

**GRANTS PASS SCHOOL DISTRICT NO. 7  
GRANTS PASS, OREGON**

**FINANCIAL STATEMENT AND SUPPLEMENTARY  
INFORMATION**

**YEAR ENDED JUNE 30, 2022  
WITH  
INDEPENDENT AUDITOR'S REPORT**



**Certified Public Accountants, LLP**  
audit | tax | advisory | wealth management | cfo

**GRANTS PASS SCHOOL DISTRICT NO. 7  
GRANTS PASS, OREGON  
YEAR ENDED JUNE 30, 2022**

**BOARD OF EDUCATION FISCAL 2022**

Scott Nelson (Position #1) Grants Pass, Oregon 97527	Chairman
Cliff Kuhlman (Position #2) Grants Pass, Oregon 97526	Member
Gary Richardson (Position #3) Grants Pass, Oregon 97528	Member
Debbie Brownell (Position #4) Grants Pass, Oregon 97526	Member
Cassie Wilkins (Position #5) Grants Pass, Oregon 97526	Vice-Chairman
Brian De La Grange (Position #6) Grants Pass, Oregon 97526	Member
Brenda Aguilera (Position #7) Grants Pass, Oregon 97526	Member

All board members receive mail at the address listed below

**Administrative Office:  
725 Northeast Dean Drive  
Grants Pass, Oregon 97526**

**ADMINISTRATIVE STAFF**

Kirk Kolb	Superintendent
Sherry Ely	Director of Business Services

**GRANTS PASS SCHOOL DISTRICT NO. 7  
GRANTS PASS, OREGON  
YEAR ENDED JUNE 30, 2022**

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## **INDEPENDENT AUDITOR'S REPORT**

Board of Education  
Grants Pass School District No. 7  
Grants Pass, Oregon 97526

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Grants Pass School District No. 7, Oregon, (the District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Grants Pass School District No. 7, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, other postemployment benefits schedules, pension schedules, and the general fund and major special revenue funds budgetary comparison schedules as listed in the Table of Contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the management's discussion and analysis, certain pension schedules and certain other post-employment benefit schedule in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

### ***Supplementary Information***

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

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

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2022 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

## Other Reporting Required by the State of Oregon

In accordance with Oregon State Regulations, we have also issued our report dated December 27, 2022 on our consideration of the District's compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters, including the provisions of Oregon Revised Statutes (ORS) as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0320 of the *Minimum Standards for Audits of Oregon Municipal Corporations*. The purpose of that report is to describe the scope of our testing necessary to address the required provisions of ORS, and not to provide an opinion on compliance with such provisions.



Aria Bettinger, CPA  
KDP Certified Public Accountants, LLP  
Medford, Oregon  
December 27, 2022



**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**GRANTS PASS SCHOOL DISTRICT NO. 7  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

As management of Grants Pass School District 7 (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2022. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the financial statements and the accompanying notes to enhance their understanding of the District's financial performance. Numerical amounts below have been rounded for ease of viewing.

**FINANCIAL HIGHLIGHTS**

- In the **government-wide statements**, the District's assets and deferred outflows totaled approximately \$118.1 million at June 30, 2022 consisting of \$67.2 million in capital assets, \$11.5 million in cash and investments, \$5.3 million in receivables, \$0.7 million in other assets, and \$32.3 million in deferred outflows related to pension and other post-employment benefits (OPEB). The District's assets and deferred outflows decreased approximately \$8 million, or 6.3 percent from the prior year.
- In the **government-wide statements**, the District's liabilities and deferred inflows totaled approximately \$131 million at June 30, 2022 consisting of \$5.5 million in accounts payable and other liabilities, \$3.7 million in other post-employment benefits, \$20.4 million in leases payable and long-term debt, \$56.2 million in pension liabilities and \$45.1 million in deferred inflows related to pensions and OPEBs.
- In the **government-wide statements**, the District's net position (assets/deferred outflows minus liabilities/deferred inflows) was a deficit of \$12.8 million at June 30, 2022, of which \$46.7 million was net investment in capital assets, \$2.6 million restricted for special purposes, and a negative balance of \$62.1 million was considered unrestricted. In the prior year, net position had a negative balance of \$16.7 million. The increase of \$3.9 million can be attributed to decreases in pension and OPEB liabilities (See page B-4 and *Note 11* and *Note 12* to the Financial Statements).
- At the end of the fiscal year, the fund balance for all **governmental funds** was approximately \$10.8 million, a decrease of \$9.1 million in comparison to the prior year. Approximately \$4.1 million of this amount is unassigned and available for spending at the District's discretion. Approximately \$6.7 million is restricted and committed to specific and intended purposes through separate funds. Of the \$6.7 million of restricted and committed funds, \$1.1 million is restricted for capital projects and \$3.3 million is committed for the District's future OPERS expenditures.
- At the end of the fiscal year, unassigned fund balance for the **General Fund** was approximately \$4.1 million, down approximately \$2.1 million from the prior year, a decrease of approximately 33.6 percent. Unassigned fund balance in the General Fund represented about 5.7 percent of total General Fund expenditures.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

## OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

### Government-wide financial statements.

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

**Statement of Net Position.** The *statement of net position* includes all assets and deferred outflows of the District (including infrastructure) as well as all liabilities and deferred inflows (including long-term debt). Net position is the difference between assets and deferred outflows, and liabilities and deferred inflows, which is one way to measure the District's financial health, or financial position. Over time, increase or decreases in the District's net position may be an indicator of whether its financial health is improving or deteriorating.

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

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

The government-wide financial statements can be found as listed in the Table of Contents of this report.

### Fund financial statements.

The *fund financial statements* provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and an internal service fund.

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

Since the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental *funds* and governmental *activities*.

## OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

The District maintains 11 individual governmental funds, four of which are considered major funds. Information is presented separately in the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, the Federal and Other Grants Fund, the PERS Reserve Fund, and the Capital Projects Fund, all of which are considered to be major funds. Data from the five nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the combining schedules. In addition to the nonmajor combining schedules, the Federal and Other Grants Fund has a combining schedule of two additional funds including the Measure 98 Fund and Student Investment Act Fund (SIA Fund) included as Other Supplementary Information. The basic governmental fund financial statements can be found as listed in the Table of Contents of this report.

**Internal service fund.** This fund type is an accounting device used to accumulate and allocate costs internally among the District's various functions. The District maintains an internal service fund to account for claims and other risk management costs not otherwise covered through insurance. Because this service predominantly benefits the governmental rather than business-type functions, it has been included within the governmental activities in the government-wide financial statements and internal activity has been eliminated. The basic internal service fund financial statements can be found as listed in the table of contents of this report. Individual fund data for the internal service fund is provided as Supplemental Information in this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found as listed in the table of contents of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. This Management's Discussion and Analysis is considered required supplementary information. Other required supplementary information is presented on the basic financial statements as listed in the table of contents. The combining schedules referred to earlier in connection with non-major governmental funds are presented as Other Supplementary Information as listed in the table of contents of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

**Statement of Net Position.** As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the end of the current year, the District had a negative net position balance. Net position increased by \$3.9 million from prior year. The District's liabilities and deferred inflows exceeded assets and deferred outflows by \$12.8 million at June 30, 2022.

Capital assets, which consist of the District's land, buildings, building improvements, site improvements, vehicles, and equipment, represent 56.9 percent of total assets/deferred outflows. The remaining assets and deferred outflows consist mainly of investments, cash, property taxes receivable, and deferred outflows related to pensions and OPEBs. Last year, capital assets represented approximately 47.2 percent of total assets/deferred outflows.

Long term liabilities related to pensions and OPEB obligations represent approximately 45.8 percent of total liabilities/deferred inflows. The remaining liabilities/deferred inflows consist mainly of accounts payable and other liabilities, long-term debt, and deferred inflows related to pensions and OPEBs.

A large portion of the District's net position reflects its net investment in capital assets (e.g. land, buildings, building improvements, site improvements, vehicles and equipment). The District's net investment in capital assets increased by about \$7.4 million over the prior year. The District uses these capital assets to provide services to students and other District residents; consequently, these assets are not available for future spending.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)**

**Statement of Net Position (continued)**

	<b>Net Position (in thousands)</b>		<b>Increase (Decrease) From June 30, 2021</b>
	<b>Governmental Activities</b>		
	<b>June 30, 2022</b>	<b>June 30, 2021</b>	
Assets:			
Current and other assets	18,705	31,437	\$ (12,732)
Capital assets	67,181	59,668	7,513
Total assets	<u>85,886</u>	<u>91,105</u>	<u>(5,219)</u>
Deferred outflows	<u>32,255</u>	<u>35,063</u>	<u>(2,808)</u>
Total assets and deferred outflows	<u>118,141</u>	<u>126,169</u>	<u>(8,026)</u>
Liabilities:			
Current liabilities	5,494	9,491	(3,997)
Long-term liabilities	80,371	126,098	(45,727)
Total liabilities	<u>85,865</u>	<u>135,589</u>	<u>(49,724)</u>
Deferred inflows	<u>45,094</u>	<u>7,299</u>	<u>37,795</u>
Total liabilities and deferred inflows	<u>130,959</u>	<u>142,888</u>	<u>(11,929)</u>
Net position:			
Net investment in capital assets	46,740	39,382	7,358
Restricted	2,605	10,236	(7,631)
Unrestricted	(62,163)	(66,337)	4,174
Total net position	<u>\$ (12,818)</u>	<u>\$ (16,719)</u>	<u>\$ 3,901</u>

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)**

**Statement of Activities.** During the current fiscal year, the District's net position increased by approximately \$3.9 million. The increase can be attributed to changes in pensions and OPEBs (See page B-4 and *Note 11* and *Note 12* to the Financial Statements).

**Changes in Net Position  
(in thousands)**

	<b>Governmental Activities</b>		<b>Increase (Decrease) From</b>
	<b>June 30, 2022</b>	<b>June 30, 2021</b>	<b>June 30, 2021</b>
Revenues:			
Program revenues:			
Charges for service	\$ 765	\$ 319	\$ 446
Operating grants and contributions	18,341	11,872	6,469
Capital grants and contributions	374	1,494	(1,120)
General revenues:			
Property taxes	15,994	15,666	327
State school fund - general support	45,165	49,471	(4,306)
Construction excise tax	253	324	(71)
Other federal, state and local sources	2,301	2,270	31
Federal forest fees	135	114	21
Earnings on investments	72	109	(37)
Gain/(loss) on sale of capital assets	18	16	2
Miscellaneous	1,333	580	753
Total revenues	<u>84,750</u>	<u>82,235</u>	<u>2,514</u>
Expenses:			
Instruction	48,212	54,832	(6,620)
Support services	29,143	29,199	(56)
Enterprise and community services	3,011	2,881	130
Facilities acquisition and construction	8	47	(39)
Interest on long-term debt	475	372	103
Total expenses	<u>80,848</u>	<u>87,331</u>	<u>(6,482)</u>
Change in Net Position	<u>\$ 3,902</u>	<u>\$ (5,096)</u>	<u>\$ 8,996</u>

## FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

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

At June 30, 2022, the District's governmental funds reported combined ending fund balances of approximately \$10.8 million, a decrease of about \$9.1 million in comparison with prior year. The following is a breakdown of the fund balances:

Fund	Ending Fund Balance	% to Total
General Fund Total	\$ 4,073,071	37.8%
Federal and Other Grants	64,757	0.6%
Student Body	477,046	4.4%
Food Service	1,051,963	9.8%
Cool Schools	60,350	0.6%
PERS Reserve	3,348,426	31.1%
Measure 98	-	0.0%
Student Investment Account	-	0.0%
Bus Replacement	503,277	4.7%
Capital Projects	951,115	8.8%
Debt Service	241,129	2.2%
Total Governmental Fund Balances	<u>\$ 10,771,134</u>	<u>100.0%</u>

*General Fund.* The General Fund is the chief operating fund of the District. As of June 30, 2022, total unassigned fund balance was \$4.1 million, down from \$6.1 million in the prior year. Total expenditures for the year ended June 30, 2022 approximated \$70.9 million. As a measure of the fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. Fund balance represents about 5.7 percent of total General Fund expenditures.

*Federal and Other Grants Fund.* The Federal and Other Grants Fund accounts for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes.

*PERS Reserve Fund.* This fund was established to accumulate resources in response to anticipated increases in mandated PERS contributions by the District. At June 30, 2022, the revenues in this fund approximated \$18.9 thousand with no expenditures. At June 30, 2022, the fund balance approximated \$3.3 million.

## GENERAL FUND BUDGETARY HIGHLIGHTS

During the fiscal year, the Board adopted two resolutions for appropriation transfers in the General Fund.

## **CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital assets.** The District's investment in capital assets includes land, buildings, building improvements, site improvements, vehicles, equipment, and right-of use assets. As of June 30, 2022, the District had invested approximately 67.2 million in capital assets, net of depreciation and amortization. In the prior year, capital assets, net of depreciation, approximated \$59.7 million. The major capital asset events for the year were construction associated with seismic rehabilitation projects, LED and HVAC improvements, and the purchase of school buses through a loan.

Additional information on the District's capital assets can be found in *Note 1* and *Note 5* of the notes to the basic financial statements as listed in the table of contents of this report.

**Long-term debt.** At the end of the current fiscal year, the District had \$20.4 million in outstanding leases payable and long-term debt; the debt proceeds were used for the cost of constructing and equipping additional elementary school classrooms at existing elementary schools and to pay all costs incidental thereto, LED and HVAC improvements, and to purchase new school buses through loans.

During the year ended June 30, 2022, the District implemented GASB 87, the new accounting standard for leases. The implementation of this pronouncement had no effect on net assets. There was an initial lease liability and right-of-use asset recorded in the amount of \$583,158.

Additional information on the District's leases payable and long-term debt can be found in *Note 1*, *Note 9*, and *Note 10* of the notes to the basic financial statements as listed in the table of contents of this report.

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

The effects of the COVID pandemic continue to have an effect on school districts across the Nation. Last year, we shared that the effects of the pandemic on ADMw and funding levels were still unknown. What we now know is that the State still is seeing a loss in over 20,000 students in our public schools.

For District 7 – the 2021.2022 school year ended with a loss of over 600 ADMw. As of the writing of this narrative there has been some recovery of those students but still not to the level that would bring the District back to pre-pandemic levels. The District received significant amounts of federal funding in response to the COVID pandemic. Those funds have been and continue to be used for strategies to help combat learning loss as a result of students being in comprehensive distance learning during the pandemic. Those funds have also been used to provide supplies to keep our buildings free from contagions, improve air quality conditions in our schools as well as to keep staff employed.

As the District looks toward budgeting for 2023.2024, the remaining federal funding will need to be used to continue to help combat budget shortfalls. The most significant level of funding continues to be the State School Fund with over 70% of our General Fund revenue coming from the State. Income taxes are the predominant source of revenue for the State School fund which causes an inherent instability in the amount of funding from one year to the next. There was fear that the Pandemic would have a catastrophic effect on the State economy. However, while the State's economy is flourishing, there is uncertainty about the level of funding the new Governor's administration will allocate to public education. At this time, the level of funding that is being discussed in the legislature will not come close to meeting current service levels, in other words roll-up costs. There is significant lobbying being done by COSA and OASBO to educate our legislators about the level of funding needed just to adequately fund our schools. Because the economy is flourishing, the Construction Excise Tax that funds the Student Investment Account will, we believe, see an increase. We also believe that districts will see an increase in the funding for Measure 98 (the Student Success Act). With careful planning these funds can also help Districts weather any budgetary shortfalls in the State School Fund.



## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET (continued)**

The PERS actuarial liability will always be a concern for school districts. In the 2021-2023 biennium, the District was fortunate to see a decrease in PERS rates. Unfortunately, the District will see an increase of approximately 1.5% in PERS rates for the 2023-2025 biennium. The District does still maintain a PERS Reserve fund that can help offset some of the increase.

For those programs such as IDEA and Title I that are mandated by the federal government, to the extent that the government does not fully fund them, the District's General Fund resources have to be reallocated to maintain these mandated programs. The District again saw a reduction in funding of federally funded Title I programs in 2022.2023, however, the District did receive a small increase in IDEA funding. As always, we will monitor this as we plan for the 2023.2024 school year and make budgetary adjustments as needed depending on funding levels.

The global pandemic of 2020 continues to have a dramatic effect on schools everywhere. The District continues to adjust to the changes brought about by the pandemic and will continue to do so. The mission of the District is to provide the best education possible for all of the children of Grants Pass and even amidst a global pandemic – we will do our very best to continue to uphold that mission and budget accordingly. District Administration is very grateful for the support of the Board, the families of our students, and the community at large - especially as we have all worked through the effects of the pandemic together.

