Local Government Investment Pool (LGIP)	$ 251,280	N/A
Total Investments	$ 251,280	

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

CAPITAL ASSETS:

The following is a summary of capital asset activity for the fiscal year ended June 30, 2020:

Governmental Activities	Beginning Balances	Additions	Deletions	Ending Balances
Assets not being depreciated:				
Land	$ 12,344	$ -	$ -	$ 12,344
Total assets not being depreciated	12,344	-	-	12,344
Assets being depreciated:				
Building and Building Improvement	152,498	-	-	152,498
Machinery and Equipment	81,121	-	-	81,121
Total Depreciable Assets	233,619	-	-	233,619
Less: Accumulated Depreciation				
Building and Building Improvement	47,443	3,273	-	50,716
Machinery and Equipment	46,470	5,936	-	52,407
Total Accumulated Depreciation	93,914	9,209	-	103,123
Net Value of Capital Assets Being Depreciated	139,705	(9,209)	-	130,496
Total Governmental Activities -- Net Value of Capital Assets	$ 152,049	$ (9,209)	$ -	$ 142,840

Depreciation expense was charged to governmental functions as follows:

Support Services	$ 9,209
Total Depreciation Expense	$ 9,209

PENSION PLAN:

Name of Pension Plan

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

Description of Benefit Terms

Plan Benefits

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

1. Tier One/Tier Two Retirement Benefit (Chapter 238). OPERS is a defined benefit pension plan that provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to members and their beneficiaries. Benefits are established by state statute. This defined benefit pension plan portion of OPERS is closed to new members hired on or after August 29, 2003.

Pension Benefits

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

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

Death Benefits

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

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

Disability Benefits

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

PENSION PLAN (Cont.):

Benefit Changes After Retirement

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

Under ORS 238.360, monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2019 and beyond will vary based on 1.25 percent on the first $60,000 of annual benefit and 0.15 percent on annual benefits above $60,000. The COLA is capped at 2.0 percent.

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

Pension Benefits

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

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

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

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

Death Benefits

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

Disability Benefits

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

Benefit Changes After Retirement

Under ORS 238A.210, monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2019 and beyond will vary based on 1.25 percent on the first $60,000 of annual benefit and 0.15 percent on annual benefits above $60,000. The COLA is capped at 2.0 percent.

PENSION PLAN (Cont.):

3. IAP Plan Description:

OPSRP Individual Account Program (OPSRP IAP)

Pension Benefits

An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

Upon retirement, a member of the OPSRP Individual Account Program (IAP), may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a $200 minimum distribution limit.

Death Benefits

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

Recordkeeping

OPERS contracts with VOYA Financial to maintain IAP participant records.

Contributions

OPERS 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 OPERS Defined Benefit Plan and the Other Postemployment Benefit Plans.

Employer contribution rates during the period were based on the December 31, 2015 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2017. The state of Oregon and certain schools, community colleges, and political subdivisions have made lump sum payments to establish side accounts, and their rates have been reduced.

Members of OPSRP are required to contribute six percent of their salary covered under the plan which is invested in the IAP. The Employer makes this contribution on behalf of its employees.

Employer contributions for the year ended June 30, 2020 were $154,474 excluding amounts to fund employer specific liabilities.

Pension Plan CAFR

Oregon PERS produces an independently audited CAFR which can be found at:
https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx

PENSION PLAN (Cont.):

Actuarial Valuations

The employer contribution rates effective July 1, 2017, through June 30, 2019, were set using the Entry Age Normal actuarial cost method. For the Tier One/Tier Two component of the OPERS 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 OPERS 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 Methods and Assumptions Used in Developing Total Pension Liability

Valuation Date	December 31, 2017
Measurement Date	June 30, 2019
Experience Study	2016, published July 26, 2017
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Inflation rate	2.50 percent
Long-term expected rate of return	7.20 percent
Discount rate	7.20 percent
Projected salary increases	3.50 percent
Cost of living adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with Moro decisions; blend based on service.
Mortality	**Health retirees and beneficiaries:** RP-2014 Healthy annuity, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. **Active members:** RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. **Disabled retirees:** RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.

PENSION PLAN (Cont.):

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.

Depletion Date Projection

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

The following circumstances justify an alternative evaluation of sufficiency for OPERS:

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

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

PENSION PLAN (Cont.):

Assumed Asset Allocation

Asset Class/Strategy	OIC Policy Range			OIC Target Allocation	Asset Class/Strategy	Actual Allocation
Debt Securities	15.0%	-	25.0%	20.0%	Debt Securities	20.1%
Public Equity	32.5%	-	42.5%	37.5%	Public Equity	36.4%
Real estate	9.5%	-	15.5%	12.5%	Real estate	11.1%
Private Equity	14.0%	-	21.0%	17.5%	Private Equity	21.4%
Alternative Equity	0.0%	-	12.5%	12.5%	Alternative Equity	8.9%
Opportunity Portfolio	0.0%	-	3.0%	0.0%	Opportunity Portfolio	2.1%
Total				100%	Total	100%

Long-Term Expected Rate of Return

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

Asset Class	Target Allocation*	Annual Arithmetic Mean	20-Year Annualized Geometric Mean	Annual Standard Deviation
Core Fixed Income	9.60%	4.14%	4.07%	3.90%
Short-Term Bonds	9.60%	3.70%	3.68%	2.10%
Bank/Leveraged Loans	3.60%	5.40%	5.19%	6.85%
High Yield Bonds	1.20%	6.13%	5.74%	9.35%
Large/Mid Cap US Equities	16.17%	7.35%	6.30%	15.50%
Small Cap US Equities	1.35%	8.35%	6.68%	19.75%
Micro Cap US Equities	1.35%	8.86%	6.79%	22.10%
Developed Foreign Equities	13.48%	8.30%	6.91%	17.95%
Emerging Foreign Equities	4.24%	10.35%	7.69%	25.35%
Non-US Small Cap Equities	1.93%	8.81%	7.25%	9.10%
Private Equities	17.50%	11.95%	8.33%	30.00%
Real Estate (Property)	10.00%	6.19%	5.55%	12.00%
Real Estate (REITS)	2.50%	8.29%	6.69%	19.30%
Hedge Fund of Funds - Diversified	1.50%	4.28%	4.06%	6.90%
Hedge Fund - Event-driven	0.38%	5.89%	5.59%	8.10%
Timber	1.13%	6.36%	5.61%	13.00%
Farmland	1.13%	6.87%	6.12%	13.00%
Infrastructure	2.25%	7.51%	6.67%	13.85%
Commodities	1.13%	5.34%	3.79%	18.70%
Assumed Inflamation - Mean			**2.50%**	**1.85%**

*Based on the Oregon Investment Council's (OIC) Statement of Investment Objectives and Policy Framework for the Oregon Public Employees Retirement Fund as most recently revised on April 24, 2019

PENSION PLAN (Cont.):

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

	1% Decrease 6.20%	Discount Rate 7.20%	1% Increase 8.20%
Employer's proportionate share of the net pension liability	$ 2,130,571	$ 1,330,433	$ 660,828

Changes in Assumptions

A summary of key changes implemented since the December 31, 2017 valuation are described briefly below. Additional detail 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 and can be found at:
https://www.oregon.gov/pers/Documents/Exp_Study_2018.pdf

Changes in Actuarial Methods and Allocation Procedures

There were no changes to actuarial methods and procedures since the December 31, 2017 valuation, with the exceptions of:

- Current Tier 1/Tier 2 UAL will be re-amortized over 22 years per Senate Bill 1049.
- Change allocation to 10% (0% for police & fire) based on account balance and 90% (100% for police & fire) based on length of service with each employer.