## **REQUESTS FOR INFORMATION**

This financial report is designed to present the user (citizens, taxpayers, investors, and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the District's Director of Business Services, at 725 NE Dean Drive, Grants Pass, Oregon 97526.

**BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**GRANTS PASS SCHOOL DISTRICT NO. 7**  
**STATEMENT OF NET POSITION**  
**YEAR ENDED JUNE 30, 2022**

	Governmental Activities
<b>ASSETS:</b>	
Cash and investments	\$ 10,205,234
Cash restricted under purchase agreement	1,299,727
Receivables	5,284,023
Inventories	446,105
Capital assets, net	
Land	2,373,073
Buildings and improvements	60,821,878
Vehicles	2,430,317
Machinery and equipment	1,109,926
Right-of-use asset	445,732
Net OPEB asset (RHIA)	1,222,321
Beneficial interest in trust	247,980
	85,886,316
<b>TOTAL ASSETS</b>	
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>	
Deferred outflows related to pensions (OPERS)	31,090,088
Deferred outflows related to pensions (early retirement stipend benefit plan)	756,818
Deferred outflows related to OPEB (RHIA)	337,570
Deferred outflows related to OPEB (single-employer medical benefit plan)	70,518
	32,254,994
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES:</b>	
<b>LIABILITIES:</b>	
Accounts payable	1,045,348
Accrued payroll liabilities	3,400,789
Accrued interest payable	97,639
Unearned revenue	818,118
Compensated absences	131,655
Leases payable	
Due within one year	136,569
Due in more than one year	316,627
Long-term debt	
Due within one year: notes and loans payable	1,579,023
Due in more than one year: notes and loans payable	18,408,336
Net pension liability (OPERS)	49,336,578
Total pension liability (early retirement stipend benefit plan)	6,853,885
Total OPEB liability (single-employer medical benefit plan)	3,740,290
	85,864,857
<b>TOTAL LIABILITIES</b>	
<b>DEFERRED INFLOWS OF RESOURCES:</b>	
Deferred inflows related to beneficial interest in trust	247,980
Deferred inflows related to pensions (OPERS)	43,248,107
Deferred inflows related to pensions (early retirement stipend benefit plan)	423,902
Deferred inflows related to OPEB (RHIA)	469,601
Deferred inflows related to OPEB (single-employer medical benefit plan)	704,345
	45,093,935
<b>TOTAL DEFERRED INFLOWS OF RESOURCES:</b>	
<b>NET POSITION:</b>	
Net investment in capital assets	46,740,371
Restricted: Capital Projects	951,115
Restricted: Food Service	1,051,963
Restricted: Education - Grants	64,757
Restricted: Cool Schools	60,350
Restricted: Student Body Funds	477,046
Unrestricted (deficit)	(62,163,084)
	(12,817,482)
<b>TOTAL NET POSITION (DEFICIT)</b>	
	\$ (12,817,482)

See notes to basic financial statements

**GRANTS PASS SCHOOL DISTRICT NO. 7  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2022**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Change in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 48,212,478	\$ 557,227	\$ 9,458,121	\$ -	\$ (38,197,130)
Supporting services	29,143,104	192,949	4,737,268	-	(24,212,887)
Community services	3,010,670	15,226	4,145,663	-	1,150,219
Facilities acquisition and construction	7,932	-	-	373,864	365,932
Interest and fees on long-term debt	475,349	-	-	-	(475,349)
	<u>\$ 80,849,533</u>	<u>\$ 765,402</u>	<u>\$ 18,341,052</u>	<u>\$ 373,864</u>	<u>(61,369,215)</u>
General revenues:					
Property taxes levied for general purposes					15,993,709
Construction excise tax					252,533
State school fund - general support					45,165,458
Common school fund					668,306
Federal forest fees					135,378
Unrestricted state and local sources					1,632,316
Earnings on investments					72,447
Gain (loss) on sale of fixed assets					17,782
Miscellaneous					1,333,443
					<u>65,271,372</u>
<b>CHANGE IN NET POSITION</b>					<u>3,902,157</u>
<b>Net Position - July 1, 2021</b>					<u>(16,719,639)</u>
<b>Net Position - June 30, 2022</b>					<u>\$ (12,817,482)</u>

**FUND FINANCIAL STATEMENTS**

**GRANTS PASS SCHOOL DISTRICT NO. 7  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2022**

	General Fund	Federal and Other Grants Fund	PERS Reserve Fund	Capital Projects Fund	Non-major Governmental Funds	Total
<b>ASSETS</b>						
Equity in pooled cash and investments	\$ 3,207,595	\$ 2,192,928	\$ 3,348,426	\$ 321,425	\$ 1,087,204	\$ 10,157,578
Cash restricted under purchase agreement	-	-	-	1,299,727	-	1,299,727
Receivables	3,200,536	1,287,536	-	111,899	683,244	5,283,215
Interfund receivable	2,113,907	1,914	-	-	623,767	2,739,588
<b>TOTAL ASSETS</b>	<b>\$ 8,522,038</b>	<b>\$ 3,482,378</b>	<b>\$ 3,348,426</b>	<b>\$ 1,733,051</b>	<b>\$ 2,394,215</b>	<b>\$ 19,480,108</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable	\$ 246,058	\$ 60,000	\$ -	\$ 735,088	\$ -	\$ 1,041,146
Interfund payable	92,787	2,539,503	-	46,848	60,450	2,739,588
Accrued payroll liabilities	3,400,789	-	-	-	-	3,400,789
Unearned revenue	-	818,118	-	-	-	818,118
<b>TOTAL LIABILITIES</b>	<b>3,739,634</b>	<b>3,417,621</b>	<b>-</b>	<b>781,936</b>	<b>60,450</b>	<b>7,999,641</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue - property taxes	709,333	-	-	-	-	709,333
<b>TOTAL DEFERRED INFLOWS</b>	<b>709,333</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>709,333</b>
Fund Balances:						
Restricted:						
Education - Grants	-	64,757	-	-	-	64,757
Capital Projects	-	-	-	951,115	-	951,115
Food Service	-	-	-	-	1,051,963	1,051,963
Cool Schools - energy efficiency	-	-	-	-	60,350	60,350
Student Body Funds	-	-	-	-	477,046	477,046
Committed:						
PERS Reserve	-	-	3,348,426	-	-	3,348,426
Bus Replacement	-	-	-	-	503,277	503,277
Debt Service	-	-	-	-	241,129	241,129
Unassigned	4,073,071	-	-	-	-	4,073,071
<b>TOTAL FUND BALANCES</b>	<b>4,073,071</b>	<b>64,757</b>	<b>3,348,426</b>	<b>951,115</b>	<b>2,333,765</b>	<b>10,771,134</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 8,522,038</b>	<b>\$ 3,482,378</b>	<b>\$ 3,348,426</b>	<b>\$ 1,733,051</b>	<b>\$ 2,394,215</b>	<b>\$ 19,480,108</b>

**GRANTS PASS SCHOOL DISTRICT NO. 7  
RECONCILIATION OF GOVERNMENTAL FUNDS  
BALANCE SHEET TO STATEMENT OF NET POSITION  
YEAR ENDED JUNE 30, 2022**

<b>TOTAL FUND BALANCES</b>		\$ 10,771,134
<p>Capital assets are not financial resources and therefore are not reported in the governmental funds:</p>		
Cost	\$ 107,607,357	
Accumulated depreciation	<u>(40,426,431)</u>	67,180,926
<p>A portion of the District's property taxes are collected after year-end but are not available soon enough to pay for the current year's operations, and therefore are not reported as revenue in the governmental funds.</p>		
		709,333
<p>Add the combined net position of the internal service funds, as it is not part of the governmental fund balance, but it is controlled by the District, and therefore included on the government-wide Statement of Net Position.</p>		
		44,262
<p>In the governmental funds, inventory is accounted for under the purchase method and the current value is not reported in the fund balance sheet.</p>		
		446,105
<p>Long-term liabilities not payable in the current year are not reported as governmental fund liabilities. Interest in long-term debt is not accrued in the governmental funds, but rather recognized as an expenditure when due. These liabilities consist of:</p>		
Notes payable	\$ (18,148,886)	
Loans payable	(1,838,473)	
Leases payable	(453,196)	
Compensated absences payable	(131,655)	
Interest accrual	<u>(97,639)</u>	(20,669,849)
<p>Long-term assets and liabilities associated with the District's pension and OPEB plans are not recorded in the governmental funds as they don't provide or require current financial resources. These consist of:</p>		
Net OPEB asset (RHIA)	\$ 1,222,321	
Net pension liability (OPERS)	(49,336,578)	
Total pension liability (early retirement stipend benefit plan)	(6,853,885)	
Total OPEB liability (single-employer medical benefit plan)	<u>(3,740,290)</u>	(58,708,432)
<p>Net deferred outflows/(inflows) of resources associated with the District's pension and OPEB plans are not recorded in the governmental funds as they don't provide or require current financial resources.</p>		
		<u>(12,590,961)</u>
<b>TOTAL NET POSITION</b>		<u>\$ (12,817,482)</u>



**GRANTS PASS SCHOOL DISTRICT NO. 7**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	General Fund	Federal and Other Grants Fund	PERS Reserve Fund	Capital Projects Fund	Non-major Governmental Funds	Total
<b>REVENUES</b>						
Property taxes and other taxes	\$ 15,948,953	\$ -	\$ -	\$ 252,533	\$ -	\$ 16,201,486
Intergovernmental	52,286,451	9,110,206	-	49,999	4,164,542	65,611,198
Charges for services	501,120	-	-	-	264,282	765,402
Local grants and contributions	119,144	67,324	-	25,000	349,628	561,096
Investment earnings	51,827	-	18,904	1,716	-	72,447
Miscellaneous	1,089,828	21,864	-	186,085	182,116	1,479,893
<b>TOTAL REVENUES</b>	<b>69,997,323</b>	<b>9,199,394</b>	<b>18,904</b>	<b>515,333</b>	<b>4,960,568</b>	<b>84,691,522</b>
<b>EXPENDITURES</b>						
Current						
Instruction	43,503,913	5,839,151	-	35,656	567,269	49,945,989
Support services	27,231,829	2,733,050	-	294,259	645,591	30,904,729
Enterprise and community services	-	151,446	-	-	2,981,519	3,132,965
Facilities and acquisition	-	-	-	8,759,001	-	8,759,001
Debt service	146,392	-	-	376,266	1,153,910	1,676,568
<b>TOTAL EXPENDITURES</b>	<b>70,882,134</b>	<b>8,723,647</b>	<b>-</b>	<b>9,465,182</b>	<b>5,348,289</b>	<b>94,419,252</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(884,811)</b>	<b>475,747</b>	<b>18,904</b>	<b>(8,949,849)</b>	<b>(387,721)</b>	<b>(9,727,730)</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Proceeds from debt issuance	-	-	-	-	629,527	629,527
Proceeds from sale of capital assets	17,782	-	-	-	-	17,782
Transfers in	146,515	-	-	600,000	1,601,802	2,348,317
Transfers out	(1,337,327)	(410,990)	-	-	(600,000)	(2,348,317)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(1,173,030)</b>	<b>(410,990)</b>	<b>-</b>	<b>600,000</b>	<b>1,631,329</b>	<b>647,309</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(2,057,841)</b>	<b>64,757</b>	<b>18,904</b>	<b>(8,349,849)</b>	<b>1,243,608</b>	<b>(9,080,421)</b>
<b>FUND BALANCE, July 1, 2021</b>	<b>6,130,912</b>	<b>-</b>	<b>3,329,522</b>	<b>9,300,964</b>	<b>1,090,157</b>	<b>19,851,555</b>
<b>FUND BALANCE, June 30, 2022</b>	<b>\$ 4,073,071</b>	<b>\$ 64,757</b>	<b>\$ 3,348,426</b>	<b>\$ 951,115</b>	<b>\$ 2,333,765</b>	<b>\$ 10,771,134</b>

**GRANTS PASS SCHOOL DISTRICT NO. 7**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND**  
**BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2022**

<b>NET CHANGE IN FUND BALANCE</b>		\$ (9,080,421)
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
<p>Government funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation or amortization expense. This is the amount by which depreciation and amortization exceeded capital outlays in the current period.</p>		
Expenditures for capital assets	\$ 10,033,545	
Less current year depreciation and amortization	<u>(3,103,803)</u>	6,929,742
<p>Governmental funds do not report inventory balances under the purchase method of accounting for inventory while the Statement of Net Position does. This is the change in inventory in the current period.</p>		
		150,615
<p>Property taxes that do not meet the measurable and available criteria are not recognized as revenue in the current year in the governmental funds. In the Statement of Activities property taxes are recognized as revenue when levied.</p>		
		44,756
<p>Repayment of debt and lease principal is an expenditure in the governmental funds, but reduces the liability in the Statement of Net Position.</p>		
Debt proceeds	\$ (629,527)	
Long-term debt principal paid	927,790	
Leases principal paid	<u>129,962</u>	428,225
<p>In the Statement of Activities interest is accrued on long-term debt, whereas in the governmental funds it is recorded as interest expense when paid.</p>		
Interest paid	\$ 618,816	
Interest expense	<u>(475,349)</u>	143,467
<p>Add the change in net position from the activity in the internal service funds, as they are not included in the governmental fund financial statements, but are included in the government-wide Statement of Activities as the District has control of the funds.</p>		
		(2,371)
<p>Some expenses 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. These are the net effect of adjustments associated with the District's pension and OPEB plans.</p>		
OPERS	\$ 5,148,059	
Early Retirement Stipend Benefit Plan	(96,231)	
RHIA	170,923	
Single-Employer Medical Benefit Plan	<u>5,284</u>	5,228,035
<p>Compensated absences are recognized as an expenditure in the governmental funds when they are paid. In the Statement of Activities compensated absences are recognized as an expenditure when earned.</p>		
		<u>60,109</u>
<b>CHANGE IN NET POSITION</b>		<u><u>\$ 3,902,157</u></u>

**GRANTS PASS SCHOOL DISTRICT NO. 7  
STATEMENT OF NET POSITION  
INTERNAL SERVICE FUND  
YEAR ENDED JUNE 30, 2022**

	Insurance Reserve Fund
<b>ASSETS</b>	
Cash and investments	\$ 47,656
Accounts receivable	808
<b>TOTAL ASSETS</b>	<b>\$ 48,464</b>
 <b>LIABILITIES AND NET POSITION</b>	
Accounts payable	\$ 4,202
<b>TOTAL LIABILITIES</b>	4,202
 <b>NET POSITION</b>	
Unrestricted	44,262
<b>TOTAL NET POSITION</b>	<b>\$ 44,262</b>

**GRANTS PASS SCHOOL DISTRICT NO. 7  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
INTERNAL SERVICE FUND  
YEAR ENDED JUNE 30, 2022**

	<u>Insurance Reserve Fund</u>
<b>OPERATING REVENUES</b>	
Charges for services (interfund)	\$ 10,733
<b>TOTAL OPERATING REVENUES</b>	<u>10,733</u>
<b>OPERATING EXPENSES</b>	
Current:	
Support services	<u>13,104</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>13,104</u>
<b>OPERATING INCOME / (LOSS)</b>	<u>(2,371)</u>
<b>CHANGE IN NET POSITION</b>	(2,371)
<b>NET POSITION, July 1, 2021</b>	<u>46,633</u>
<b>NET POSITION, June 30, 2022</b>	<u><u>\$ 44,262</u></u>

**GRANTS PASS SCHOOL DISTRICT NO. 7  
STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUND  
YEAR ENDED JUNE 30, 2022**

	Insurance Reserve Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash from interfund services provided	\$ 10,687
Cash paid for services	<u>(11,780)</u>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>(1,093)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(1,093)
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<u>48,749</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u><u>\$ 47,656</u></u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING INCOME</b>	
Operating income (loss)	\$ (2,371)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	
Change in assets and liabilities:	
Receivable	(46)
Accounts payable	<u>1,324</u>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u><u>\$ (1,093)</u></u>

**NOTES TO THE FINANCIAL STATEMENTS**

**GRANTS PASS SCHOOL DISTRICT NO. 7**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**Note 1 - Summary of Significant Accounting Policies**

The financial statements of Grants Pass School District No. 7 (the District), Oregon have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting standards.

**The Reporting Entity**

The District was organized under provisions of Oregon Statutes pursuant to ORS Chapter 332 for the purpose of operating elementary and secondary schools. The District is governed by a separately elected seven-member Board of Education (Board) who approves the administrative officials. The daily functioning of the District is under the supervision of the Superintendent. As required by generally accepted accounting principles, all activities of the District have been included in the basic financial statements.

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

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

**Basis of Presentation**

***Government-wide Financial Statements***

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

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

Separate financial statements are presented for governmental funds and the internal service fund.

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

***Fund Financial Statements***

The fund financial statements provide information about the District's funds. Separate statements for each fund category 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.

**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**Basis of Presentation (continued)**

The District reports the following major governmental funds:

General Fund – This fund is the District's primary operating fund and accounts for all revenues and expenditures except those required to be accounted for in another fund.

Federal and Other Grants Fund – This fund, a special revenue fund, accounts for revenues and expenditures of grants restricted for specific educational purposes. Principal revenue sources are federal and state grants.

PERS Reserve Fund – This fund, a special revenue fund, provides resources to address the anticipated increase in mandated PERS contributions by the District. Principal revenue sources are investment earnings.

Capital Projects Fund – This fund accounts for activities related to the acquisition, construction, equipping and furnishing of facilities. Principal revenue sources are proceeds from purchase agreements, interest earnings, and capital grant funds.

Additionally, the District reports the following fund type:

Internal Service Fund – This fund is used to report activity that provides services on a cost reimbursement basis for the District's other programs and activities. As a result, this fund is reported as a governmental activity. The District currently has one internal service fund - the Insurance Reserve Fund. Internal activity is eliminated on the government-wide financial statements.

**Measurement Focus and Basis of Accounting**

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

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



**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**Cash and Investments**

The District's cash and cash equivalents consist of cash on hand and demand deposits.

The District's investments, authorized under state statute, consist of the State of Oregon Treasurer's Local Government Investment Pool (LGIP). 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. The Oregon State Treasury administers the LGIP. It is an open-ended no-load diversified portfolio offered to any agency, political subdivision or public corporation of the State that by law is made the custodian of, or has control of, any fund. The LGIP is commingled with the State's short-term funds. 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. The investments are regulated by the Oregon Short Term Fund Board and approved by the Oregon Investment Council (ORS 294.805 to 294.895).

**Cash Restricted under Purchase Agreement**

On October 23, 2020, the District entered into a Master Tax-Exempt Installment Purchase Agreement with U.S. Bancorp Government Leasing and Financing, Inc. Under the Purchase Agreement, proceeds of \$15,458,977 were deposited in an escrow account and remain until the purchase is submitted and approved by the District and the Seller. As of June 30, 2022, drawdowns of \$14,159,973 were approved and disbursed, and the balance of the escrow account was \$1,299,727.

**Property Taxes Receivable**

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

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

**Intergovernmental and Other Receivables**

Intergovernmental and other receivables consist primarily of charges for services, claims for reimbursement of costs under various federal and state grant programs and refunds of prior year expenditures.

**Inventories**

Inventory consists of supplies held for use. In the government-wide financial statements, inventories are stated at cost using the first-in, first-out (FIFO) method. In the fund financial statements, inventory is reported using the purchase method where purchases are charged to expense when purchased.

A portion of the inventory consists of donated United States Department of Agriculture (USDA) commodities. Commodities are recorded as expenditures when consumed and are stated at their fair market value based on guidelines provided by the USDA.

**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**Beneficial Interest in Trust**

The District recognizes its right to assets held by a trustee as beneficial interests in trusts when it has the unconditional right to receive all or a portion of the specified cash flows and the trustee does not have variance power.

The District recognizes its interests in this trust as a beneficial interest in trust and related deferred inflow measured at fair value. Subsequent adjustments to the assets' carrying value are reported as a change in the value of beneficial interest in trust and the related deferred inflow in the accompanying financial statements.

**Capital Assets**

Capital assets are recorded at original or estimated original cost. Donated capital assets are recorded at their estimated fair market value on the date donated. The District defines capital assets as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of one year. Interest incurred during construction is not capitalized. Maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Capital assets are depreciated using the straight-line method over the following useful lives:

Buildings and improvements - 10 to 50 years  
Vehicles - 10 to 20 years  
Machinery and equipment - 5 to 30 years  
Right-of-use - Depends on life of lease

**Self-Insurance**

The Internal Service Fund (Insurance Reserve Fund) address the various types of risk faced by the District. The District provides currently for potential losses to be incurred from pending claims.

The District is self-insured for costs up to policy deductible limits as follows:

- Fire loss, property damage, all risk (theft, vandalism, etc.) - \$5,000 per occurrence
- Workers' compensation claims - 100% coverage, no deductible

**Pension and Retirement Plans**

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

Additionally, the District offers eligible employees who elect early retirement a monthly stipend. Such costs are recorded as expense in the General Fund and funded as stipend benefits become due.

**GRANTS PASS SCHOOL DISTRICT NO. 7**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**Post-Employment Health Care Benefits**

The District's other post-employment benefit plan (OPEB) provides continued medical coverage to eligible retirees and their spouses and dependents until Medicare eligibility. The OPEB plan is an implicit rate subsidy for medical insurance.

Additionally, substantially all of the District's employees are participants in the State of Oregon Public Employees Retirement System (OPERS) – Retirement Health Insurance Account (RHIA). Contributions to OPERS RHIA are made on a current basis as required by the plan and are charged as expenses.

**Compensated Absences**

It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the District does not have a policy to pay any amounts when employees separate from service with the District. All unused vacation pay is accrued when earned in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignation and retirements.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition on net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

Additionally, the District has one type of deferred inflows which arises only under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet.

**Leases**

Leases are recognized in accordance with GASB Statement No. 87, Leases.

A lessee is required to recognize a lease payable and an intangible right-to-use lease asset. A lease payable is recognized at the net present value of future lease payments, and is adjusted over time by interest and payments. Future lease payments include fixed payments. The right-to-use asset is initially recorded at the amount of the lease liability plus prepayments less any lease incentives received prior to lease commencement, and is subsequently amortized over the life of the lease.

The District has chosen not to implement GASB 87 for the budgetary basis of accounting. For both the budgetary basis of accounting and for leases that do not meet the criteria for valuation under GASB 87, the District will report inflows of cash for lessor leases and outflows of cash for lessee leases.

**Long-term Debt**

In the government-wide financial statements, long-term debt is reported as a liability in the Statement of Net Position. Premiums and discounts are deferred and amortized over the life of the debt using the effective interest method. Debt is reported net of the applicable premium or discount.

**GRANTS PASS SCHOOL DISTRICT NO. 7**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**Long-term Debt (continued)**

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

**Net Position and Fund Balances**

In the government-wide financial statements, equity is classified as net position and displayed in three components:

*Net investment in capital assets* – consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

*Restricted net position* – Consists of net position with constraints placed on the use by either (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Restricted net position is reduced by liabilities and deferred inflows or resources related to the restricted assets.

*Unrestricted net position (deficit)* – consists of all other net position that does not meet the definition of the above two components and is available for general use by the District.

In the fund financial statements, governmental fund equity is classified in the following categories:

*Non-Spendable* – Includes items not immediately converted to cash, such as prepaid items and inventory.

*Restricted* – Includes items that are restricted by external creditors, grantors, or contributors, or restricted by legal constitutional provisions.

*Committed* – Includes items committed by the District's Board of Education, by formal board action.

*Assigned* – Includes items assigned for specific purposes, authorized by the District's Superintendent and/or Director of Business Services

*Unassigned* – This is the residual classification used for those balances not included in another category.

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

**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**Budget**

A budget is prepared and legally adopted for each governmental fund type on the modified accrual basis of accounting. This budgetary basis of accounting is different than accounting principles generally accepted in the United States of America (GAAP). The major differences between the budgetary and GAAP basis of accounting are that capital outlay and other long-term assets, and debt principal and other long-term liabilities, are included as budgeted expenditures in the governmental fund types. The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations.

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

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

During the fiscal year ended June 30, 2022, the District was in compliance with Local Budget Law, except for the following:

- Expenditures in excess of appropriations as follows:

<u>Fund</u>	<u>Appropriation</u>	<u>Expenditure</u>	<u>Variance</u>
Student Investment Account			
Support services	\$ 1,218,554	\$ 1,693,405	\$ (474,851)
Measure 98 Fund			
Support services	600,882	613,694	(12,812)
Bus Replacement Fund			
Debt service	-	545,039	(545,039)

**Use of Estimates**

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

**GRANTS PASS SCHOOL DISTRICT NO. 7**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**Adoption of New GASB Pronouncements**

The District has adopted and implemented the following GASB Statements which have become effective for the fiscal year ended June 30, 2022:

GASB Statement No. 87, *Leases*. This statement was issued June 2017 to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The implementation of this statement had no effect on net assets. There was an initial lease liability and right-of-use asset recorded in the amount of \$583,158. This resulted in a reclassification of opening balances that is reflected in *Note 5 - Capital Assets*, *Note 9 - Leases Payable* and *Note 10 - Long-Term Debt* of the District's financial statements.

GASB Statement No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period*. This Statement supersedes the requirements of paragraphs 5-22 of GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, and requires interest costs incurred before the end of a construction period to be recognized as expense in the period incurred under the economic resources measurement focus. Adoption of this statement had no effect on the District's financial statements.

**Future GASB Pronouncements**

The following GASB pronouncements have been issued, but are not effective as of June 30, 2022:

GASB Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. GASB Statement No. 91 will be effective for the District for the fiscal year ending June 30, 2023.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement's objective is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements for government end users. This Statement will be effective for the District for the fiscal year ending June 30, 2023.

GASB Statement No. 101, *Compensated Absences*. Issued in June 2022, this Statement updates recognition and measurement guidelines for compensated absences and is effective for the District for the fiscal year ending June 30, 2025.

The District will implement new GASB pronouncements no later than the required effective date. The District is currently evaluating whether or not the above-listed new GASB pronouncements will have a significant impact on the District's financial statements.

**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 2 - Cash and Investments**

Cash and investments are comprised of the following at June 30, 2022:

Petty cash	\$ 10,050
Carrying amount of demand deposits	6,071,697
Carrying amount of investments	4,123,487
Restricted purchase agreement	1,299,727
	<hr/>
Total cash and investments	<u>\$ 11,504,961</u>

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

Statement of Net Position	
Cash and investments	\$ 10,205,234
Cash restricted under purchase agreement	1,299,727
	<hr/>
Total Cash and Investments	<u>\$ 11,504,961</u>

***Deposits***

The Governmental Accounting Standards Boards has adopted accounting principles generally accepted in the United States of America (GAAP), which include standards to categorize deposits to give an indication of the level of custodial credit risk assumed by the District at June 30, 2022. If bank deposits at year end are not entirely insured or collateralized with securities held by the District or by its agent in the District's name, the District must disclose the custodial credit risk that exists. Deposits with financial institutions are comprised of bank demand deposits. For deposits in excess of federal depository insurance, Oregon Revised Statutes require depository institutions to be in compliance with ORS 295. For the fiscal year ended June 30, 2022, the carrying amounts of the District deposits in various financial institutions were \$7,370,701 and the bank balances were \$9,333,873. All deposits are held in the name of the District. Of the bank balance, \$8,833,873 is not covered by FDIC insurance. However, the balance is covered by the State of Oregon shared liability structure for participating bank depositories in Oregon, as identified by the State's Treasurer.

Effective July 1, 2008, House Bill 2901 created a shared liability structure for participating bank depositories in Oregon. Barring any exceptions, a qualifying bank depository is required to pledge collateral valued at least 10% of their quarter-end public fund deposits if they are well capitalized, 25% of the quarter-end public fund deposits if they are adequately capitalized, or 110% of the quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110% by the Office of State Treasurer. In the event of a bank failure, the entire pool of collateral pledged by all qualified Oregon public bank depositories is available to repay the deposits of public funds of governmental entities.

***Custodial Credit Risk***

Custodial credit risk for deposits is the risk that, in the event of a bank failure, a government's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk.

**GRANTS PASS SCHOOL DISTRICT NO. 7**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**Note 2 - Cash and Investments (continued)**

***Investments***

The District has invested funds in the State Treasurer's Oregon Short-term Fund Local Government Investment Pool during fiscal year 2022. The Oregon Short-Term Fund is the local government investment pool for local governments and was established by the State Treasurer. It was created to meet the financial and administrative responsibilities of federal arbitrage regulations. The investments are regulated by the Oregon Short-Term Fund Board and approved by the Oregon Investment Council (ORS 294.805 to 294.895). Local Government Investment Pool (LGIP) is an external investment pool managed by the State Treasurer's office, which allow governments within the state to pool their funds for investment purposes. The amounts invested in the pool are not classified by risk categories because they are not evidenced by securities that exist in physical or book entry form as defined by GASB statement No. 40. LGIP is not rated.

In addition, the Oregon State Treasury LGIP distributes investment income on an amortized cost basis and participants' equity in the pool is determined by the amount of participant deposits, adjusted for withdrawals and distributed income. Accordingly, the adjustment to fair value would not represent an expendable increase in the District's cash position.

Investments in the Oregon State Treasury LGIP are made under the provisions of ORS 194.180. These funds are held in the District's name and are not subject to collateralization requirements or ORS 295.015. Investments are stated at amortized cost, which approximated fair value.

State of Oregon statutes restrict the types of investments in which the District may invest. Authorized investments include obligations of the United States Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, time certificates of deposit, certain commercial paper, and the State of Oregon Treasurer's Local Government Investment Pool. At June 30, 2022, and for the year then ended, the District was in compliance with the aforementioned State of Oregon statutes.

***Credit Risk***

State Statutes authorize the District to invest primarily in general obligations of the U.S. government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, banker's acceptances, certain commercial papers, and the State Treasurer's Investment Pool, among others. The District has no formal investment policy that further restricts its investment choices.

***Concentration of Credit Risk***

The District is required to provide information about the concentration of credit risk associated with its investments in one issuer that represents 5 percent or more of the total investments, excluding investments in external investment pools or those issued and explicitly guaranteed by the U.S. Government. All the District's investments are in an external investment pool.

***Interest Rate Risk***

The District has no formal investment policy that explicitly limits investment maturities as a means of managing its exposure to fair value loss arising from increasing interest rates.



**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 2 - Cash and Investments (continued)**

***Investments (continued)***

***Disclosures about Fair Value of Assets***

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

*Level 1* - Unadjusted inputs using quoted prices in active markets for identical investments.

*Level 2* - Other significant observable inputs other than level 1 prices, including, but are not limited to, quoted prices for similar investments, inputs other than quoted prices that are observable for investments (such as interest rates, prepayment speeds, credit risk, etc.) or other market corroborated inputs.

*Level 3* - Significant inputs based on the best information available in the circumstances, to the extent observable inputs are not available.

***Disclosures about Fair Value of Assets***

Investments Measured at Fair Value:	Totals at June 30, 2022	Level One	Level Two	Level Three	Amortized Cost Measurement Not Measured at Fair Value
Local Government Investment Pool	\$ 4,123,487	\$ -	\$ -	\$ -	\$ 4,123,487
	<u>\$ 4,123,487</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,123,487</u>
Beneficial interest in trust: Beneficial interest in perpetual trust	\$ 247,980	\$ -	\$ -	\$ 247,980	\$ -
	<u>\$ 247,980</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 247,980</u>	<u>\$ -</u>

***Beneficial Interest in Perpetual Trusts***

Fair value is estimated at the present value of the future distributions expected to be received over the term of the agreement. Due to the nature of the valuation inputs and the perpetual nature of the trust, the interest is classified within Level 3 of the hierarchy.

**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 2 - Cash and Investments (continued)**

***Investments (continued)***

***Level 3 Reconciliation***

	Beneficial Interest in Perpetual Trust
Balance at July 1, 2021	\$ 288,109
Distributions	(12,415)
Net change in value of perpetual trust	(27,714)
Balance at June 30, 2022	\$ 247,980

**Note 3 - Receivables**

Receivables are comprised of the following at June 30, 2022:

	Taxes	Intergovernmental	Other	Total
General Fund	\$ 857,053	\$ 1,548,957	\$ 794,526	\$ 3,200,536
Federal and Other Grants Fund	-	872,485	636	873,121
Measure 98 Fund	-	414,415	-	414,415
Capital Projects Fund	53,678	58,221	-	111,899
Non-major Governmental:				
Food Service Fund	-	492,866	1,200	494,066
Cool Schools Fund	-	-	9,393	9,393
Bus Replacement Fund	-	-	179,785	179,785
Insurance Reserve Fund	-	-	808	808
	\$ 910,731	\$ 3,386,944	\$ 986,348	\$ 5,284,023

**Note 4 - Split-Interest Agreements**

**Beneficial Interest in Trust**

The District is the beneficiary of a trust created by a donor, the assets of which are not in the possession of the District. The District has the legally enforceable rights or claims to such assets, including the right to income therefrom. The trust is perpetual whereby the District receives the income or a designated portion of the income in perpetuity.

Income earned on trust assets is distributed to the District for the purpose of supporting Grants Pass High School Girls and Boys Summer Basketball programs as provided in the agreement, and was \$12,415 during 2022. Consistent with accounting principles generally accepted in the United States of America, these funds and changes in their fair value are included in the accompanying financial statements. The fair value of the beneficial interest in trust at June 30, 2022 was \$247,980.