Changes in Economic Assumptions

There were no changes to economic assumptions since the December 31, 2017 valuation.

Changes in Demographic Assumptions

The changes to demographic assumptions since the December 31, 2017 valuation are as follows:

- Adjust mortality assumptions to use the new "Pub-2010" base tables and a standard update to the mortality improvement scale, which is based on 60-year unisex average Social Security experience.
- Adjust retirement rates for certain member categories and service bands to more closely align with recent and expected future experience; reduce percentage of future retirees assumed to elect a partial lump sum; increase percentage of members assumed to purchase credited service at retirement.
- Increase the merit component of the salary increase assumption for two member categories based on observations of the last eight years of experience.
- Update pre-retirement termination of employment assumptions for two member categories.
- Lower assumed rates of ordinary disability and general service duty disability to more closely match recent experience.
- Increase the Tier One unused vacation cash out assumption for most member categories
- Adjust the Tier One/Tier Two unused sick leave assumption for five member categories to reflect observed experience.
- Decrease the healthy participation assumption for the RHIA retiree healthcare program and decrease the RHIPA participation assumption for most service bands.

Changes in Benefit Terms and Assumptions

There were no changes to benefit terms and assumptions since the December 31, 2017 valuation.

PENSION PLAN (Cont.):

Mortality Rates

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

Assumption	Recommended December 31, 2016 and 2017 Valuations	Recommended December 31, 2018 and 2019 Valuations
Healthy Annuitant Mortality	**RP-2014 Healthy Annuitant, Sex Distinct, Generational Projection with Unisex Social Security Data Scale**	**Pub-2010 Healthy Retiree, Sex Distinct, Generational Projection with Unisex Social Security Data Scale**
School District male	White Collar, set back 12 months	Teachers, no set back
Other General Service male (and male beneficiary)	Blended 50% blue collar/50% white collar, set back 12 months	General Employees, set back 12 months
Police & Fire male	Blended 50% blue collar/50% white collar, set back 12 months	Public Safety, no set back
School District female	White Collar, set back 12 months	Teachers, no set back
Other female (and female beneficiary)	Blended 50% blue collar/50% white collar, set back 12 months	General Employees, set back 12 months
Police & Fire female	Blended 50% blue collar/50% white collar, set back 12 months	Public Safety, no set back
Disabled Retiree Mortality	**RP-201 Disabled Retiree, Sex Distinct, Generational Projection with Unisex Social Security Data Scale**	**Pub-2010 Disabled Retiree, Sex Distinct, Generational Projection with Unisex Social Security Data Scale**
Police & Fire male	No collar adjustment, no set back	Blended 50% Public Safety, 50% Non-Safety, no set back
Other General Service male	No collar adjustment, no set back	Non-Safety, set forward 24 months
Police & Fire female	No collar adjustment, no set back	Blended 50% Public Safety, 50% Non-Safety, no set back
Other General Service female	No collar adjustment, no set back	Non-Safety, set forward 12 months
Non-Annuitant Mortality	**RP-2014 Employee, Sex Distinct, Generational Projection with Unisex Social Security Data Scale**	**Pub-2010 Employee, Sex Distinct, Generational Projection with Unisex Social Security Data Scale**
School District male	Same collar and set back as Healthy Annuitant assumption	120% of same table and set back as Healthy Annuitant assumption
Other General Service male	Same collar and set back as Healthy Annuitant assumption	115% of same table and set back as Healthy Annuitant assumption
Police & Fire male	Same collar and set back as Healthy Annuitant assumption	100% of same table and set back as Healthy Annuitant assumption
School District female	Same collar and set back as Healthy Annuitant assumption	100% of same table and set back as Healthy Annuitant assumption
Other General Service female	Same collar and set back as Healthy Annuitant assumption	125% of same table and set back as Healthy Annuitant assumption
Police & Fire female	Same collar and set back as Healthy Annuitant assumption	100% of same table and set back as Healthy Annuitant assumption

PENSION PLAN (Cont.):

Changes Subsequent to the Measurement Date

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

Deferred Items

Deferred items are calculated at the system-wide level and are allocated to employers based on their proportionate share. For the measurement period ending June 30, 2019, employers will report the following deferred items:

- A difference between expected and actual experience, which is being amortized over the remaining service lives of all plan participants, including retirees. One year of this amortization is included in the employer's total pension expense for the measurement period.

Employer Contributions

OPERS includes accrued contributions when due pursuant to legal requirements, as of June 30 in its Statement of Changes in Fiduciary Net Position.

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

Elements of Changes in Net Position

This information can be found in the Schedule of Changes in Net Pension Liability found on page 76, of the June 30, 2019 Oregon PERS CAFR.

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

At June 30, 2020, the employer reported a liability of $1,330,433 for its proportionate share of the net pension liability. The net pension liability/(asset) was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on a projection of the employer's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

PENSION PLAN (Cont.):

At June 30, 2019, the employer's proportion was 0.00769143%.

For the year ended June 30, 2020, the employer recognized pension expense of $344,550. On June 30, 2020, the employer 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
Differences between expected and actual experience	$ 73,369	$ -
Changes of assumptions	180,488	-
Net difference between projected and actual earnings on investments	-	37,716
Changes in proportionate share	90,226	93,943
Differences between employer contributions and employer's proportionate share of system contributions	34,960	9,870
Total Deferred Outflows/Inflows	$ 379,043	$ 141,529
Post-measurement date contributions	154,474	N/A
Total Deferred Outflow/(Inflow) of Resources	$ 533,517	$ 141,529
Net Deferred Outflow/(Inflow) of Resources prior to post-measurement date contributions		237,514

The District reported $154,474 as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the next fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense/(income) as follows:

Employer subsequent fiscal years	Deferred Outflow/(Inflow) of Resources (prior to post-measurement date contributions)
1st Fiscal Year	$ 126,480
2nd Fiscal Year	7,129
3rd Fiscal Year	48,324
4th Fiscal Year	49,617
5th Fiscal Year	5,964
Thereafter	-
Total	$ 237,514

OTHER POST-EMPLOYMENT BENEFITS (OPEB) RHIA:

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

Plan Description

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

To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in OPERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in OPERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in an OPERS-sponsored health plan. A surviving spouse or dependent of a deceased OPERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

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

Funding Policy

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

Contributions

The District's contributions to OPERS' RHIA for the years ended June 30, 2020, 2019, and 2018 were $428, $2,275, and $2,615 respectively which equaled the required contributions for the year.