**GRANTS PASS SCHOOL DISTRICT NO. 7**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**Note 5 - Capital Assets**

The changes in capital assets for the year ended June 30, 2022, are as follows:

	Balance June 30, 2021 as restated	Additions	Disposals	Transfers	Balance June 30, 2022
Capital assets not being depreciated:					
Land	\$ 2,373,073	\$ -	\$ -	\$ -	\$ 2,373,073
Construction in progress	8,457,443	-	-	(8,457,443)	-
Total capital assets not being depreciated	10,830,516	-	-	(8,457,443)	2,373,073
Capital assets being depreciated or amortized:					
Buildings and improvements	78,895,137	9,243,390	-	8,457,443	96,595,970
Vehicles	6,147,256	684,502	(990,698)	-	5,841,060
Machinery and Equipment	2,108,443	105,653	-	-	2,214,096
Right-of-use asset - equipment	583,158	-	-	-	583,158
Total capital assets being depreciated or amortized	87,733,994	10,033,545	(990,698)	8,457,443	105,234,284
Less accumulated depreciation or amortization for:					
Buildings and improvements	(33,342,479)	(2,431,613)	-	-	(35,774,092)
Vehicles	(4,003,249)	(398,192)	990,698	-	(3,410,743)
Machinery and equipment	(967,598)	(136,572)	-	-	(1,104,170)
Right-of-use asset - equipment	-	(137,426)	-	-	(137,426)
Total accumulated depreciation or amortization	(38,313,326)	(3,103,803)	990,698	-	(40,426,431)
Total capital assets:					
Land	2,373,073	-	-	-	2,373,073
Construction in progress	8,457,443	-	-	(8,457,443)	-
Buildings and improvements	45,552,658	6,811,777	-	8,457,443	60,821,878
Vehicles	2,144,007	286,310	-	-	2,430,317
Machinery and equipment	1,140,845	(30,919)	-	-	1,109,926
Right-of-use asset - equipment	583,158	(137,426)	-	-	445,732
Total capital assets, net	<u>\$ 60,251,184</u>	<u>\$ 6,929,742</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 67,180,926</u>

**Right-of-use assets**

A lease is defined as a contract that conveys control of the right of use of another entity's nonfinancial asset as specified in a contract for a period of time in an exchange or exchange-like transaction. The District is party to a variety of lease contracts as lessee for which this right-of-use (ROU) has been recognized as an asset on the balance sheet. This recognition is new for the current fiscal year due to the implementation of GASB 87. Further information on these transactions can be found in Note 9.

**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 5 - Capital Assets (continued)**

Depreciation and amortization expense for the year ended June 30, 2022 was charged to the following programs:

<u>Program</u>	
Instructional Services	\$ 1,845,881
Support Services	1,142,135
Community Services	<u>115,787</u>
Total	<u>\$ 3,103,803</u>

**Note 6 - Interfund Transactions**

Inter-fund transfers during the year ended June 30, 2022 were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 146,515	\$ 1,337,327
Student Investment Account Fund	-	410,990
Capital Projects Fund	600,000	-
Student Body Fund	14,475	-
Cool Schools Fund	-	600,000
Bus Replacement Fund	737,327	-
Debt Service Fund	<u>850,000</u>	<u>-</u>
Total transfers in/out	<u>\$ 2,348,317</u>	<u>\$ 2,348,317</u>

The District made transfers from the General Fund to the Capital Projects Fund for certain capital improvement/maintenance projects and to the Bus Replacement Fund for loan payments. Additionally, transfers were made from the Federal and Other Grants Fund and Cool Schools Fund to the Debt Service Fund, Student Body Fund and General Fund for debt service and other activity within the District.

Due to/from other funds at June 30, 2022, were as follows:

	<u>Due To</u>	<u>Due From</u>
General Fund	\$ 2,113,907	\$ 92,787
Federal and Other Grants Fund	1,914	2,125,088
Student Body Fund	66,070	1,928
Food Service Fund	557,697	-
Measure 98 Fund	-	414,415
Capital Projects Fund	-	46,848
Bus Replacement Fund	<u>-</u>	<u>58,522</u>
Total due to/from	<u>\$ 2,739,588</u>	<u>\$ 2,739,588</u>

Substantially all current obligations and payments are recorded by the General Fund for the District, these obligations and payments are then accounted for as due to or from the various funds affected. Governmental fund financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Under the modified accrual basis of accounting, the District transfers these funds within sixty days after year-end.

**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 7 - Unavailable/Unearned Revenues**

Governmental funds, under the modified accrual basis of accounting, accrue deferred revenue for revenue amounts unearned or unavailable. Government-wide reporting, as well as in internal service fund, use full accrual accounting and report only unearned revenue. Unavailable revenue (deferred inflows) result in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Unearned revenue result in connection with resources that have been received, but not yet earned.

At the end of the current fiscal year, the various components of unavailable (deferred inflow) and unearned revenue in the governmental funds were as follows:

	Unavailable	Unearned	Total
General Fund:			
Property taxes	\$ 709,333	\$ -	\$ 709,333
Federal and Other Grants Fund:			
State programs	-	818,118	818,118
Total	\$ 709,333	\$ 818,118	\$ 1,527,451

The Federal and Other Grants Fund includes programs funded by local, intermediate, state and federal resources.

**Note 8 - Accrued Compensated Absences**

The changes in accrued compensated absences for the year ended June 30, 2022 are as follows:

	Accrued June 30, 2021	Earned	Taken	Accrued June 30, 2022
Governmental Activities	\$ 191,764	\$ 159,719	\$ 219,828	\$ 131,655

**Note 9 - Leases Payable**

The District is the lessee under 22 non-cancellable lease agreements related to copiers which are qualified leases under GASB Statement No. 87 with periods covering various ranges and the latest expiring in February 2027. Monthly payments for the current year range from \$25 to \$6,595, with an interest rate of 3.28%.

**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 9 - Leases Payable (continued)**

During the year ended June 30, 2022, lease principal and interest payments of \$129,962 and \$16,430 were made, respectively. Leases payable at June 30, 2022 consisted of the following:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 136,569	\$ 12,415	\$ 148,984
2024	131,724	7,948	139,672
2025	111,980	4,040	116,020
2026	70,305	767	71,072
2027	2,618	23	2,641
	<u>\$ 453,196</u>	<u>\$ 25,193</u>	<u>\$ 478,389</u>

Changes in leases payable in the government-wide financial statements for the fiscal year ended June 30, 2022 are as follows:

	Balance June 30, 2021 as restated	Additions	Reductions	Balance June 30, 2022	Due in One Year
Governmental Activities	\$ 583,158	\$ -	\$ 129,962	\$ 453,196	\$ 136,569

**Note 10 - Long-Term Debt**

**Loans Payable**

On April 30, 2018 the District entered into a loan to finance the purchase of buses that matures on May 30, 2024. The loan is payable in seven annual payments of \$175,354, including implied interest at 3.68%. The cost of the buses was \$1,104,040, with accumulated depreciation of \$552,020 and a net book value of \$552,020 as of June 30, 2022.

On October 25, 2019 the District entered into a loan to finance the purchase of buses that matures on November 25, 2028. The loan is payable in ten annual payments of \$156,591, including implied interest at 3.38%. The cost of the buses was \$1,350,564, with accumulated depreciation of \$405,169 and a net book value of \$945,395 as of June 30, 2022.

On September 29, 2020 the District entered into a loan to finance the purchase of buses that matures on October 15, 2024. The loan is payable in five annual payments of \$33,309, including implied interest at 2.58%. The cost of the buses was \$158,540, with accumulated depreciation of \$31,708 and a net book value of \$126,832 as of June 30, 2022.

**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 10 - Long-Term Debt (continued)**

**Loans Payable (continued)**

On July 15, 2021 the District entered into a loan to finance the purchase of buses that matures on November 5, 2031. The loan included an initial payment of \$179,785 and is payable in 10 annual payments of \$58,522, including implied interest at 3.28%. The cost of the buses was \$645,527, with accumulated depreciation of \$62,953 and a net book value of \$566,574 as of June 30, 2022.

The payment schedule of principal and interest for the loans payable are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 361,843	\$ 61,933	\$ 423,776
2024	374,029	49,502	423,531
2025	211,771	36,651	248,422
2026	185,313	29,800	215,113
2027	191,529	23,584	215,113
2028-2031	513,988	33,196	547,184
	<u>\$ 1,838,473</u>	<u>\$ 234,666</u>	<u>\$ 2,073,139</u>

Interest paid on loans payable was \$57,799 and interest expense for the current fiscal year was \$68,989.

**Notes Payable**

**Full Faith and Credit Financing Agreement**

On December 19, 2014, the District entered into a Full Faith and Credit Financing Agreement (the Agreement) and an associated Note with Evergreen Federal Bank (the Bank) for the purpose of financing the cost of constructing and equipping additional elementary school classrooms at existing elementary schools and to pay all costs incidental thereto. The obligation of the District to make the payments under the Agreement is a full faith and credit obligation of the District, and is not subject to annual appropriation. The Bank shall not have a lien or security interest on any property of the District, including the property financed with the proceeds of the Agreement. All or any portion of the outstanding balance may be prepaid without penalty on any business day. The Agreement contains a provision that in an event of default, the Bank may exercise any remedy available at law or in equity; however, the payments are not subject to acceleration. The bank, at its election may declare that the principal amount of the Note then outstanding shall bear interest at the default rate.

On September 9, 2015, the District entered into an Amended and Restated Full Faith and Credit Financing Agreement and an associated Amended and Restated Note with the Bank. The Amended and Restated Finance Agreement increased the maximum aggregate principal borrowing amount to \$4,500,000.

On or before December 31, 2015, the District made the final draw under the Amended and Restated Finance Agreement and the Note. The District paid accrued interest through December 31, 2015 and started making principal and interest payments in February of 2016. The Bank prepared an amortization in alignment with the Note showing the outstanding balance amortized in 180 substantially equal monthly payments of principal and interest, commencing on February 1, 2016 with a final maturity date of January 1, 2031. The outstanding balance shall bear interest at 3.00 percent per annum.

**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 10 - Long-Term Debt (continued)**

**Notes Payable (continued)**

The repayment schedule of principal and interest for the note are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 294,974	\$ 81,292	\$ 376,266
2024	303,946	72,320	376,266
2025	313,191	63,075	376,266
2026	322,717	53,549	376,266
2027	332,532	43,733	376,265
2028 - 2031	1,276,832	71,375	1,348,207
	<u>\$ 2,844,192</u>	<u>\$ 385,344</u>	<u>\$ 3,229,536</u>

Interest paid on the above debt was \$89,999 and interest expense for the current fiscal year was \$89,341.

**Tax-Exempt Installment Purchase Agreement**

On October 23, 2020, the District (Purchaser) entered into a purchase agreement with U.S. Bancorp Government Leasing and Finance, Inc. (Seller) in the amount of \$15,458,977. The purchase agreement carries an interest rate of 1.96%. The proceeds are for certain energy saving equipment, and the purchase agreement is secured by the equipment. The agreement contains a provision that in the event of default, the Seller may exercise any remedy available at law or in equity, including declaring all installment payments due. The District's semi-annual payments of principal and interest are due April 23 and October 23 each year. Prepayment is permitted in whole at any time by payment of the remaining payment schedule balance plus accrued and unpaid interest through the date of prepayment. The loan matures on October 23, 2036.

The repayment schedule of principal and interest for the note are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 922,206	\$ 295,536	\$ 1,217,742
2024	940,374	277,368	1,217,742
2025	958,900	258,842	1,217,742
2026	977,789	239,953	1,217,742
2027	997,052	220,690	1,217,742
2028-2032	5,287,746	682,434	5,970,180
2033-2037	5,220,627	259,192	5,479,819
	<u>\$ 15,304,694</u>	<u>\$ 2,234,015</u>	<u>\$ 17,538,709</u>

Interest paid on the above debt was \$454,588 and interest expense for the current fiscal year was \$300,589.



**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 10 - Long-Term Debt (continued)**

The changes in long-term debt for the year ended June 30, 2022 are as follows:

	Balance June 30, 2021 as restated	Additions	Reductions	Balance June 30, 2022	Due in One Year
Long-Term Debt					
Notes Payable					
Full Faith and Credit Obligation - direct borrowing	\$ 3,130,459	\$ -	\$ 286,267	\$ 2,844,192	\$ 294,974
Tax-Exempt Installment Purchase - direct borrowing	15,458,977	-	154,283	15,304,694	922,206
	<u>18,589,436</u>	<u>-</u>	<u>440,550</u>	<u>18,148,886</u>	<u>1,217,180</u>
Loans Payable					
Bus loans	1,696,186	629,527	487,240	1,838,473	361,843
	<u>\$ 20,285,622</u>	<u>\$ 629,527</u>	<u>\$ 927,790</u>	<u>\$ 19,987,359</u>	<u>\$ 1,579,023</u>

**Note 11 - Defined Pension Benefit Plan**

**Tax Sheltered Annuity Plan**

The District offers its employees a tax deferred annuity program established pursuant to Section 403(b) of the Internal Revenue Code (the Code), and deferred compensation program pursuant to Section 457 of the Internal Revenue Code. Contributions are made through salary reductions from participating employees up to the amounts specified in the Code. The District provides no matching component for employee contributions.

**Early Retirement Stipend Benefit Plan**

***Plan Description***

The District provides a single-employer defined benefit early retirement stipend pension plan for eligible Administrative, Licensed, Supervisory, and Confidential employees who retire with 15 years of service with the District, and Classified employees hired before July 1, 2006 who retire on or after age 55 with 20 years of District service. Generally, the program covers all who meet Oregon PERS retirement eligibility and are receiving benefits from Oregon PERS. For Tier 1 or Tier 2 members they may retire earlier of age 55, or any age with 30 years of service. OPSRP members must be age 55 or older with five years of service.

Administrative, Licensed, Supervisory, and Confidential employees are entitled to a monthly stipend equal to 1/84th of the employee's annual salary at retirement, which continues until (1) death, (2) reaching the age of 65, or (3) the receipt of 84 payments, whichever occurs first. Classified employees are entitled to a monthly stipend, based on a sliding scale rate depending on years of service, plus \$100 per month until (1) the employee becomes eligible for full Social Security benefits, (2) reaching the age of 65, or (3) the receipt of 60 months of payments, whichever occurs first.

**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 11 - Defined Pension Benefit Plan (continued)**

**Early Retirement Stipend Benefit Plan (continued)**

***Employees Covered by Benefit Terms***

At June 30, 2022, the following employees were covered by the stipend benefit terms:

Inactive participants	48
Active participants	460
	508

***Total Stipend Pension Liability***

The district's total stipend pension liability of \$6,853,885 was measured as of June 30, 2022, and was determined by an actuarial valuation date as of July 1, 2020.

***Actuarial Assumptions and Other Inputs***

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

Input	Assumption
Actuarial Cost Method	Entry age normal, level percent of salary
Interest Rate Utilized for Discounting	2.25% per year, based on all years discounted at municipal bond rate
General Inflation	2.0% per year
Salary Scale	3.0% per year
Salary Merit Scale	Total payroll increase is overall payroll growth plus a merit table
Annual Premium Increase Rate	Between 3.5% and 6.0% annually
Mortality Rates	Basic table: Pub-2010 Teachers table, Employee/Healthy Annuitant, sex distinct, generational, no setback
Turnover Rates	As developed for the valuation of benefits under Oregon PERS, depending on YOS
Disability Rates	As developed for the valuation of benefits under Oregon PERS, age dependent
Retirement Rates	As developed for the valuation of benefits under Oregon PERS
Plan Enrollment	Current and future retirees are assumed to remain enrolled in the plans in which currently enrolled if any
Marital Status	70% of future retirees electing coverage are assumed to cover a spouse as well
Coverage of Eligible Children	The actuary assumed no impact of dependent children on the implicit subsidy

***Changes in the Stipend Pension Liability***

Stipend Pension Liability at June 30, 2021	\$ 7,384,099
Changes for the year:	
Service cost	339,287
Interest	167,672
Differences between expected and actual	-
Changes in assumptions	(494,552)
Benefit payments	(542,621)
Stipend Pension Liability at June 30, 2022	\$ 6,853,885

***Stipend Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources***

For the year ended June 30, 2022, the District recognized stipend pension expense of \$96,231. The \$96,231 was treated as an increase of payroll related expense in the Statement of Activities and allocated to Instruction, Supporting Services, and Community Services using allocation percentages of 64%, 32% and 4%, respectively.

**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 11 - Defined Pension Benefit Plan (continued)**

**Early Retirement Stipend Benefit Plan (continued)**

At June 30, 2022, the District reported the following deferred outflows and deferred inflows associated with its stipend pension plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 441,507	\$ -
Changes of assumptions	315,311	423,902
Total	\$ 756,818	\$ 423,902

Other amounts reported as deferred outflows of resources and deferred inflows of resources (prior to post-measurement date contributions) related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Net Deferred Outflow/(Inflow) of Resources
2023	\$ 131,893
2024	131,893
2025	131,899
2026	3,942
2027	3,941
Thereafter	(70,652)
Total	\$ 332,916

***Sensitivity of the Total Stipend Pension Liability to Changes in the Discount Rate***

The following presents the total stipend pension liability of the District, as well as what the District's total pension stipend liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate:

	1% Decrease Rate 2.50%	Current Discount Rate 3.50%	1% Increase Rate 4.50%
Total Pension Liability	\$ 7,244,537	\$ 6,853,885	\$ 6,479,430

***Changes in Assumptions***

A summary of key changes implemented since the July 1, 2018 valuation are noted below:

- The interest rate for discounting future liabilities was changed to reflect current municipal bond rates.
- Premium increase rates were modified to reflect anticipated experience and current Oregon law.
- Demographic assumptions were revised to match (as closely as possible) those developed in the most recent experience study for Oregon PERS.

**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 11 - Defined Pension Benefit Plan (continued)**

**Early Retirement Stipend Benefit Plan (continued)**

**OPERS Plan**

***Plan Description***

Employees are provided pensions as participants under one or more plans currently available through Oregon Public Employees Retirement System (OPERS), a cost-sharing multiple-employer defined benefit plan in accordance with Oregon Revised Statutes Chapter 238, Chapter 238A, and Internal Revenue Service Code Section 401(a).

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

The ORS Chapter 238 Defined Benefit Plan was closed to new members hired on or after August 29, 2003. In 1995, the Oregon Legislature created a second tier of benefits for those who became OPERS Program members after 1995 but before August 29, 2003. The second tier does not have the Tier One assumed earnings rate guarantee.

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

**Pension Benefits** – All benefits of the System are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapter 238 and 238A.

**Tier One/Tier Two Retirement Benefit (Chapter 238)**

**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 (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 a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results. Monthly payments must be a minimum of \$200 per month or the member will receive a lump-sum payment of the actuarial equivalent of benefits to which he or she is entitled.

Under Senate Bill 1049, passed during 2019 legislative session, the salary included in the determination of final average salary will be limited for all members beginning in 2021. The limit will be equal to \$197,730 in 2021 and will be indexed with inflation in later years.

**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 11 - Defined Pension Benefit Plan (continued)**

**OPERS Plan (continued)**

**Tier One/Tier Two Retirement Benefit (Chapter 238) (continued)**

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

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

- Member was employed by an OPERS employer at the time of death,
- Member died within 120 days after termination of OPERS-covered employment,
- Member died as a result of injury sustained while employed in an OPERS-covered job, or
- 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 non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member 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 when determining the monthly benefit.

**Benefit Changes After Retirement** – Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of the underlying global equity investments of that account.

Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.

**OPSRP Pension Program (Chapter 238A)**

**Pension Benefits** – The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003. 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:

*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.

Under Senate Bill 1049, passed during 2019 legislative session, the salary included in the determination of final average salary will be limited for all members beginning in 2021. The limit will be equal to \$197,730 in 2021, and will be indexed with inflation each year.

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

**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 11 - Defined Pension Benefit Plan (continued)**

**OPERS Plan (continued)**

**OPSRP Pension Program (Chapter 238A) (continued)**

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

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

**Benefit Changes After Retirement** – Under ORS 238.360, monthly benefits are adjusted annually through cost-of-living adjustment (COLA). The COLA is capped at 2.0 percent.

**Funding Policy** - 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.

**Contributions** - OPERS' funding policy provides for periodic member and employer contributions at rates established by the Public Employees Retirement Board, subject to limits set in statute. The rates established for member and employer contributions were approved based on the recommendations of the System's third-party actuary.

**Employer 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 OPEB plans.

Employer contributions during the period July 1, 2021 through June 30, 2023, were and are based on the December 31, 2019 actuarial valuation, which became effective July 1, 2021. For the period July 1, 2021 through June 30, 2022, net employer contribution rates were 26.78% for Tier 1/Tier 2 employees and 23.72% for OPSRP General Employees. Employer contributions for the year ended June 30, 2022 were \$10,810,382.

**Member Contributions** - Beginning January 1, 2004, all the member contributions, except for contributions by judge members, were placed in the OPSRP Individual Account Program (IAP). Prior to that date, all member contributions were credited to the Defined Benefit Pension Plan. Member contributions are set by statute at 6.0 or 7.0 percent of salary and are remitted by participating employers. The contributions are either deducted from member salaries or paid by the employers on the members behalf.

**Oregon PERS Annual Comprehensive Financial Report (ACFR)**

OPERS prepares their financial statements in accordance with GAAP as set forth in GASB pronouncements that apply to fiduciary funds and enterprise funds. The accrual basis of accounting is used for all funds. Revenues are recognized when earned. Contributions recognized when due, pursuant to legal (or statutory) requirements. Benefits and withdrawals are recognized when they are currently due and payable in accordance with the terms of the plans. Investments are recognized at fair value, the amount that could be received to sell an asset or paid to transfer a liability in an orderly transaction in between market participants at the measurement date. OPERS produces an independently audited ACFR which can be found at:

<http://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>

**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 11 - Defined Pension Benefit Plan (continued)**

**OPERS Plan (continued)**

**OPSRP Pension Program (Chapter 238A) (continued)**

***Actuarial Valuation***

The employer contribution rates effective July 1, 2021, through June 30, 2023, were set using the entry age normal actuarial cost method. Under this cost method, each active member's entry age present value of projected benefits is allocated over the member's service from the member's date of entry until their assumed date of exit, taking into consideration expected future compensation increases.

***Actuarial Methods and Assumptions Used in Developing Total Pension Liability***

Valuation date	December 31, 2019
Measurement date	June 30, 2021
Experience study	2018, published July 24, 2019
Actuarial cost method	Entry age normal
Actuarial assumptions:	
Inflation rate	2.40 percent
Long-term expected rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increases	3.40 percent
Cost of living adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision: blend based on service.
Mortality	<p><i>Healthy retirees and beneficiaries:</i> Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><i>Active members:</i> Pub-2010 Employee, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><i>Disabled retirees:</i> Pub-2010 Disabled Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 11 - Defined Pension Benefit Plan (continued)**

**OPERS Plan (continued)**

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 2018 Experience Study, which reviewed experience for the four-year period ending on December 31, 2018.

***Discount Rate***

The discount rate used to measure the total pension liability was 6.90 percent for the Defined Benefit Pension Plan, a reduction approved by the Board from 7.20 percent in the prior fiscal year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

***Assumed Asset Allocation***

Asset Class	Target Allocation
Cash	0.00%
Debt securities	20.00%
Public equity	32.50%
Private equity	17.50%
Real estate	12.50%
Alternative equity	15.00%
Risk parity	2.50%
Total	100.00%

***Investment Rate of Return***

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the OPERS 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.



**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 11 - Defined Pension Benefit Plan (continued)**

**OPERS Plan (continued)**

***Investment Rate of Return (continued) –***

The table below shows Milliman’s assumptions for each of the asset classes in which the plan was invested at the time based on the OIC long-term target asset allocation. The OIC’s description of each asset was used to map the target allocation to the asset classes shown below.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>20-Year Annualized Geometric Mean</u>
Global equity	30.62%	5.85%
Private equity	25.50%	7.71%
Core fixed income	23.75%	2.73%
Real estate	12.25%	5.66%
Master limited partnerships	0.75%	5.71%
Infrastructure	1.50%	6.26%
Commodities	0.63%	3.10%
Hedge fund of funds - multistrategy	1.25%	5.11%
Hedge fund equity - hedge	0.63%	5.31%
Hedge fund - macro	5.62%	5.06%
US cash	-2.50% *	1.76%
Total	<u>100.00%</u>	
Assumed inflation - mean		2.40%

\* Negative allocation to cash represents leveled exposure from allocation to risk parity strategy.

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

At June 30, 2022, the District reported a liability of \$49,336,578 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. The District’s proportion of the net pension liability was based on the District’s long-term contribution effort to the pension plan compared with the total projected long-term contribution effort of all participating employers, actuarially determined. At June 30, 2021 (measurement date), the District’s proportion was approximately 0.4122898 percent.

For the year ended June 30, 2022, the District recognized a reduction to pension expense of \$5,148,059. The \$5,148,059 was treated as an decrease of payroll related expense in the Statement of Activities and allocated to Instruction, Support Services and Community Services using allocation percentages of 64%, 32%, and 4%, respectively.

**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 11 - Defined Pension Benefit Plan (continued)**

**OPERS Plan (continued)**

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

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 4,618,226	\$ -
Changes of assumptions	12,350,431	129,844
Net difference between projected and actual earning on investments	-	36,523,487
Changes in proportionate share	272,446	6,594,776
Differences between employer contributions and employers proportionate share of system contributions	3,038,603	-
Contributions subsequent to measurement date	<u>10,810,382</u>	<u>-</u>
Total	<u>\$ 31,090,088</u>	<u>\$ 43,248,107</u>

The \$10,810,382 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2023.

Other amounts reported as deferred outflows of resources and deferred inflows of resources (prior to post-measurement date contributions) related to pensions will be recognized in pension expense or (expense reduction) as follows:

<u>Year Ended June 30,</u>	<u>Net Deferred Outflow/(Inflow) of Resources</u>
2023	\$ (4,048,819)
2024	(4,409,980)
2025	(6,241,679)
2026	(9,302,328)
2027	<u>1,034,405</u>
Total	<u>\$ (22,968,401)</u>

***Sensitivity for the District's Proportionate Share of the Net Pension Liability to Changes in Discount Rate***

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.90 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percent lower (5.90 percent) or one percent higher (7.90 percent) than the current rate:

<u>District's Net Pension Asset/(Liability)</u>	<u>1% Decrease (5.90%)</u>	<u>Current Discount Rate (6.90%)</u>	<u>1% Increase (7.90%)</u>
Defined Benefit Pension	<u>\$ (96,885,238)</u>	<u>\$ (49,336,578)</u>	<u>\$ (9,555,608)</u>

**GRANTS PASS SCHOOL DISTRICT NO. 7**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**Note 11 - Defined Pension Benefit Plan (continued)**

**OPERS Plan (continued)**

***Changes in Assumptions and Methods***

A summary of key changes implemented since the December 31, 2019, calculation can be found in the 2020 Experience Study for the System, which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/Actuarial/2021/2020-Experience-Study.pdf>

- Reduce the long-term inflation assumption from the current 2.50% to 2.40% or lower
- Reduce the system payroll growth assumption from the current 3.50% to 3.40% or lower, paralleling the change in inflation
- The current investment return assumption of 7.20% per year should be lowered at 0.20%, based on PERS' current target allocation
- Update the assumption for future administrative expenses and use a combined assumption amount for the Tier 1/Tier 2 and OPSRP programs
- Update the RHIPA health cost trend assumption
- Adjust the base mortality table assumption and make a routine update to the mortality improvement scale for all groups
- Adjust retirement rates for certain member categories and service bands to more closely align with recent and expected future experience
- Increase the merit component of the individual member salary increase assumption for all member categories
- Update pre-retirement termination of employment assumptions for one member category
- Lower assumed rates of ordinary (non-duty) disability and general service duty disability incidence
- Increase the Tier 1 unused vacation cash out assumption for three member categories
- Increase the Tier 1/Tier 2 unused sick leave assumption for all member categories
- Decrease the healthy and disabled likelihood of program participation assumptions for the RHIA retiree healthcare program
- Decrease the RHIPA likelihood of program participation assumption for most service bands
- Revise the parameters of the rate collar methodology to only restrict changes in the Unfunded Actuarial Liability (UAL) Rate contribution rate component and to narrow the width of allowable changes
- Introduce a methodology for UAL Rate amortization in the RHIA or RHIPA programs when one or both are in an actuarial surplus position (over 100% funded)
- Update the assumed system-average level of member redirect contributions to Tier 1/Tier 2 and OPSRP reflecting the projected effects of HB 2906, which passed in June 2021.

**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 11 - Defined Pension Benefit Plan (continued)**

**OPERS Plan (continued)**

**Defined Contribution Plan – Individual Account Program (IAP)**

***Pension Benefits***

Participants in OPERS defined benefit pension plans also participate in their defined contribution plan. The IAP is an individual account-based program under the PERS tax-qualified governmental plan as defined under ORS 238A.400. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. All covered employees are required by State statute to contribute 6% of their salary to the plan. 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.

***Contributions*** - Starting July 1, 2020, Senate Bill 1049 required a portion of member contributions to their IAP accounts to be redirected to the Defined Benefit fund. If the member earns more than \$2,500 per month (increased to \$2,535 per month on January 2021) 0.75 percent (if OPSRP member) or 2.5 percent (if Tier One/Tier Two member) of the member's contributions that were previously contributed to the member's IAP now fund the new Employee Pension Stability Accounts (EPSA). The EPSA accounts will be used to fund the cost of future pension benefits without changing those benefits, which means reduced contributions to the member's IAP account. Members may elect to make voluntary IAP contributions equal to the amount redirected.

EPSA redirect is only triggered when the member's gross pay in a month exceeds the monthly salary threshold, tied to the annual Consumer Price Index (All Urban Consumers, West Region).

**Note 12 - Postemployment Benefits Other Than Pensions (OPEB)**

The District has two separate other post-employment benefits (OPEB) plans. The District provides a single employer defined benefit health care plan (Single-Employer Post-Retirement Health Care Plan) to staff that were hired before July 1, 2003 and the District contributes to the State of Oregon's PERS cost-sharing multiple employer defined benefit plan (RHIA).

**Single-Employer Post-Retirement Health Care Plan**

***Plan Description***

The District maintains a single-employer post-retirement healthcare (OPEB) plan that provides implicit post-employment health care benefits to eligible employees and their spouses and dependents until Medicare eligibility.

**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 12 - Postemployment Benefits Other Than Pensions (OPEB) (continued)**

**Single-Employer Post-Retirement Health Care Plan (continued)**

***Plan Description***

Generally, the plan covers all who meet Oregon PERS retirement eligibility and are receiving benefits from Oregon PERS. For Tier 1 or Tier 2 members they may retire earlier of age 55, or any age with 30 years of service. OPSRP members must be age 55 or older with five years of service. All classes of employees are eligible to continue medical coverage upon retirement. Qualified spouses, domestic partners, and children may qualify for coverage. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

The District's OPEB plan was established in accordance with Oregon Revised Statutes (ORS) 243.303, which requires that all eligible retirees are allowed to continue receiving health insurance benefits, at their cost, until Medicare eligibility for the retiree (or until dependent children become ineligible). ORS stipulate that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees. Their requirement to make available to retirees (at the retirees own cost) access in to the healthcare plan has an implicit cost to the District.

***Funding Policy***

The benefits from the single-employer defined benefit OPEB plan are paid by the District based on bargaining agreement language and contributions by employees are also required. The plan is not accounted for in a pension trust fund; therefore, designated funds are not legally restricted to pay future benefits. The benefits from the healthcare plan established in accordance with ORS 243.303 are paid by the retired employees on a self-pay basis and the required contribution is based on projected pay-as-you go financing requirements. There is no obligation on the part of the District to fund these benefits in advance. The District did not establish an irrevocable trust (or equivalent arrangement) to account for the plan.

***Employees Covered by Benefit Terms***

At June 30, 2022, the following employees were covered by the implicit benefit terms:

Inactive participants	40
Active participants	679
	<u>719</u>

***Total OPEB Liability***

The District's total OPEB liability of \$3,740,290 was measured as of June 30, 2022, and was determined by an actuarial valuation date as of July 1, 2020.

**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 12 - Postemployment Benefits Other Than Pensions (OPEB) (continued)**

**Single-Employer Post-Retirement Health Care Plan (continued)**

***Actuarial Assumptions and Other Inputs***

The actuarial valuation used for the single-employer post-retirement health care plan is identical to the actuarial valuation details related to the early retirement stipend benefit plan disclosed in *Note 11 – Defined Pension Benefit Plan*.

***Changes in the Total OPEB Liability***

Total OPEB Liability at June 30, 2021	\$	3,932,383
Changes for the year:		
Service cost		257,021
Interest		92,113
Differences between expected and actual		-
Changes in assumptions		(350,262)
Benefit payments		(190,965)
		(523,194)
Total OPEB Liability at June 30, 2022	\$	3,740,290

***OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources***

For the year ended June 30, 2022, the District recognized a decrease of OPEB expense of \$5,284. The \$5,284 was treated as a decrease of payroll related expense in the Statement of Activities and allocated to Instruction, Supporting Services, and Community Services using allocation percentages of 64%, 32% and 4%, respectively.