Actuarial Methods and Assumptions Used in Developing Total Pension Liability

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS Retirement Health Insurance Account Cost Sharing Multiple Employer Other Postemployment Benefit (OPEB) Plan Schedules of Employer Allocations and OPEB Amounts by Employer report, as of and for the Year Ended June 30, 2019. That independently audited report was dated February 20, 2020 and can be found at:

https://www.oregon.gov/pers/EMP/Documents/GASB/2019/PERS%20GASB%2075%20RHIA%20Report%20FY%206.30.19.pdf

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

Actuarial Methods and Assumptions - OPEB Plans - RHIA	
Valuation Date	December 31, 2017
Measurement Date	June 30, 2019
Experience Study	2016, published July 26, 2017
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Inflation rate	2.50 percent
Long-term expected rate of return	7.20 percent
Discount rate	7.20 percent
Projected salary increases	3.50 percent
Retiree healthcare participation	Healthy retirees: 35%; Disabled retirees: 20%
Healthcare cost trend rate	Not applicable
Mortality	**Healthy retirees and beneficiaries:** RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. **Active members:** RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. **Disabled retirees:** RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.

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

Discount Rate

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

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

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long term expected rate of return assumption, in July 2015 the Oregon PERS Board reviewed long term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. Milliman's assumptions for each of the asset classes in which the plan was invested at that time are based on the OIC long term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. For more information on the Plan's portfolio, assumed asset allocation, and the long-term expected rate of return for each major class, calculated using both arithmetic and geometric means, see Pension Plan note disclosure above or the PERS' audited financial statements at:

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

Sensitivity Analysis

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

	1% Decrease 6.20%	Discount Rate 7.20%	1% Increase 8.20%
Employer's proportionate share of the net OPEB liability	$ (6,876)	$ (8,870)	$ (10,568)

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

At June 30, 2020, the District reported a net OPEB liability/(asset) of $(8,870) for its proportionate share of the net OPEB liability/(asset). The OPEB liability/(asset) was measured as of June 30, 2019, and the total OPEB liability/(asset) used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of December 31, 2017. Consistent with GASB Statement No. 75, paragraph 59(a), The District's proportion of the net OPEB liability/(asset) is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement date of June 30, 2019, the District's proportion was .00459007%. OPEB expense/(income) for the year ended June 30, 2020 was $(983).

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 1,170
Changes of assumptions	-	9
Net difference between projected and actual earnings on investments	-	547
Changes in proportionate share	444	50
Differences between employer contributions and employer's proportionate share of system contributions	-	-
Total Deferred Outflows/Inflows	$ 444	$ 1,776
Post-measurement date contributions	428	N/A
Total Deferred Outflow/(Inflow) of Resources	$ 872	$ 1,776
Net Deferred Outflow/(Inflow) of Resources prior to post-measurement date contributions		(1,332)

Contributions of $428 were made subsequent to the measurement date, but prior to the end of the County's reporting period. These contributions, which are reported as deferred outflows of resources related to OPEB, will be included as a reduction of the net OPEB liability in the next fiscal year.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Employer subsequent fiscal years	Deferred Outflow/(Inflow) of Resources (prior to post-measurement date contributions)
1st Fiscal Year	$ (715)
2nd Fiscal Year	(594)
3rd Fiscal Year	(79)
4th Fiscal Year	56
5th Fiscal Year	-
Thereafter	-
Total	$ (1,332)

Changes Subsequent to the Measurement Date

We are not aware of any changes subsequent to the June 30, 2019 Measurement Date that meet this requirement and thus require a brief description under the GASB standard.

OTHER POST-EMPLOYMENT BENEFITS (OPEB) OEBB:

OEBB Health Insurance Subsidy

The OEBB net OPEB liability is reported only as an estimate for the current year financial reporting. No actuarial report was obtained for the current fiscal year. Therefore, the amounts reported on the Statement of Net Position for deferred items and the liability are estimated based on use of the most recent actuarial report.

Plan Description

The District operates a single employer retiree benefit plan through the Oregon Educators Benefit Board that provides post-employment health, dental, vision and life insurance benefits to eligible employees and their spouses. The District is required by Oregon Revised Statutes 243.303 to provide retirees and their dependents with group health insurance from the date of retirement to age 65 at the same rate provided to current employees. Premiums for retirees are tiered and based upon the premium rates available to active employees. The retiree is responsible for any portion of the premiums not paid by the Employer. In some cases, the premium itself for retirees, does not represent the full cost of medical coverage (as retirees can be expected to generate higher medical claims and therefore higher premiums than the active population). Providing the same rate to retirees as provided to current employees, raises the medical premium rates for the entire employee group. This additional cost is called the “implicit subsidy” and is required to be valued under GASB 75. This “plan” is not a stand-alone plan, and therefore, does not issue its own financial statements.

Funding Policy

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

The amount of net OPEB liability (asset) for OEBB is below the threshold for materiality for all opinion units and therefore, will not be reported on the Statement of Net Position.

CONTINGENT LIABILITIES:

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

RISK:

To reduce the risk of loss from liability, fire, theft, accident, medical costs, and error and omissions, the District maintains various commercial insurance policies.

The District came under the State Unemployment Act as of July 1, 1974. The District has elected to pay State Unemployment insurance to the State to pay for any claims paid to former employees. Any reimbursements are paid by the fund incurring the liability to the Employment Division of the State of Oregon. The estimated liability for unpaid claims is calculated as the present value of expected but unpaid claims based on historical experience and going concern assessments. The District's estimated liability for unpaid unemployment claims is immaterial. Therefore, no liability amount appears on the District's statement of net position or balance sheet.

Certain employees have health care coverage provided by a third-party insurance company. Premiums to the insurance company are paid by employer contributions for eligible employees.

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

INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS:

The interfund balances between the general fund and special revenue funds represent payments made by the general fund on behalf of the special revenue funds in relation to grant reimbursements. All balances are expected to be repaid within one year.

Interfund balances at June 30, 2020 consisted of the following individual fund receivables and payables:

	Due From Other Funds	Due To Other Funds
General Fund #100	$ 22,926	$ -
Special Revenue Funds:		
Student Success Act (SSA) Fund #251	-	11,531
Early Childhood Special Education Fund #294	-	2,195
Early Intervention Fund #295	-	9,200
Total	$ 22,926	$ 22,926

INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (Cont.)

Interfund transfers for the year ended June 30, 2020 were as follows:

	Transfers Out	Transfers In
General Fund #100	$ 10,000	$ -
Special Revenue Funds:		
Construction Fund #420	-	10,000
Total	$ 10,000	$ 10,000

The transfer is intended to provide resources for future construction projects paid for by the Construction Fund.