At June 30, 2022, the District reported the following deferred outflows or inflows associated with its OPEB plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 70,518	\$ 250,217
Changes of assumptions	-	454,128
Total	\$ 70,518	\$ 704,345

**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 12 - Postemployment Benefits Other Than Pensions (OPEB) (continued)**

***OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources (continued)***

Amounts reported as deferred outflows of resources and deferred inflows of resources (prior to post-measurement contributions) related to OPEBs will be recognized in OPEB expense as follows:

Year Ended June 30,	Net Deferred Outflow/(Inflow) of Resources
2023	\$ (163,453)
2024	(163,453)
2025	(163,457)
2026	(33,229)
2027	(33,229)
Thereafter	(77,006)
Total	\$ (633,827)

***Sensitivity of the Total OPEB Liability to Changes in the Discount Rate***

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate:

	1% Decrease 2.5%	Current Discount 3.5%	1% Increase 4.5%
Total OPEB Liability	\$ 4,016,607	\$ 3,740,290	\$ 3,482,622

***Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates***

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates:

	1% Decrease 2.5%, trending up to 5.0%, then back down to 3.5%	Current Trend Rate 3.5%, trending up to 6.0%, then back down to 4.5%	1% Increase 4.5%, trending up to 7.0%, then back down to 5.5%
Total OPEB Liability	\$ 3,315,683	\$ 3,740,290	\$ 4,239,683

**GRANTS PASS SCHOOL DISTRICT NO. 7**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**Note 12 - Postemployment Benefits Other Than Pensions (OPEB) (continued)**

***Changes in Assumptions and Methods***

A summary of key changes implemented since the July 1, 2018 valuation are noted below:

- The interest rate for discounting future liabilities was changed to reflect current municipal bond rates.
- Premium increase rates were modified to reflect anticipated experience and current Oregon law.
- Demographic assumptions were revised to match (as closely as possible) those developed in the most recent experience study for Oregon PERS.

**Retirement Health Insurance Account (RHIA)**

***Plan Description***

As a member of Oregon Public Employees Retirement System (OPERS), the District contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other post-employment benefit plan administered by OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute (ORS) 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants hired on or after August 29, 2003.

***OPEB Benefits***

Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to \$60 dollars or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the Retirement Health Insurance Account established by the employer, and any monthly cost in excess of \$60 dollars shall be paid by the eligible retired member in the manner provided in ORS 238.410.

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

***Contributions***

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by OPERS. The contribution rates in effect for the year ended June 30, 2022 for the OPEB program were: Tier1/Tier 2 – 0.05%, and OPSRP general service – 0.00%. The District contributed \$7,905 for the year ended June 30, 2022.

***Oregon PERS Annual Comprehensive Financial Report (ACFR)***

Oregon PERS produces an independently audited ACFR which can be found at:

<http://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>



**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 12 - Postemployment Benefits Other Than Pensions (OPEB) (continued)**

**Retirement Health Insurance Account (RHIA) (continued)**

***Actuarial Valuation***

The actuarial valuation used for RHIA is identical to the actuarial valuation details related to the OPERS Plan disclosed in *Note 11 – Defined Benefit Pension Plan* except the table listed below:

Actuarial assumptions:

Retiree healthcare participation	Healthy retirees: 35%; Disabled retirees: 20%
Healthcare cost trend rate	Not applicable

The actuarial valuation details are the Actuarial Methods and Assumptions, Discount Rate, Assumed Asset Allocation, Investment Rate of Return, and Mortality Tables.

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

At June 30, 2022, the District reported \$1,222,321 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2021, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2019. The District's proportion of the net OPEB asset was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2021 (measurement date) the District's proportion was approximately 0.35594607 percent.

For the year ended June 30, 2022, the District recognized a decrease of OPEB expense related to RHIA of \$170,923. The \$170,923 was treated as a reduction of payroll related expense in the Statement of Activities and allocated to Instruction, Support Services and Community Services using allocation percentages of 64%, 32%, and 4%, respectively.

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ 34,007
Changes of assumptions	24,051	18,184
Net difference between projected and actual earning on investments	-	290,488
Changes in proportionate share	305,614	126,922
Contributions subsequent to measurement date	7,905	-
Total	<u>\$ 337,570</u>	<u>\$ 469,601</u>

The \$7,905 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as an increase to the net OPEB asset in the year ended June 30, 2023.

**GRANTS PASS SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**Note 12 - Postemployment Benefits Other Than Pensions (OPEB) (continued)**

**Retirement Health Insurance Account (RHIA) (continued)**

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

Other amounts reported as deferred outflows of resources and deferred inflows of resources (prior to post-measurement date contributions) related to OPEB will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflow/(Inflow) of Resources
2023	\$ (49,102)
2024	67,246
2025	(66,319)
2026	(91,761)
Total	<u>\$ (139,936)</u>

***Sensitivity for the District's Proportionate Share of the Net OPEB Asset to Changes in Discount Rate***

The following presents the District's proportionate share of the net OPEB asset calculated using the discount rate of 6.90 percent, as well as what the District's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1-percentage point lower (5.90 percent) or 1-percentage point higher (7.90 percent) than the current rate:

District's Net OPEB Asset/(Liability)	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Retirement Health Insurance Account	<u>\$ 1,080,963</u>	<u>\$ 1,222,321</u>	<u>\$ 1,343,074</u>

The RHIA OPEB is unaffected by healthcare cost trends due to the benefit being limited to \$60 monthly payments toward Medicare companion insurance premiums.

***Changes in Assumptions***

The changes in assumptions used for RHIA are identical to the changes in assumptions related to the OPERS Plan disclosed in *Note 11 - Defined Benefit Pension Plan*.

**Note 13 - Contingencies**

Amounts received or receivable from grantor agencies are subject to compliance audits by grantors or their representatives. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

**GRANTS PASS SCHOOL DISTRICT NO. 7**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**Note 14 - Current Vulnerability Due to Certain Concentrations**

The District's operations are concentrated within Josephine County. In addition, substantially all the District's revenues for continuing operations are from federal, state, and local government agencies. In the normal course of operations, the District receives grant funds from various federal and state agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

**Note 15 - Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters for which the District carries commercial insurance. Worker's compensation insurance is also provided through a commercial carrier. There has been no significant reduction in insurance coverage from the prior year and the District has not been required to pay any settlements in excess of insurance coverage during the past five fiscal years ending June 30, 2022.

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

**Note 16 - Tax Abatements**

At June 30, 2022, Josephine County provides tax abatements through the Enterprise Zone Program.

**Enterprise Zone (ORS 285C.175):**

The Oregon Enterprise Zone Program is a State of Oregon economic development program, that allows for property tax exemptions for up to five years. In exchange for receiving property tax exemption, participating entities are required to meet the program requirements set by state statute and the local sponsor.

The Enterprise Zone Program provides qualified entities that will be making a substantial new capital investment within the defined enterprise zone, a waiver of 100% of the amount of real property taxes attributable to the new investment for a period of five years following completion of the new investment. Land or existing machinery or equipment is not tax exempt; therefore, there is no loss of current property tax levies to local taxing jurisdiction.

For the fiscal year ended June 30, 2022 the District's abated property taxes totaled \$89,900 under the Enterprise Zone Program.

**Note 17 - Subsequent Events**

Management of the District has evaluated events and transactions occurring after June 30, 2022 through the date the financial statements were available for issuance, for recognition and/or disclosure in the financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION**

**GRANTS PASS SCHOOL DISTRICT NO. 7**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION**  
**ASSET/(LIABILITY) AND SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS**  
**OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)**

**Grants Pass School District No. 7 Proportionate Share of Net Pension Asset / (Liability) at the measurement date**

	2022	2021	2020	2019	2018
District proportion of the net pension asset/(liability)	0.4122898%	0.4330033%	0.4630146%	0.4630146%	0.4751985%
District proportion of the net pension asset/(liability)	\$ (49,336,578)	\$ (94,496,213)	\$ (81,035,703)	\$ (70,140,610)	\$ (64,056,941)
Covered payroll	\$ 38,968,842	\$ 38,455,983	\$ 38,427,443	\$ 35,280,575	\$ 33,870,417
Proportionate share of the pension asset/(liability) as a percentage of its covered payroll	126.61%	245.73%	210.88%	198.81%	189.12%
Plan fiduciary net position as a percentage of the total pension liability	87.60%	75.79%	80.20%	82.07%	83.12%

**Grants Pass School District No. 7 Proportionate Share of Net Pension Asset / (Liability) at the measurement date**

	2017	2016	2015	2014
District proportion of the net pension asset/(liability)	0.5195660%	0.5828479%	0.5866120%	0.5866120%
District proportion of the net pension asset/(liability)	\$ (77,998,913)	\$ (33,463,988)	\$ 13,296,833	\$ (29,935,697)
Covered payroll	\$ 28,555,340	\$ 28,555,340	\$ 28,555,340	\$ 27,521,163
Proportionate share of the pension asset/(liability) as a percentage of its covered payroll	273.15%	117.19%	46.57%	108.77%
Plan fiduciary net position as a percentage of the total pension liability	80.53%	91.88%	103.59%	91.97%

**Grants Pass School District No. 7 Contributions**

	2022	2021	2020	2019	2018
Contractually required contributions	\$ 10,810,382	\$ 11,178,529	\$ 10,517,276	\$ 8,757,601	\$ 8,102,379
Contribution in relation to the contractually required	(10,810,382)	(11,178,529)	(10,517,276)	(8,757,601)	(8,102,379)
Contributions deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 44,879,102	\$ 38,968,842	\$ 38,455,983	\$ 38,427,443	\$ 35,280,575
Contributions as a percentage of covered payroll	24.09%	28.69%	27.35%	22.79%	22.97%
	2017	2016	2015	2014	
Contractually required contributions	\$ 6,652,748	\$ 6,316,699	\$ 6,252,389	\$ 5,766,747	
Contribution in relation to the contractually required	(6,652,748)	(6,316,699)	(6,252,389)	(5,766,747)	
Contributions deficiency (excess)	\$ -	\$ -	\$ -	\$ -	
Covered payroll	\$ 33,870,417	\$ 28,555,340	\$ 28,555,340	\$ 28,555,340	
Contributions as a percentage of covered payroll	19.64%	22.12%	21.90%	20.19%	

**Note 1 - Changes of Benefit Terms and Assumptions -**

**Significant Methods and Assumptions:**

A summary of assumption changes implemented since the December 31, 2019 valuation are outlined briefly in Note 11 in the notes to the basic financial statements. Additional detail and a comprehensive list of changes in methods and assumptions can be found in the 2020 Experience Study for the system, which was published on July 20, 2021, and can be found at:

<https://www.oregon.gov/pers/Documents/Financials/Actuarial/2021/2020-Experience-Study.pdf>

**Other Information:**

This schedule is presented to illustrate required supplementary information for a 10 year period. The District adopted GASB 68 during fiscal 2014, as a result, only nine years of information is presented.

**GRANTS PASS SCHOOL DISTRICT NO. 7**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB ASSET/(LIABILITY)**  
**AND SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS**  
**OPERS RETIREMENT HEALTH INSURANCE ACCOUNT (RHIA)**

**Grants Pass School District No. 7 Proportionate Share of Net OPEB Asset / (Liability) at the measurement date**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District proportion of the net OPEB asset/(liability)	0.35594607%	0.60517054%	0.34253407%	0.33961446%	0.33202907%
District's proportion of the net OPEB asset/(liability)	\$ 1,222,321	\$ 1,233,097	\$ 661,899	\$ 379,102	\$ 138,569
District's covered-employee payroll	\$ 38,968,842	\$ 38,455,983	\$ 38,427,443	\$ 35,280,575	\$ 33,870,417
District's proportionate share of the net OPEB asset/(liability) as a percentage of its covered-employee payroll	3.14%	3.21%	1.72%	1.07%	0.41%
Plan fiduciary net position as a percentage of the total pension liability	183.90%	150.10%	144.40%	123.99%	108.88%

**Grants Pass School District No. 7 Contributions**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contributions	\$ 7,905	\$ 9,524	\$ 43,217	\$ 169,767	\$ 164,442
Contribution in relation to the contractually required	<u>(7,905)</u>	<u>(9,524)</u>	<u>(43,217)</u>	<u>(169,767)</u>	<u>(164,442)</u>
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered - employee payroll	\$ 44,879,102	\$ 38,968,842	\$ 38,455,983	\$ 38,427,443	\$ 35,280,575
Contributions as a percentage of covered-employee payroll	0.02%	0.02%	0.11%	0.44%	0.47%

**Note 1 - Changes of Benefit Terms and Assumptions -**

**Significant Methods and Assumptions:**

A summary of assumption changes implemented since the December 31, 2019 valuation are outlined briefly in Note 12 in the notes to the basic financial statements. Additional detail and a comprehensive list of changes in methods and assumptions can be found in the 2020 Experience Study for the system, which was published on July 20, 2021, and can be found at:

<https://www.oregon.gov/pers/Documents/Financials/Actuarial/2021/2020-Experience-Study.pdf>

**Other Information:**

This schedule is presented to illustrate required supplementary information for a 10 year period. The District adopted GASB 75 for RHIA during fiscal 2018, as a result, only five years of information is presented.

**GRANTS PASS SCHOOL DISTRICT NO. 7**  
**SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL PENSION LIABILITY**  
**AND RELATED RATIOS**

<b>Total Pension Liability (Stipend):</b>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Service cost	\$ 339,287	\$ 296,387	\$ 286,364
Interest	167,672	240,933	240,594
Changes of benefit terms	-	-	-
Differences between expected and actual experience	-	194,045	-
Changes of assumptions of other inputs	(494,552)	328,097	-
Benefit payments	<u>(542,621)</u>	<u>(525,551)</u>	<u>(529,030)</u>
<b>Net change in total pension liability (stipend)</b>	(530,214)	533,911	(2,072)
Total Pension Liability (Stipend) - beginning	<u>\$ 7,384,099</u>	<u>\$ 6,850,188</u>	<u>\$ 6,852,260</u>
Total Pension liability (Stipend) - ending	<u><u>\$ 6,853,885</u></u>	<u><u>\$ 7,384,099</u></u>	<u><u>\$ 6,850,188</u></u>
Estimated Covered - employee payroll	\$ 32,039,520	\$ 31,106,330	\$ 30,604,447
Total pension liability (Stipend) as a percentage of estimated covered - employee payroll	21.39%	23.74%	22.38%
<b>Total Pension Liability (Stipend):</b>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Service cost	\$ 237,510	\$ 230,592	\$ 230,592
Interest	223,956	219,485	218,657
Changes of benefit terms	-	-	-
Differences between expected and actual experience	706,772	-	-
Changes of assumptions of other inputs	188,890	-	-
Benefit payments	<u>(479,018)</u>	<u>(427,123)</u>	<u>(427,242)</u>
<b>Net change in total pension liability (stipend)</b>	878,110	22,954	22,007
Total Pension Liability (Stipend) - beginning	<u>\$ 5,974,150</u>	<u>\$ 5,951,196</u>	<u>\$ 5,929,189</u>
Total Pension liability (Stipend) - ending	<u><u>\$ 6,852,260</u></u>	<u><u>\$ 5,974,150</u></u>	<u><u>\$ 5,951,196</u></u>
Estimated Covered - employee payroll	\$ 29,569,514	\$ 29,442,482	\$ 28,584,934
Total pension liability (Stipend) as a percentage of estimated covered - employee payroll	23.17%	20.29%	20.82%

**Notes to Schedule:**

**Significant methods and assumptions used in calculating the actuarially determined contributions:**

Significant methods and assumptions used in calculating the actuarially determined contributions are described in *Note 11* to the financial statements. No assets are accumulated in a trust to pay related benefits.

**Changes in benefit terms:**

None noted.

**Other information:**

This schedule is presented to illustrate required supplementary information for a 10 year period. The District adopted GASB 73 during fiscal 2017, as a result, only six years of information is presented.