REQUIRED SUPPLEMENTARY INFORMATION

LAKE COUNTY EDUCATION SERVICE DISTRICT

Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual
General Fund #100
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Over
	Original	Final	Amounts	(Under)
REVENUES:				
Taxes	$ 683,000	$ 683,000	$ 614,930	$ (68,070)
Earnings on Investments	13,900	13,900	11,063	(2,837)
Fees and Charges	300	300	220	(80)
Miscellaneous Revenue	104,367	104,367	82,412	(21,955)
State Aid	728,615	741,495	833,025	91,530
Federal Aid	-	-	1,067	1,067
Total Revenues	**1,530,182**	**1,543,062**	**1,542,717**	**(345)**
EXPENDITURES:				
Instruction	129,809	123,509	111,680	(11,829)
Support Services	1,026,865	1,027,545	1,018,572	(8,973)
Contingency	317,000	317,000	-	(317,000)
Total Expenditures	**1,473,674**	**1,468,054**	**1,130,252**	**(337,802)**
Excess (Deficiency) of Revenues Over Expenditures	56,508	75,008	412,465	337,457
OTHER FINANCING SOURCES (USES):				
Interfund Transfers Out	(10,000)	(10,000)	(10,000)	-
Apportionment of Funds by ESD	(363,508)	(382,008)	(387,814)	(5,806)
Total Other Financing Sources (Uses)	**(373,508)**	**(392,008)**	**(397,814)**	**(5,806)**
Net Change in Fund Balance	(317,000)	(317,000)	14,651	331,651
Beginning Fund Balance	317,000	317,000	336,462	19,462
Ending Fund Balance	**$ -**	**$ -**	**$ 351,113**	**$ 351,113**

LAKE COUNTY EDUCATION SERVICE DISTRICT

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

Student Mentoring Fund #256

For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Over
	Original	Final	Amounts	(Under)
REVENUES:				
Miscellaneous Revenue	$ 17,000	$ 17,000	$ 21,720	$ 4,720
Intermediate Government Aid	85,225	85,225	67,063	(18,162)
Total Revenues	**102,225**	**102,225**	**88,783**	**(13,442)**
EXPENDITURES:				
Support Services	107,705	107,705	107,393	(312)
Total Expenditures	**107,705**	**107,705**	**107,393**	**(312)**
Net Change in Fund Balance	(5,480)	(5,480)	(18,610)	(13,130)
Beginning Fund Balance	5,480	5,480	97,847	92,367
Ending Fund Balance	**$ -**	**$ -**	**$ 79,237**	**$ 79,237**

LAKE COUNTY EDUCATION SERVICE DISTRICT

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY

OPEB RHIA

Last 10 Fiscal Years*

Measurement Date June 30,	(a) Employer's proportion of the net OPEB liability (asset)	(b) Employer's proportionate share of the net OPEB liability (asset)	(c) Employer's covered payroll	(b/c) Employer's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2020	0.00459007%	$ (8,870)	$ 550,740	-1.61%	144.4%
2019	0.00539959%	(6,027)	515,623	-1.17%	124.0%
2018	0.00491133%	(2,050)	562,032	-0.35%	108.9%
2017	0.04249830%	(17,736)	510,693	0.29%	108.9%
2016	0.04137321%	$ 11,235	$ 493,416	2.28%	94.2%

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

LAKE COUNTY EDUCATION SERVICE DISTRICT

SCHEDULE OF EMPLOYER CONTRIBUTIONS

PERS

Last 10 Fiscal Years*

Year Ended June 30,	(a) Contractually required contribution	(b) Contributions in relation to the contractually required contribution	(a-b) Contribution deficiency (excess)	(c) Employer's covered payroll	(b/c) Contributions as a percent of covered payroll
2020	$ 187,518	$ 187,518	$ -	$ 550,740	34.05%
2019	149,673	149,673	-	515,623	27.20%
2018	131,301	131,301	-	562,032	23.36%
2017	97,005	97,005	-	510,693	18.99%
2016	94,864	94,864	-	493,416	19.23%
2015	99,310	896,433	-	505,946	19.63%
2014	$ 88,252	$ 88,252	$ -	$ 426,491	20.69%

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

LAKE COUNTY EDUCATION SERVICE DISTRICT

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY

OPEB RHIA

Last 10 Fiscal Years*

Measurement Date June 30,	(a) Employer's proportion of the net OPEB liability (asset)	(b) Employer's proportionate share of the net OPEB liability (asset)	(c) Employer's covered payroll	(b/c) Employer's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2020	0.00459007%	$ (8,870)	$ 550,740	-1.61%	144.4%
2019	0.00539959%	(6,027)	515,623	-1.17%	124.0%
2018	0.00491133%	(2,050)	562,032	-0.35%	108.9%
2017	0.04249830%	(17,736)	510,693	0.29%	108.9%
2016	0.04137321%	$ 11,235	$ 493,416	2.28%	94.2%

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

LAKE COUNTY EDUCATION SERVICE DISTRICT

SCHEDULE OF EMPLOYER CONTRIBUTIONS

OPEB RHIA

Last 10 Fiscal Years*

Year Ended June 30,	(a) Contractually required contribution	(b) Contributions in relation to the contractually required contribution	(a-b) Contribution deficiency (excess)	(c) Employer's covered employee payroll	(b/c) Contributions as a percent of covered payroll
2020	$ 428	$ 428	$ -	$ 550,740	0.08%
2019	2,275	2,275	-	515,623	0.44%
2018	2,615	2,615	-	562,032	0.47%
2017	2,452	2,452	-	510,693	0.48%
2016	$ 2,151	$ 2,151	$ -	$ 493,416	0.44%

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

OTHER

SUPPLEMENTARY

DATA

Non-Major Governmental Funds

LAKE COUNTY EDUCATION SERVICE DISTRICT

COMBINING BALANCE SHEET
ALL NON-MAJOR GOVERNMENTAL FUNDS -- BY FUND TYPE
For the Fiscal Year Ended June 30, 2020

	Special Revenue Funds	Capital Projects Funds	Total Non-Major Governmental Funds
ASSETS:			
Cash and Cash Equivalents	$ 272	$ 43,985	$ 44,257
Accounts Receivable	81,858	-	81,858
Total Assets	**$ 82,130**	**$ 43,985**	**$ 126,115**
LIABILITIES AND FUND BALANCES:			
LIABILITIES:			
Due to Other Funds	$ 22,926	$ -	$ 22,926
Total Liabilities	**22,926**	**-**	**22,926**
FUND BALANCES:			
Committed for:			
Capital Construction & Building Maintenance	-	32,897	32,897
Educational Programs	59,204	-	59,204
Equipment Acquisition	-	11,088	11,088
Total Fund Balances	**59,204**	**43,985**	**103,189**
Total Liabilities and Fund Balances	**$ 82,130**	**$ 43,985**	**$ 126,115**

LAKE COUNTY EDUCATION SERVICE DISTRICT

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

ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
For the Fiscal Year Ended June 30, 2020

	Special Revenue Funds	Capital Projects Funds	Total Non-Major Governmental Funds
REVENUES:			
Miscellaneous Revenue	$ 114,037	$ 8,838	$ 122,875
State Aid	149,827	-	149,827
Federal Aid	51,337	-	51,337
Total Revenues	**315,201**	**8,838**	**324,039**
EXPENDITURES:			
Current:			
Instruction	166,887	-	166,887
Support Services	84,002	5,186	89,188
Capital Outlay:			
Support Services	35,487	-	35,487
Total Expenditures	**286,376**	**5,186**	**291,562**
Excess (Deficiency) of Revenues Over Expenditures	-	3,652	32,477
OTHER FINANCING SOURCES (USES):			
Interfund Transfers In	-	10,000	10,000
Apportionment of Funds by ESD	(24,848)	-	(24,848)
Total Other Financing Sources (Uses)	**(24,848)**	**10,000**	**(14,848)**
Net Change in Fund Balance	3,977	13,652	17,629
Beginning Fund Balance	55,227	30,333	85,560
Ending Fund Balance	**$ 59,204**	**$ 43,985**	**$ 103,189**

OTHER

SUPPLEMENTARY

DATA

Non-Major Special Revenue Funds

LAKE COUNTY EDUCATION SERVICE DISTRICT

COMBINING BALANCE SHEET

NON-MAJOR SPECIAL REVENUE FUNDS

For the Fiscal Year Ended June 30, 2020

	Adel Principal Office Fund #237	Adel Clerk Office Fund #238	North Lake Clerk Fund #239	Student Success Act (SSA) Fund #251	Technology Fund #264	IDEA Enhancement Fund #273	IDEA Fund #274	Early Learning Fund #293	Early Childhood Special Education Fund #294	Early Intervention Fund #295	McKinney Homeless Fund #299	Totals
ASSETS:												
Cash and Cash Equivalents	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 272	$ 272
Accounts Receivable	-	-	-	11,531	-	-	-	-	50,575	19,752	-	81,858
Total Assets	**$ -**	**$ -**	**$ -**	**$ 11,531**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 50,575**	**$ 19,752**	**$ 272**	**$ 82,130**
LIABILITIES AND FUND BALANCES:												
LIABILITIES:												
Due to Other Funds	$ -	$ -	$ -	$ 11,531	$ -	$ -	$ -	$ -	$ 2,195	$ 9,200	$ -	$ 22,926
Total Liabilities	**-**	**-**	**-**	**11,531**	**-**	**-**	**-**	**-**	**2,195**	**9,200**	**-**	**22,926**
FUND BALANCES:												
Committed for:												
Educational Programs	-	-	-	-	-	-	-	-	48,380	10,552	272	59,204
Total Fund Balances	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**48,380**	**10,552**	**272**	**59,204**
Total Liabilities and Fund Balances	**$ -**	**$ -**	**$ -**	**$ 11,531**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 50,575**	**$ 19,752**	**$ 272**	**$ 82,130**

LAKE COUNTY EDUCATION SERVICE DISTRICT

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

NON-MAJOR SPECIAL REVENUE FUNDS

For the Fiscal Year Ended June 30, 2020

	Adel Principal Office Fund #237	Adel Clerk Office Fund #238	North Lake Clerk Fund #239	Student Success Act (SSA) Fund #251	Technology Fund #264	IDEA Enhancement Fund #273	IDEA Fund #274	Early Learning Fund #293	Early Childhood Special Education Fund #294	Early Intervention Fund #295	McKinney Homeless Fund #299	Totals
REVENUES:												
Miscellaneous Revenue	$ 8,275	$ 19,712	$ 44,484	$ -	$ 35,487	$ -	$ -	$ -	$ 6,079	$ -	$ -	$ 114,037
State Aid	-	-	-	11,531	-	-	-	11,470	91,850	34,976	-	149,827
Federal Aid	-	-	-	-	-	383	24,848	-	17,642	8,464	-	51,337
Total Revenues	**8,275**	**19,712**	**44,484**	**11,531**	**35,487**	**383**	**24,848**	**11,470**	**115,571**	**43,440**	**-**	**315,201**
EXPENDITURES:												
Current:												
Instruction	-	-	-	-	-	383	-	13,573	109,492	43,439	-	166,887
Support Services	8,275	19,712	44,484	11,531	-	-	-	-	-	-	-	84,002
Capital Outlay:												
Support Services	-	-	-	-	35,487	-	-	-	-	-	-	35,487
Total Expenditures	**8,275**	**19,712**	**44,484**	**11,531**	**35,487**	**383**	**-**	**13,573**	**109,492**	**43,439**	**-**	**286,376**
Excess (Deficiency) of Revenues Over Expenditures	-	-	-	-	-	-	-	-	-	-	-	-
OTHER FINANCING SOURCES (USES):												
Apportionment of Funds by ESD	-	-	-	-	-	-	(24,848)	-	-	-	-	(24,848)
Total Other Financing Sources (Uses)	**-**	**-**	**-**	**-**	**-**	**-**	**(24,848)**	**-**	**-**	**-**	**-**	**(24,848)**
Net Change in Fund Balance	-	-	-	-	-	-	-	(2,103)	6,079	1	-	3,977
Beginning Fund Balance	-	-	-	-	-	-	-	2,103	42,301	10,551	272	55,227
Ending Fund Balance	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 48,380**	**$ 10,552**	**$ 272**	**$ 59,204**

LAKE COUNTY EDUCATION SERVICE DISTRICT

Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual
Adel Principal Office Fund #237
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Over
	Original	Final	Amounts	(Under)
REVENUES:				
Miscellaneous Revenue	$ 8,500	$ 8,500	$ 8,275	$ (225)
Total Revenues	**8,500**	**8,500**	**8,275**	**(225)**
EXPENDITURES:				
Support Services	8,500	8,500	8,275	(225)
Total Expenditures	**8,500**	**8,500**	**8,275**	**(225)**
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	**$ -**	**$ -**	**$ -**	**$ -**

LAKE COUNTY EDUCATION SERVICE DISTRICT

Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual
Adel Clerk Office Fund #238
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Over
	Original	Final	Amounts	(Under)
REVENUES:				
Miscellaneous Revenue	$ 19,738	$ 19,738	$ 19,712	$ (26)
Total Revenues	**19,738**	**19,738**	**19,712**	**(26)**
EXPENDITURES:				
Support Services	19,738	19,738	19,712	(26)
Total Expenditures	**19,738**	**19,738**	**19,712**	**(26)**
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	**$ -**	**$ -**	**$ -**	**$ -**

LAKE COUNTY EDUCATION SERVICE DISTRICT

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

North Lake Clerk Fund #239

For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Over
	Original	Final	Amounts	(Under)
REVENUES:				
Miscellaneous Revenue	$ 46,634	$ 46,634	$ 44,484	$ (2,150)
Total Revenues	**46,634**	**46,634**	**44,484**	**(2,150)**
EXPENDITURES:				
Support Services	46,634	46,634	44,484	(2,150)
Total Expenditures	**46,634**	**46,634**	**44,484**	**(2,150)**
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	**$ -**	**$ -**	**$ -**	**$ -**

LAKE COUNTY EDUCATION SERVICE DISTRICT

Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual
Student Success Act (SSA) Fund #251
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Over
	Original	Final	Amounts	(Under)
REVENUES:				
State Aid	$ 15,000	$ 15,000	$ 11,531	$ (3,469)
Total Revenues	**15,000**	**15,000**	**11,531**	**(3,469)**
EXPENDITURES:				
Support Services	15,000	15,000	11,531	(3,469)
Total Expenditures	**15,000**	**15,000**	**11,531**	**(3,469)**
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	**$ -**	**$ -**	**$ -**	**$ -**