**GRANTS PASS SCHOOL DISTRICT NO. 7  
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY  
AND RELATED RATIOS**

<b>Total OPEB Liability:</b>	<u><b>2022</b></u>	<u><b>2021</b></u>	<u><b>2020</b></u>
Service cost	\$ 257,021	\$ 222,254	\$ 214,738
Interest	92,113	133,116	161,089
Changes of benefit terms	-	-	-
Differences between expected and actual experience	-	94,024	-
Changes of assumptions of other inputs	(350,262)	(9,588)	-
Benefit payments	<u>(190,965)</u>	<u>(176,960)</u>	<u>(142,598)</u>
<b>Net change in total OPEB liability</b>	(192,093)	262,846	233,229
Total OPEB liability - beginning	<u>\$ 3,932,383</u>	<u>\$ 3,669,537</u>	<u>\$ 3,436,308</u>
Total OPEB liability - ending	<u><u>\$ 3,740,290</u></u>	<u><u>\$ 3,932,383</u></u>	<u><u>\$ 3,669,537</u></u>
Estimated Covered - employee payroll	\$ 37,135,041	\$ 36,053,438	\$ 35,212,115
Total OPEB liability as a percentage of estimated covered - employee payroll	10.07%	10.91%	10.42%
<b>Total OPEB Liability:</b>	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>
Service cost	\$ 210,018	\$ 203,901	\$ 203,901
Interest	159,246	147,632	140,764
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(583,837)	-	-
Changes of assumptions of other inputs	(327,735)	-	-
Benefit payments	<u>(115,834)</u>	<u>(183,949)</u>	<u>(139,087)</u>
<b>Net change in total OPEB liability</b>	(658,142)	167,584	205,578
Total OPEB liability - beginning	<u>\$ 4,094,450</u>	<u>\$ 3,926,866</u>	<u>\$ 3,721,288</u>
Total OPEB liability - ending	<u><u>\$ 3,436,308</u></u>	<u><u>\$ 4,094,450</u></u>	<u><u>\$ 3,926,866</u></u>
Estimated Covered - employee payroll	\$ 34,021,367	\$ 32,659,879	\$ 31,708,620
Total OPEB liability as a percentage of estimated covered - employee payroll	10.10%	12.54%	12.38%

**Notes to Schedule:**

**Significant methods and assumptions used in calculating the actuarially determined contributions:**

Significant methods and assumptions used in calculating the actuarially determined contributions are described in Note 12 to the financial statements. No assets are accumulated in a trust to pay related benefits.

**Changes in benefit terms:**

None noted.

**Other information:**

This schedule is presented to illustrate required supplementary information for a 10 year period. The District adopted GASB 75 during fiscal 2017, as a result, only six years of information is presented.



**GRANTS PASS SCHOOL DISTRICT NO. 7  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND  
YEAR ENDED JUNE 30, 2022**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Adopted</u>	<u>Final</u>		
<b>REVENUES</b>				
Local sources:				
Property taxes	\$ 16,015,000	\$ 16,015,000	\$ 15,948,953	\$ (66,047)
Charges for services	193,150	193,150	501,120	307,970
Donations	522,200	522,200	119,144	(403,056)
Interest on investments	250,000	250,000	51,827	(198,173)
Miscellaneous	1,726,050	1,726,050	1,089,828	(636,222)
Intermediate sources:				
Intergovernmental	1,691,618	1,691,618	1,632,316	(59,302)
State sources:				
Basic school support	47,994,940	47,994,940	45,165,458	(2,829,482)
Intergovernmental	2,997,726	2,997,726	794,250	(2,203,476)
Federal sources:				
Intergovernmental	21,185,511	21,185,511	4,694,427	(16,491,084)
<b>TOTAL REVENUES</b>	<u>92,576,195</u>	<u>92,576,195</u>	<u>69,997,323</u>	<u>(22,578,872)</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	47,789,329	49,121,413	43,650,305	5,471,108
Support services	24,647,056	28,268,558	27,231,829	1,036,729
Contingency	22,514,644	17,561,058	-	17,561,058
<b>TOTAL EXPENDITURES</b>	<u>94,951,029</u>	<u>94,951,029</u>	<u>70,882,134</u>	<u>24,068,895</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(2,374,834)</u>	<u>(2,374,834)</u>	<u>(884,811)</u>	<u>1,490,023</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from the sale of capital assets	-	-	17,782	17,782
Transfers in	225,000	225,000	146,515	(78,485)
Transfers out	(1,337,327)	(1,337,327)	(1,337,327)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(1,112,327)</u>	<u>(1,112,327)</u>	<u>(1,173,030)</u>	<u>(60,703)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(3,487,161)	(3,487,161)	(2,057,841)	1,429,320
<b>FUND BALANCE, July 1, 2021</b>	<u>7,576,159</u>	<u>7,576,159</u>	<u>6,130,912</u>	<u>(1,445,247)</u>
<b>FUND BALANCE, June 30, 2022</b>	<u>\$ 4,088,998</u>	<u>\$ 4,088,998</u>	<u>\$ 4,073,071</u>	<u>\$ (15,927)</u>

**GRANTS PASS SCHOOL DISTRICT NO. 7  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FEDERAL AND OTHER GRANTS FUND  
YEAR ENDED JUNE 30, 2022**

	<b>Federal and Other Grants Fund*</b>	<b>Measure 98 Fund</b>	<b>Student Investment Account Fund</b>	<b>Total Federal and Other Grants Fund</b>
<b>REVENUES</b>				
Local sources:				
Donations	\$ 67,324	\$ -	\$ -	\$ 67,324
Miscellaneous	21,864	-	-	21,864
Intermediate sources:				
Intergovernmental	20,988	-	-	20,988
State sources:				
Intergovernmental	277,754	1,457,400	4,108,792	5,843,946
Federal sources:				
Intergovernmental	3,245,272	-	-	3,245,272
<b>TOTAL REVENUES</b>	<b>3,633,202</b>	<b>1,457,400</b>	<b>4,108,792</b>	<b>9,199,394</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	2,991,048	843,706	2,004,397	5,839,151
Support services	425,951	613,694	1,693,405	2,733,050
Enterprise and community services	151,446	-	-	151,446
<b>TOTAL EXPENDITURES</b>	<b>3,568,445</b>	<b>1,457,400</b>	<b>3,697,802</b>	<b>8,723,647</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>64,757</b>	<b>-</b>	<b>410,990</b>	<b>475,747</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	-	-	(410,990)	(410,990)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>(410,990)</b>	<b>(410,990)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>64,757</b>	<b>-</b>	<b>-</b>	<b>64,757</b>
<b>FUND BALANCE, July 1, 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE, June 30, 2022</b>	<b>\$ 64,757</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 64,757</b>

\* Excludes Measure 98 Fund and Student Investment Account Fund

**GRANTS PASS SCHOOL DISTRICT NO. 7  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FEDERAL AND OTHER GRANTS FUND  
YEAR ENDED JUNE 30, 2022**

	<u>Budget</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Adopted</u>	<u>Final</u>		<u>(Negative)</u>
<b>REVENUES</b>				
Local sources:				
Donations	\$ 232,000	\$ 232,000	\$ 67,324	\$ (164,676)
Miscellaneous	-	-	21,864	21,864
Intermediate sources:				
Intergovernmental	135,000	135,000	20,988	(114,012)
State sources:				
Intergovernmental	-	-	277,754	277,754
Federal sources:				
Intergovernmental	<u>8,722,858</u>	<u>8,722,858</u>	<u>3,245,272</u>	<u>(5,477,586)</u>
<b>TOTAL REVENUES</b>	<u>9,089,858</u>	<u>9,089,858</u>	<u>3,633,202</u>	<u>(5,456,656)</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	7,067,539	7,067,539	2,991,048	4,076,491
Support services	1,654,319	1,654,319	425,951	1,228,368
Enterprise and community services	<u>368,000</u>	<u>368,000</u>	<u>151,446</u>	<u>216,554</u>
<b>TOTAL EXPENDITURES</b>	<u>9,089,858</u>	<u>9,089,858</u>	<u>3,568,445</u>	<u>5,521,413</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	-	-	64,757	64,757
<b>FUND BALANCE, July 1, 2021</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, June 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,757</u>	<u>\$ 64,757</u>

**GRANTS PASS SCHOOL DISTRICT NO. 7  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
STUDENT INVESTMENT ACCOUNT FUND  
YEAR ENDED JUNE 30, 2022**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Adopted</u>	<u>Final</u>		
<b>REVENUES</b>				
State sources:				
Intergovernmental	\$ 4,013,181	\$ 4,013,181	\$ 4,108,792	\$ 95,611
<b>TOTAL REVENUES</b>	<u>4,013,181</u>	<u>4,013,181</u>	<u>4,108,792</u>	<u>95,611</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	2,257,300	2,257,300	2,004,397	252,903
Support services	<u>1,218,554</u>	<u>1,218,554</u>	<u>1,693,405</u>	<u>(474,851)</u>
<b>TOTAL EXPENDITURES</b>	<u>3,475,854</u>	<u>3,475,854</u>	<u>3,697,802</u>	<u>(221,948)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>537,327</u>	<u>537,327</u>	<u>410,990</u>	<u>(126,337)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	<u>(537,327)</u>	<u>(537,327)</u>	<u>(410,990)</u>	<u>126,337</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(537,327)</u>	<u>(537,327)</u>	<u>(410,990)</u>	<u>126,337</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-
<b>FUND BALANCE, July 1, 2021</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, June 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**GRANTS PASS SCHOOL DISTRICT NO. 7  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
MEASURE 98 FUND  
YEAR ENDED JUNE 30, 2022**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Adopted</u>	<u>Final</u>		
<b>REVENUES</b>				
State sources:				
Intergovernmental	\$ 1,666,148	\$ 1,666,148	\$ 1,457,400	\$ (208,748)
<b>TOTAL REVENUES</b>	<u>1,666,148</u>	<u>1,666,148</u>	<u>1,457,400</u>	<u>(208,748)</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	898,488	898,488	843,706	54,782
Support services	600,882	600,882	613,694	(12,812)
Contingency	<u>166,778</u>	<u>166,778</u>	<u>-</u>	<u>166,778</u>
<b>TOTAL EXPENDITURES</b>	<u>1,666,148</u>	<u>1,666,148</u>	<u>1,457,400</u>	<u>208,748</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	-	-	-	-
<b>FUND BALANCE, July 1, 2021</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, June 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**GRANTS PASS SCHOOL DISTRICT NO. 7  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
PERS RESERVE FUND  
YEAR ENDED JUNE 30, 2022**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Adopted</u>	<u>Final</u>		
<b>REVENUES</b>				
Local sources:				
Interest on investments	\$ 28,000	\$ 28,000	\$ 18,904	\$ (9,096)
<b>TOTAL REVENUES</b>	<u>28,000</u>	<u>28,000</u>	<u>18,904</u>	<u>(9,096)</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	1,859,556	1,859,556	-	1,859,556
Support services	1,148,297	1,148,297	-	1,148,297
Enterprise and community services	14,028	14,028	-	14,028
<b>TOTAL EXPENDITURES</b>	<u>3,021,881</u>	<u>3,021,881</u>	<u>-</u>	<u>3,021,881</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(2,993,881)</u>	<u>(2,993,881)</u>	<u>18,904</u>	<u>3,012,785</u>
<b>NET CHANGE IN FUND BALANCE</b>	(2,993,881)	(2,993,881)	18,904	3,012,785
<b>FUND BALANCE, July 1, 2021</b>	<u>3,329,646</u>	<u>3,329,646</u>	<u>3,329,522</u>	<u>(124)</u>
<b>FUND BALANCE, June 30, 2022</b>	<u>\$ 335,765</u>	<u>\$ 335,765</u>	<u>\$ 3,348,426</u>	<u>\$ 3,012,661</u>

**OTHER SUPPLEMENTARY INFORMATION**

**GRANTS PASS SCHOOL DISTRICT NO. 7  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
CAPITAL PROJECTS FUND  
YEAR ENDED JUNE 30, 2022**

	<u>Budget</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Adopted</u>	<u>Final</u>		<u>(Negative)</u>
<b>REVENUES</b>				
Local sources:				
Construction excise taxes	\$ 250,000	\$ 250,000	\$ 252,533	\$ 2,533
Donations	750,000	750,000	25,000	(725,000)
Interest on investments	30,000	30,000	1,716	(28,284)
Miscellaneous	-	-	186,085	186,085
State sources:				
Intergovernmental	5,000,000	5,000,000	49,999	(4,950,001)
<b>TOTAL REVENUES</b>	<u>6,030,000</u>	<u>6,030,000</u>	<u>515,333</u>	<u>(5,514,667)</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	116,775	116,775	35,656	81,119
Support services	320,355	320,355	294,259	26,096
Facilities acquisition and construction	19,624,844	19,624,844	8,759,001	10,865,843
Debt service	380,000	380,000	376,266	3,734
<b>TOTAL EXPENDITURES</b>	<u>20,441,974</u>	<u>20,441,974</u>	<u>9,465,182</u>	<u>10,976,792</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(14,411,974)</u>	<u>(14,411,974)</u>	<u>(8,949,849)</u>	<u>5,462,125</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from the issuance of debt	13,811,974	13,811,974	-	(13,811,974)
Transfers in	600,000	600,000	600,000	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>14,411,974</u>	<u>14,411,974</u>	<u>600,000</u>	<u>(13,811,974)</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	(8,349,849)	(8,349,849)
<b>FUND BALANCE, July 1, 2021</b>	<u>-</u>	<u>-</u>	<u>9,300,964</u>	<u>9,300,964</u>
<b>FUND BALANCE, June 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 951,115</u>	<u>\$ 951,115</u>



**GRANTS PASS SCHOOL DISTRICT NO. 7  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2022**

	Student Body Fund	Food Service Fund	Cool Schools Fund	Bus Replacement Fund	Debt Service Fund	Total
<b>ASSETS</b>						
Equity in pooled cash and investments	\$ 412,904	\$ 200	\$ 50,957	\$ 382,014	\$ 241,129	\$ 1,087,204
Receivables	-	494,066	9,393	179,785	-	683,244
Interfund receivable	66,070	557,697	-	-	-	623,767
<b>TOTAL ASSETS</b>	<b>\$ 478,974</b>	<b>\$ 1,051,963</b>	<b>\$ 60,350</b>	<b>\$ 561,799</b>	<b>\$ 241,129</b>	<b>\$ 2,394,215</b>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Interfund payable	1,928	-	-	58,522	-	60,450
<b>TOTAL LIABILITIES</b>	<b>1,928</b>	<b>-</b>	<b>-</b>	<b>58,522</b>	<b>-</b>	<b>60,450</b>
Fund Balances:						
Restricted	477,046	1,051,963	60,350	-	-	1,589,359
Committed	-	-	-	503,277	241,129	744,406
<b>TOTAL FUND BALANCES</b>	<b>477,046</b>	<b>1,051,963</b>	<b>60,350</b>	<b>503,277</b>	<b>241,129</b>	<b>2,333,765</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 478,974</b>	<b>\$ 1,051,963</b>	<b>\$ 60,350</b>	<b>\$ 561,799</b>	<b>\$ 241,129</b>	<b>\$ 2,394,215</b>

**GRANTS PASS SCHOOL DISTRICT NO. 7**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	Student Body Fund	Food Service Fund	Cool Schools Fund	Replacement Fund	Debt Service Fund	Total
<b>REVENUES</b>						
Intergovernmental	\$ -	\$ 3,984,757	\$ -	\$ 179,785	\$ -	\$ 4,164,542
Charges for services	249,056	15,226	-	-	-	264,282
Donations	349,628	-	-	-	-	349,628
Miscellaneous	12,719	25,317	144,080	-	-	182,116
<b>TOTAL REVENUES</b>	<u>611,403</u>	<u>4,025,300</u>	<u>144,080</u>	<u>179,785</u>	<u>-</u>	<u>4,960,568</u>
<b>EXPENDITURES</b>						
Current:						
Instruction	567,269	-	-	-	-	567,269
Support services	64	-	-	645,527	-	645,591
Community services	-	2,981,519	-	-	-	2,981,519
Debt Service	-	-	-	545,039	608,871	1,153,910
<b>TOTAL EXPENDITURES</b>	<u>567,333</u>	<u>2,981,519</u>	<u>-</u>	<u>1,190,566</u>	<u>608,871</u>	<u>5,348,289</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>44,070</u>	<u>1,043,781</u>	<u>144,080</u>	<u>(1,010,781)</u>	<u>(608,871)</u>	<u>(387,721)</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Proceeds from debt issuance	-	-	-	629,527	-	629,527
Transfers in	14,475	-	-	737,327	850,000	1,601,802
Transfers out	-	-	(600,000)	-	-	(600,000)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>14,475</u>	<u>-</u>	<u>(600,000)</u>	<u>1,366,854</u>	<u>850,000</u>	<u>1,631,329</u>
<b>NET CHANGE IN FUND BALANCE</b>	58,545	1,043,781	(455,920)	356,073	241,129	1,243,608
<b>FUND BALANCE, July 1, 2021</b>	<u>418,501</u>	<u>8,182</u>	<u>516,270</u>	<u>147,204</u>	<u>-</u>	<u>1,090,157</u>
<b>FUND BALANCE, June 30, 2022</b>	<u>\$ 477,046</u>	<u>\$ 1,051,963</u>	<u>\$ 60,350</u>	<u>\$ 503,277</u>	<u>\$ 241,129</u>	<u>\$ 2,333,765</u>