LAKE COUNTY EDUCATION SERVICE DISTRICT

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

School Support Grants Fund #258

For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Over
	Original	Final	Amounts	(Under)
REVENUES:				
Intermediate Government Aid	$ 1,000	$ 1,000	$ -	$ (1,000)
State Aid	1,000	1,000	-	(1,000)
Federal Aid	1,000	1,000	-	(1,000)
Total Revenues	**3,000**	**3,000**	**-**	**(3,000)**
EXPENDITURES:				
Support Services	3,000	3,000	-	(3,000)
Total Expenditures	**3,000**	**3,000**	**-**	**(3,000)**
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	**$ -**	**$ -**	**$ -**	**$ -**

LAKE COUNTY EDUCATION SERVICE DISTRICT

Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual
Technology Fund #264
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Over
	Original	Final	Amounts	(Under)
REVENUES:				
Miscellaneous Revenue	$ 76,800	$ 76,800	$ 35,487	$ (41,313)
Total Revenues	**76,800**	**76,800**	**35,487**	**(41,313)**
EXPENDITURES:				
Support Services	76,800	76,800	35,487	(41,313)
Total Expenditures	**76,800**	**76,800**	**35,487**	**(41,313)**
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	**$ -**	**$ -**	**$ -**	**$ -**

LAKE COUNTY EDUCATION SERVICE DISTRICT

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

IDEA Enhancement Fund #273

For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Over
	Original	Final	Amounts	(Under)
REVENUES:				
Federal Aid	$ 6,500	$ 6,500	$ 383	$ (6,117)
Total Revenues	**6,500**	**6,500**	**383**	**(6,117)**
EXPENDITURES:				
Instruction	6,500	6,500	383	(6,117)
Total Expenditures	**6,500**	**6,500**	**383**	**(6,117)**
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	**$ -**	**$ -**	**$ -**	**$ -**

LAKE COUNTY EDUCATION SERVICE DISTRICT

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

IDEA Fund #274

For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Over
	Original	Final	Amounts	(Under)
REVENUES:				
Federal Aid	$ 36,000	$ 36,000	$ 24,848	$ (11,152)
Total Revenues	**36,000**	**36,000**	**24,848**	**(11,152)**
EXPENDITURES:				
Instruction	-	-	-	-
Total Expenditures	**-**	**-**	**-**	**-**
Excess (Deficiency) of Revenues Over Expenditures	36,000	36,000	24,848	(11,152)
OTHER FINANCING SOURCES (USES):				
Apportionment of Funds by ESD	(36,000)	(36,000)	(24,848)	11,152
Total Other Financing Sources (Uses)	**(36,000)**	**(36,000)**	**(24,848)**	**11,152**
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	**$ -**	**$ -**	**$ -**	**$ -**

LAKE COUNTY EDUCATION SERVICE DISTRICT

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

SPR&I Fund #278

For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Over
	Original	Final	Amounts	(Under)
REVENUES:				
Federal Aid	$ 2,500	$ 2,500	$ -	$ (2,500)
Total Revenues	**2,500**	**2,500**	**-**	**(2,500)**
EXPENDITURES:				
Support Services	2,500	2,500	-	(2,500)
Total Expenditures	**2,500**	**2,500**	**-**	**(2,500)**
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	**$ -**	**$ -**	**$ -**	**$ -**

LAKE COUNTY EDUCATION SERVICE DISTRICT

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

Early Learning Fund #293

For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Over (Under)
REVENUES:				
State Aid	$ 38,190	$ 38,190	$ 11,470	$ (26,720)
Total Revenues	**38,190**	**38,190**	**11,470**	**(26,720)**
EXPENDITURES:				
Instruction	11,500	11,500	13,573	2,073
Support Services	6,000	6,000	-	(6,000)
Enterprise and Community Services	20,690	20,690	-	(20,690)
Total Expenditures	**38,190**	**38,190**	**13,573**	**(24,617)**
Net Change in Fund Balance	-	-	(2,103)	(2,103)
Beginning Fund Balance	-	-	2,103	2,103
Ending Fund Balance	**$ -**	**$ -**	**$ -**	**$ -**

LAKE COUNTY EDUCATION SERVICE DISTRICT

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Early Childhood Special Education Fund #294
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Over (Under)
REVENUES:				
Miscellaneous Revenue	$ 2,500	$ 2,500	$ 6,079	$ 3,579
State Aid	101,561	101,561	91,850	(9,711)
Federal Aid	33,854	33,854	17,642	(16,212)
Total Revenues	**137,915**	**137,915**	**115,571**	**(22,344)**
EXPENDITURES:				
Instruction	137,915	137,915	109,492	(28,423)
Total Expenditures	**137,915**	**137,915**	**109,492**	**(28,423)**
Net Change in Fund Balance	-	-	6,079	6,079
Beginning Fund Balance	-	-	42,301	42,301
Ending Fund Balance	**$ -**	**$ -**	**$ 48,380**	**$ 48,380**

LAKE COUNTY EDUCATION SERVICE DISTRICT

Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual
Early Intervention Fund #295
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Over (Under)
REVENUES:				
State Aid	$ 34,430	$ 34,430	$ 34,976	$ 546
Federal Aid	8,615	8,615	8,464	(151)
Total Revenues	**43,045**	**43,045**	**43,440**	**395**
EXPENDITURES:				
Instruction	43,045	43,045	43,439	394
Total Expenditures	**43,045**	**43,045**	**43,439**	**394**
Net Change in Fund Balance	-	-	1	1
Beginning Fund Balance	-	-	10,551	10,551
Ending Fund Balance	**$ -**	**$ -**	**$ 10,552**	**$ 10,552**

LAKE COUNTY EDUCATION SERVICE DISTRICT

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

McKinney Homeless Fund #299

For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Over
	Original	Final	Amounts	(Under)
REVENUES:				
Taxes	$ -	$ -	$ -	$ -
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES:				
Support Services	415	415	-	(415)
Total Expenditures	**415**	**415**	**-**	**(415)**
Net Change in Fund Balance	(415)	(415)	-	415
Beginning Fund Balance	415	415	272	(143)
Ending Fund Balance	**$ -**	**$ -**	**$ 272**	**$ 272**

OTHER
SUPPLEMENTARY
DATA

Capital Projects Fund

LAKE COUNTY EDUCATION SERVICE DISTRICT

COMBINING BALANCE SHEET

NON-MAJOR CAPITAL PROJECTS FUNDS

For the Fiscal Year Ended June 30, 2020

	Construction Fund #420	Business Auto Fund #426	Totals
ASSETS:			
Cash and Cash Equivalents	$ 32,897	$ 11,088	$ 43,985
Total Assets	**$ 32,897**	**$ 11,088**	**$ 43,985**
FUND BALANCES:			
LIABILITIES:			
Accounts Payable	$ -	$ -	$ -
Total Liabilities	**-**	**-**	**-**
FUND BALANCES:			
Committed for:			
Capital Construction & Building Maintenance	32,897	-	32,897
Equipment Acquisition	-	11,088	11,088
Total Fund Balances	**32,897**	**11,088**	**43,985**
Total Fund Balances	**$ 32,897**	**$ 11,088**	**$ 43,985**

LAKE COUNTY EDUCATION SERVICE DISTRICT

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

NON-MAJOR CAPITAL PROJECTS FUNDS

For the Fiscal Year Ended June 30, 2020

	Construction Fund #420	Business Auto Fund #426	Totals
REVENUES:			
Miscellaneous Revenue	$ -	$ 8,838	$ 8,838
Total Revenues	**-**	**8,838**	**8,838**
EXPENDITURES:			
Current:			
Support Services	-	5,186	5,186
Total Expenditures	**-**	**5,186**	**5,186**
Excess (Deficiency) of Revenues Over Expenditures	-	3,652	3,652
OTHER FINANCING SOURCES (USES):			
Interfund Transfers In	10,000	-	10,000
Total Other Financing Sources (Uses)	**10,000**	**-**	**10,000**
Net Change in Fund Balance	10,000	3,652	13,652
Beginning Fund Balance	22,897	7,436	30,333
Ending Fund Balance	**$ 32,897**	**$ 11,088**	**$ 43,985**

LAKE COUNTY EDUCATION SERVICE DISTRICT

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

Construction Fund #420 (A Non-Major Fund)

For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Over
	Original	Final	Amounts	(Under)
REVENUES:				
Taxes	$ -	$ -	$ -	$ -
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES:				
Facilities Acquisition and Construction	32,900	32,900	-	(32,900)
Total Expenditures	**32,900**	**32,900**	**-**	**(32,900)**
Excess (Deficiency) of Revenues Over Expenditures	(32,900)	(32,900)	-	32,900
OTHER FINANCING SOURCES (USES):				
Interfund Transfers In	10,000	10,000	10,000	-
Total Other Financing Sources (Uses)	**10,000**	**10,000**	**10,000**	**-**
Net Change in Fund Balance	(22,900)	(22,900)	10,000	32,900
Beginning Fund Balance	22,900	22,900	22,897	(3)
Ending Fund Balance	**$ -**	**$ -**	**$ 32,897**	**$ 32,897**

LAKE COUNTY EDUCATION SERVICE DISTRICT

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

Business Auto Fund #426 (A Non-Major Fund)

For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Over (Under)
REVENUES:				
Miscellaneous Revenue	$ 12,000	$ 12,000	$ 8,838	$ (3,162)
Total Revenues	**12,000**	**12,000**	**8,838**	**(3,162)**
EXPENDITURES:				
Support Services	18,955	18,955	5,186	(13,769)
Total Expenditures	**18,955**	**18,955**	**5,186**	**(13,769)**
Net Change in Fund Balance	(6,955)	(6,955)	3,652	10,607
Beginning Fund Balance	6,955	6,955	7,436	481
Ending Fund Balance	**$ -**	**$ -**	**$ 11,088**	**$ 11,088**

OTHER SUPPLEMENTARY DATA

Proprietary Fund

LAKE COUNTY EDUCATION SERVICE DISTRICT

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

Printing Service Fund #501

For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Over (Under)
REVENUES:				
Miscellaneous Revenue	$ 31,000	$ 31,000	$ 28,389	$ (2,611)
Total Revenues	**31,000**	**31,000**	**28,389**	**(2,611)**
EXPENDITURES:				
Support Services	39,160	39,160	27,248	(11,912)
Total Expenditures	**39,160**	**39,160**	**27,248**	**(11,912)**
Net Change in Fund Balance	(8,160)	(8,160)	1,141	9,301
Beginning Fund Balance	8,160	8,160	12,555	4,395
Ending Fund Balance	**$ -**	**$ -**	**$ 13,696**	**$ 13,696**

OTHER

SUPPLEMENTARY

DATA

Additional
Supporting Schedules

LAKE COUNTY EDUCATION SERVICE DISTRICT

Oregon Department of Education Form 581-3211-C

For the Fiscal Year Ended June 30, 2020

SUPPLEMENTAL INFORMATION 2019-2020

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

B. Energy Bills for Heating - All Funds:

Please enter your expenditures for electricity & heating fuel, and water & sewage for these Functions & Objects.

	Objects 325 & 326 & *327
Function 2540	$ 6,088
Function 2550	$ -

C. Replacement of Equipment - General Fund:

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

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

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

LAKE COUNTY EDUCATION SERVICE DISTRICT

Audit Revenue Summary - All Funds

For the Fiscal Year Ended June 30, 2020

Revenue from Local Sources		Fund 100	Fund 200	Fund 400	Fund 500
1110	Ad Valorem Taxes Levied by District	$ 608,896	$ -	$ -	$ -
1190	Penalties and Interest on Taxes	6,034	-	-	-
1500	Earnings on Investments	11,063	-	-	-
1700	Extracurricular Activities	220	-	-	-
1910	Rentals	61,778	-	-	-
1920	Contributions and Donations From Private Sources	-	8,597	-	-
1940	Services Provided Other Local Education Agencies	-	72,470	-	27,722
1970	Services Provided Other Funds	-	-	8,838	-
1980	Fees Charged to Grants	10,321	-	-	-
1990	Miscellaneous	10,313	54,689	-	667
	Total Revenue from Local Sources	$ 708,625	$ 135,757	$ 8,838	$ 28,389

Revenue from Intermediate Sources		Fund 100	Fund 200	Fund 400	Fund 500
2200	Restricted Revenue	$ -	$ 67,063	$ -	$ -
	Total Revenue from Intermediate Sources	$ -	$ 67,063	$ -	$ -

Revenue from State Sources		Fund 100	Fund 200	Fund 400	Fund 500
3101	State School Fund - General Support	$ 833,025	$ -	$ -	$ -
3299	Other Restricted Grants-In-Aid	-	149,826	-	-
	Total Revenue from State Sources	$ 833,025	$ 149,826	$ -	$ -

Revenue from Federal Sources		Fund 100	Fund 200	Fund 400	Fund 500
4500	Restricted Revenue From the Federal Government Through the State	$ -	$ 51,337	$ -	$ -
4802	Impact Aid to School Districts for Operation (PL 874)	1,067	-	-	-
	Total Revenue from Federal Sources	$ 1,067	$ 51,337	$ -	$ -

Revenue from Other Sources		Fund 100	Fund 200	Fund 400	Fund 500
5200	Interfund Transfers	$ -	$ -	$ 10,000	$ -
	Total Revenue from Other Sources	$ -	$ -	$ 10,000	$ -
	Grand Total	**$ 1,542,717**	**$ 403,982**	**$ 18,838**	**$ 28,389**

LAKE COUNTY EDUCATION SERVICE DISTRICT

Audit Expenditure Summary-General Fund #100

For the Fiscal Year Ended June 30, 2020

FUND: General Fund #100

Instruction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 600	Object 700
1111 Elementary, K-5 or K-6	$ 437	$ -	$ -	$ 437	$ -	$ -	$ -
1131 High School Programs	3,634	-	-	534	3,100	-	-
1250 Less Restrictive Programs for Students with Disabilities	107,609	59,407	37,643	10,545	14	-	-
Total Instruction Expenditures	$ 111,680	$ 59,407	$ 37,643	$ 11,516	$ 3,114	$ -	$ -

Support Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 600	Object 700
2110 Attendance and Social Work Services	$ 15,701	$ 9,778	$ 4,224	$ 1,700	$ -	$ -	$ -
2130 Health Services	12,876	-	-	12,876	-	-	-
2140 Psychological Services	116,665	63,000	42,252	8,927	2,486	-	-
2150 Speech Pathology and Audiology Services	328,802	97,742	86,748	139,792	3,874	646	-
2190 Service Direction, Student Support Services	59,974	32,632	17,439	5,369	4,435	100	-
2210 Improvement of Instruction Services	137,749	68,508	44,767	22,871	1,602	-	-
2220 Educational Media Services	5,882	-	-	5,882	-	-	-
2310 Board of Education Services	31,749	-	-	19,691	660	11,398	-
2320 Executive Administration Services	93,424	54,571	32,562	5,346	-	945	-
2520 Fiscal Services	105,418	30,558	16,953	57,108	79	720	-
2540 Operation and Maintenance of Plant Services	18,360	3,315	1,368	10,033	1,825	1,819	-
2570 Internal Services	25,696	13,526	8,469	1,389	2,311	-	-
2640 Staff Services	431	-	-	-	431	-	-
2660 Technology Services	65,845	-	-	49,142	16,402	300	-
Total Support Services Expenditures	$ 1,018,572	$ 373,631	$ 254,782	$ 340,127	$ 34,105	$ 15,928	$ -

Other Uses Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 600	Object 700
5200 Transfers of Funds	$ 10,000	$ -	$ -	$ -	$ -	$ -	$ 10,000
5300 Apportionment of Funds by ESD	387,814	-	-	-	-	-	387,814
Total Other Uses Expenditures	$ 397,814	$ -	$ -	$ -	$ -	$ -	$ 397,814
Grand Total	**$ 1,528,066**	**$ 433,038**	**$ 292,425**	**$ 351,642**	**$ 37,219**	**$ 15,928**	**$ 397,814**

LAKE COUNTY EDUCATION SERVICE DISTRICT

Audit Expenditure Summary-Special Revenue Fund #200

For the Fiscal Year Ended June 30, 2020

FUND: Special Revenue Fund #200

Instruction Expenditures		**Totals**	**Object 100**	**Object 200**	**Object 300**	**Object 400**	**Object 500**	**Object 600**	**Object 700**
1250	Less Restrictive Programs for Students with Disabilities	$ 383	$ -	$ -	$ 383	$ -	$ -	$ -	$ -
1260	Treatment and Habilitation	152,931	82,204	58,706	3,425	319	-	8,277	-
1490	Summer School Programs	13,573	-	-	11,078	-	-	2,495	-
	Total Instruction Expenditures	$ 166,887	$ 82,204	$ 58,706	$ 14,885	$ 319	$ -	$ 10,772	$ -

Support Services Expenditures		**Totals**	**Object 100**	**Object 200**	**Object 300**	**Object 400**	**Object 500**	**Object 600**	**Object 700**
2120	Guidance Services	$ 107,393	$ 55,647	$ 37,196	$ 8,597	$ 1,488	$ -	$ 4,464	-
2410	Office of the Principal Services	22,931	15,697	6,034	1,200	-	-	-	-
2520	Fiscal Services	49,539	30,146	18,544	849	-	-	-	-
2620	Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	11,531	7,724	1,835	505	917	-	549	-
2660	Technology Services	35,487	-	-	-	-	35,487	-	-
	Total Support Services Expenditures	$ 226,882	$ 109,214	$ 63,610	$ 11,151	$ 2,405	$ 35,487	$ 5,013	$ -

Other Uses Expenditures		**Totals**	**Object 100**	**Object 200**	**Object 300**	**Object 400**	**Object 500**	**Object 600**	**Object 700**
5300	Apportionment of Funds by ESD	$ 24,848	$ -	$ -	$ -	$ -	$ -	$ -	$ 24,848
	Total Other Uses Expenditures	$ 24,848	$ -	$ -	$ -	$ -	$ -	$ -	$ 24,848
	Grand Total	**$ 418,617**	**$ 191,419**	**$ 122,316**	**$ 26,037**	**$ 2,724**	**$ 35,487**	**$ 15,785**	**$ 24,848**

LAKE COUNTY EDUCATION SERVICE DISTRICT

Audit Expenditure Summary-Capital Projects Fund #400

For the Fiscal Year Ended June 30, 2020

FUND: Capital Projects Fund #400

Support Services Expenditures		**Totals**	**Object 300**	**Object 400**	**Object 600**
2570	Internal Services	$ 5,186	$ 3,509	$ 143	$ 1,533
	Total Support Services Expenditures	$ 5,186	$ 3,509	$ 143	$ 1,533
	Grand Total	**$ 5,186**	**$ 3,509**	**$ 143**	**$ 1,533**

LAKE COUNTY EDUCATION SERVICE DISTRICT

Audit Expenditure Summary- Enterprise Fund #500

For the Fiscal Year Ended June 30, 2020

FUND: Enterprise Fund #500

Support Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400
2570	Internal Services	$ 27,248	$ 2,646	$ 6,989	$ 11,490	$ 6,124
	Total Support Services Expenditures	$ 27,248	$ 2,646	$ 6,989	$ 11,490	$ 6,124
	Grand Total	**$ 27,248**	**$ 2,646**	**$ 6,989**	**$ 11,490**	**$ 6,124**

LAKE COUNTY EDUCATION SERVICE DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Year Ended June 30, 2020

Federal Grantor/Pass Through Grantor/ Program Title	Grant Fund	Federal CFDA Number	Grant Period	Original Program or Grant Amount	Cash Received	Expenditures
US. DEPARTMENT OF EDUCATION						
Passed Through Oregon Department of Education:						
IDEA - Special Education Grants to States(Part B Sec.611)	Fund #274	84.027	2019-20	$ 24,848	$ 24,848	$ 24,848
IDEA - Enhancement & Extended Assessment Training	Fund #273	84.027	2019-20	383	383	383
Passed Through Douglas Education Service District						
IDEA - Special Education Grants to States(Part B Sec.611)	Fund #294	84.027	2019-20	14,791	14,791	14,791
IDEA - Special Education Grants to States(Part C)	Fund #295	84.181	2019-20	8,464	8,464	8,464
IDEA - Special Ed Preschool Grant	Fund #294	84.173	2019-20	2,851	2,851	2,851
Total IDEA				51,337	51,337	51,337
Total U.S. Department of Education				$ 51,337	$ 51,337	$ 51,337
U.S. DEPARTMENT OF INTERIOR						
Passed Through Lake County						
Fish and Wildlife Refuge Payment in Lieu of Taxes	General	15.226	2019-20	$ 1,067	$ 1,067	$ 1,067
Total U.S. Department of Interior				$ 1,067	$ 1,067	$ 1,067
TOTALS				**$ 52,404**	**$ 52,404**	**$ 52,404**

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

RECONCILIATION TO REVENUE:	
Cash Receipts per Schedule Above	$ 52,404
Federal Revenue Recognized per Financial Statements	$ 52,404