**GRANTS PASS SCHOOL DISTRICT NO. 7  
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
STUDENT BODY FUND  
YEAR ENDED JUNE 30, 2022**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Adopted</u>	<u>Final</u>		
<b>REVENUES</b>				
Local sources:				
Charges for services	\$ 1,087,725	\$ 1,087,725	\$ 249,056	\$ (838,669)
Donations	1,309,376	1,309,376	349,628	(959,748)
Miscellaneous	133,100	133,100	12,719	(120,381)
<b>TOTAL REVENUES</b>	<u>2,530,201</u>	<u>2,530,201</u>	<u>611,403</u>	<u>(1,918,798)</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	2,959,004	2,959,004	567,269	2,391,735
Support services	28,197	28,197	64	28,133
<b>TOTAL EXPENDITURES</b>	<u>2,987,201</u>	<u>2,987,201</u>	<u>567,333</u>	<u>2,419,868</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(457,000)</u>	<u>(457,000)</u>	<u>44,070</u>	<u>501,070</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	14,475	14,475
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>14,475</u>	<u>14,475</u>
<b>NET CHANGE IN FUND BALANCE</b>	(457,000)	(457,000)	58,545	515,545
<b>FUND BALANCE, July 1, 2021</b>	<u>457,000</u>	<u>457,000</u>	<u>418,501</u>	<u>(38,499)</u>
<b>FUND BALANCE, June 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 477,046</u>	<u>\$ 477,046</u>

**GRANTS PASS SCHOOL DISTRICT NO. 7  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOOD SERVICE FUND  
YEAR ENDED JUNE 30, 2022**

	<u>Budget</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Adopted</u>	<u>Final</u>		
<b>REVENUES</b>				
Local sources:				
Charges for services	\$ 184,745	\$ 184,745	\$ 15,226	\$ (169,519)
Miscellaneous	15,000	15,000	25,317	10,317
State sources:				
Intergovernmental	36,000	36,000	45,174	9,174
Federal sources:				
Intergovernmental	<u>3,973,907</u>	<u>3,973,907</u>	<u>3,939,583</u>	<u>(34,324)</u>
<b>TOTAL REVENUES</b>	<u>4,209,652</u>	<u>4,209,652</u>	<u>4,025,300</u>	<u>(184,352)</u>
<b>EXPENDITURES</b>				
Current:				
Enterprise and community services	<u>4,209,652</u>	<u>4,209,652</u>	<u>2,981,519</u>	<u>1,228,133</u>
<b>TOTAL EXPENDITURES</b>	<u>4,209,652</u>	<u>4,209,652</u>	<u>2,981,519</u>	<u>1,228,133</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	-	-	1,043,781	1,043,781
<b>FUND BALANCE, July 1, 2021</b>	<u>-</u>	<u>-</u>	<u>8,182</u>	<u>8,182</u>
<b>FUND BALANCE, June 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,051,963</u>	<u>\$ 1,051,963</u>

**GRANTS PASS SCHOOL DISTRICT NO. 7  
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
COOL SCHOOLS FUND  
YEAR ENDED JUNE 30, 2022**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Adopted</u>	<u>Final</u>		
<b>REVENUES</b>				
Local sources:				
Miscellaneous	\$ 130,000	\$ 130,000	\$ 144,080	\$ 14,080
<b>TOTAL REVENUES</b>	<u>130,000</u>	<u>130,000</u>	<u>144,080</u>	<u>14,080</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(637,673)	(637,673)	(600,000)	37,673
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(637,673)</u>	<u>(637,673)</u>	<u>(600,000)</u>	<u>37,673</u>
<b>NET CHANGE IN FUND BALANCE</b>	(507,673)	(507,673)	(455,920)	51,753
<b>FUND BALANCE, July 1, 2021</b>	<u>507,673</u>	<u>507,673</u>	<u>516,270</u>	<u>8,597</u>
<b>FUND BALANCE, June 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,350</u>	<u>\$ 60,350</u>

**GRANTS PASS SCHOOL DISTRICT NO. 7  
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
BUS REPLACEMENT FUND  
YEAR ENDED JUNE 30, 2022**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Adopted</u>	<u>Final</u>		
<b>REVENUES</b>				
State sources				
Intergovernmental	\$ -	\$ -	\$ 179,785	\$ 179,785
<b>TOTAL REVENUES</b>	<u>-</u>	<u>-</u>	<u>179,785</u>	<u>179,785</u>
<b>EXPENDITURES</b>				
Current:				
Support services	1,877,327	1,877,327	645,527	1,231,800
Debt service	-	-	545,039	(545,039)
<b>TOTAL EXPENDITURES</b>	<u>1,877,327</u>	<u>1,877,327</u>	<u>1,190,566</u>	<u>686,761</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(1,877,327)</u>	<u>(1,877,327)</u>	<u>(1,010,781)</u>	<u>866,546</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from debt issuance	630,000	630,000	629,527	(473)
Transfers in	737,327	737,327	737,327	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>1,367,327</u>	<u>1,367,327</u>	<u>1,366,854</u>	<u>(473)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(510,000)	(510,000)	356,073	866,073
<b>FUND BALANCE, July 1, 2021</b>	<u>510,000</u>	<u>510,000</u>	<u>147,204</u>	<u>(362,796)</u>
<b>FUND BALANCE, June 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 503,277</u>	<u>\$ 503,277</u>

**GRANTS PASS SCHOOL DISTRICT NO. 7  
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
DEBT SERVICE FUND  
YEAR ENDED JUNE 30, 2022**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Adopted</u>	<u>Final</u>		
<b>EXPENDITURES</b>				
Current:				
Debt service	\$ 700,000	\$ 700,000	\$ 608,871	\$ 91,129
<b>TOTAL EXPENDITURES</b>	<u>700,000</u>	<u>700,000</u>	<u>608,871</u>	<u>91,129</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(700,000)</u>	<u>(700,000)</u>	<u>(608,871)</u>	<u>91,129</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	<u>950,000</u>	<u>950,000</u>	<u>850,000</u>	<u>(100,000)</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>950,000</u>	<u>950,000</u>	<u>850,000</u>	<u>(100,000)</u>
<b>NET CHANGE IN FUND BALANCE</b>	250,000	250,000	241,129	(8,871)
<b>FUND BALANCE, July 1, 2021</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, June 30, 2022</b>	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 241,129</u>	<u>\$ (8,871)</u>

**GRANTS PASS SCHOOL DISTRICT NO. 7  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN NET POSITION - BUDGET AND ACTUAL  
INSURANCE RESERVE FUND  
YEAR ENDED JUNE 30, 2022**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Adopted</u>	<u>Final</u>		
<b>REVENUES</b>				
Local sources:				
Charges for services (interfund)	\$ 11,000	\$ 11,000	\$ 10,733	\$ (267)
<b>TOTAL REVENUES</b>	<u>11,000</u>	<u>11,000</u>	<u>10,733</u>	<u>(267)</u>
<b>EXPENDITURES</b>				
Current:				
Support services	57,330	57,330	13,104	44,226
<b>TOTAL EXPENDITURES</b>	<u>57,330</u>	<u>57,330</u>	<u>13,104</u>	<u>44,226</u>
<b>CHANGE IN NET POSITION</b>	(46,330)	(46,330)	(2,371)	43,959
<b>NET POSITION, July 1, 2021</b>	<u>46,330</u>	<u>46,330</u>	<u>46,633</u>	<u>303</u>
<b>NET POSITON, June 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44,262</u>	<u>\$ 44,262</u>



**SCHOOL DISTRICT FINANCIAL**  
**ACCOUNTING SUMMARIES**

**GRANTS PASS SCHOOL DISTRICT NO. 7  
2021-2022 ALL FUND REVENUE SUMMARY**

	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700	Total
<b>Revenue from Local Sources</b>								
1110 Ad Valorem Taxes Levied by District	15,948,901	-	-	252,533	-	-	-	16,201,434
1120 Local Option Ad Valorem Taxes Levied by District	-	-	-	-	-	-	-	-
1130 Construction Excise Tax	-	-	-	-	-	-	-	-
1190 Penalties and Interest on Taxes	-	-	-	-	-	-	-	-
1200 Revenue from Local Gov't Units Other Than Districts	52	-	-	-	-	-	-	52
1310 Regular Day School Tuition	4,746	-	-	-	-	-	-	4,746
1320 Adult/Continuing Education Tuition	63	-	-	-	-	-	-	63
1330 Summer School Tuition	-	-	-	-	-	-	-	-
1400 Transportation Fees	-	-	-	-	-	-	-	-
1500 Earnings on Investments	51,827	18,904	-	1,716	-	-	-	72,447
1600 Food Service	-	15,226	-	-	-	-	-	15,226
1700 Extracurricular Activities	200,667	574,835	-	-	-	-	-	775,502
1800 Community Services Activities	-	-	-	-	-	-	-	-
1910 Rentals	15,490	-	-	-	-	-	-	15,490
1920 Contributions and Donations From Private Sources	95,496	91,172	-	25,000	-	-	-	211,668
1930 Rental or Lease Payments From Private Contractors	1,620	-	-	-	-	-	-	1,620
1940 Services Provided Other Local Education Agencies	-	-	-	-	-	-	-	-
1950 Textbook Sales and Rentals	-	-	-	-	-	-	-	-
1960 Recovery of Prior Years' Expenditure	-	-	-	-	-	-	-	-
1970 Services Provided Other Funds	-	-	-	-	-	10,733	-	10,733
1980 Fees Charged to Grants	302,182	-	-	-	-	-	-	302,182
1990 Miscellaneous	1,089,828	203,980	-	186,085	-	-	-	1,479,893
<b>Total Revenue from Local Sources</b>	<b>17,710,872</b>	<b>904,117</b>	<b>-</b>	<b>465,334</b>	<b>-</b>	<b>10,733</b>	<b>-</b>	<b>19,091,056</b>

	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700	Total
<b>Revenue from Intermediate Sources</b>								
2101 County School Funds	-	-	-	-	-	-	-	-
2102 Education Service District Apportionment	1,632,316	30	-	-	-	-	-	1,632,346
2105 Natural Gas, Oil, and Mineral Receipts	-	-	-	-	-	-	-	-
2199 Other Intermediate Sources	-	-	-	-	-	-	-	-
2200 Restricted Revenue	-	20,958	-	-	-	-	-	20,958
2800 Revenue in Lieu of Taxes	-	-	-	-	-	-	-	-
2900 Revenue for/on Behalf of the District	-	-	-	-	-	-	-	-
<b>Total Revenue from Intermediate Sources</b>	<b>1,632,316</b>	<b>20,988</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,653,304</b>

	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700	Total
<b>Revenue from State Sources</b>								
3101 State School Fund - General Support	45,165,458	-	-	-	-	-	-	45,165,458
3102 State School Fund - School Lunch Match	-	32,638	-	-	-	-	-	32,638
3103 Common School Fund	668,306	-	-	-	-	-	-	668,306
3104 State Managed County Timber	-	-	-	-	-	-	-	-
3199 Other Unrestricted Grants-in-Aid	-	13,793	-	49,999	-	-	-	63,792
3204 Driver Education	-	-	-	-	-	-	-	-
3211 Restricted - Family Friends	-	-	-	-	-	-	-	-
3222 State School Fund (SSF) Transportation Equipment	-	-	-	-	-	-	-	-
3299 Other Restricted Grants-in-Aid	125,944	6,022,475	-	-	-	-	-	6,148,419
3800 Revenue in Lieu of Taxes	-	-	-	-	-	-	-	-
3900 Revenue for/on Behalf of the District	-	-	-	-	-	-	-	-
<b>Total Revenue from State Sources</b>	<b>45,959,708</b>	<b>6,068,906</b>	<b>-</b>	<b>49,999</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>52,078,613</b>

	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700	Total
<b>Revenue from Federal Sources</b>								
4100 Unrestricted Revenue Direct From the Federal Gov't	-	-	-	-	-	-	-	-
4200 Unrest Rev From the Federal Gov't Through the State	-	-	-	-	-	-	-	-
4300 Restricted Revenue From the Federal Government	-	-	-	-	-	-	-	-
4500 Restricted Rev From the Fed Gov't Through the State	4,559,049	2,350,791	-	-	-	-	-	6,909,840
4501 R/GIA ESEA Ch1, & PL 89-313	-	-	-	-	-	-	-	-
4505 School Nutrition	-	3,723,074	-	-	-	-	-	3,723,074
4508 R/GIA PL 94-142 Handicapped	-	821,255	-	-	-	-	-	821,255
4590 USDA Commodity Distribution	-	289,735	-	-	-	-	-	289,735
4700 Grants-In-Aid From the Fed Gov't Through Intermediate	-	-	-	-	-	-	-	-
4701 Federal Funds through Intermediate Agency	-	-	-	-	-	-	-	-
4801 Federal Forest Fees	135,378	-	-	-	-	-	-	135,378
4802 Impact Aid to School Districts for Operation (PL 874)	-	-	-	-	-	-	-	-
4803 Coos Bay Wagon Road Funds	-	-	-	-	-	-	-	-
4899 Other Revenue in Lieu of Taxes	-	-	-	-	-	-	-	-
4900 Revenue for/on Behalf of the District	-	-	-	-	-	-	-	-
<b>Total Revenue from Federal Sources</b>	<b>4,694,427</b>	<b>7,184,855</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,879,282</b>

	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700	Total
<b>Revenue from Other Sources</b>								
5100 Long Term Debt Financing Sources	-	629,527	-	-	-	-	-	629,527
5200 Interfund Transfers	146,515	751,802	850,000	600,000	-	-	-	2,348,317
5300 Sale of or Compensation for Loss of Fixed Assets	17,782	-	-	-	-	-	-	17,782
5400 Resources - Beginning Fund Balance	6,130,912	4,419,679	-	9,300,964	-	46,633	-	19,898,188
<b>Total Revenue from Other Sources</b>	<b>6,295,209</b>	<b>5,801,008</b>	<b>850,000</b>	<b>9,900,964</b>	<b>-</b>	<b>46,633</b>	<b>-</b>	<b>22,893,814</b>

<b>Grand Totals</b>	<b>\$ 76,292,532</b>	<b>\$ 19,979,874</b>	<b>\$ 850,000</b>	<b>\$ 10,416,297</b>	<b>\$ -</b>	<b>\$ 57,366</b>	<b>\$ -</b>	<b>\$ 107,596,069</b>
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**GRANTS PASS SCHOOL DISTRICT NO. 7  
2021-2022 AUDIT EXPENDITURES SUMMARY  
GENERAL FUND**

Function Description	100	200	300	400	500	600	700	Total
1111 Elementary	9,902,781	5,080,123	347,233	376,267	-	-	-	15,706,404
1112 Elementary	-	-	-	-	-	-	-	-
1113 Elementary Extracurricular	9,759	3,007	1,080	103,440	-	-	-	117,286
1121 Middle School Programs	4,927,430	2,546,385	188,328	286,851	-	1,171	-	7,950,165
1122 Middle School Extracurricular	291,934	89,262	25,482	31,654	-	498	-	438,830
1131 High School Programs	6,333,197	3,274,172	291,455	288,958	16,611	555	-	10,204,948
1132 High School Extracurricular	567,370	126,674	123,504	60,090	-	4,155	-	881,793
1210 Talented and Gifted	7,208	2,427	6,523	9,063	-	-	-	25,221
1220 Youth Transition Programs	-	-	-	-	-	-	-	-
1250 Less Restricted Prog Students w/Disabilities	3,871,487	2,397,889	147,808	55,572	-	-	-	6,472,756
1272 Title I	14,736	4,988	-	-	-	-	-	19,724
1280 Alternative Education	722,348	390,411	16,061	59,754	-	250	-	1,188,824
1291 English as a Second Language	234,152	145,979	991	640	-	-	-	381,762
1294 Youth Corrections Education	7,002	-	-	-	-	-	-	7,002
1400 Summer School Programs	80,227	18,529	118,598	38,236	-	-	-	255,590
<b>Total Instruction</b>	<b>26,969,631</b>	<b>14,079,846</b>	<b>1,267,063</b>	<b>1,310,525</b>	<b>16,611</b>	<b>6,629</b>	<b>-</b>	<b>43,650,305</b>
2110 Attendance & Social Work Services	274,697	197,730	162,446	13,380	-	-	-	648,253
2120 Guidance Services	839,124	432,629	419	2,648	-	-	-	1,274,820
2130 Health Services	93,825	49,326	439	775	-	915	-	145,280
2140 Psychological Services	186,239	96,589	452	6,279	-	-	-	289,559
2150 Speech Pathology & Audiology	232,666	98,809	370,424	4,799	-	-	-	706,698
2190 Service Direction, Student Support	276,819	136,699	-	2,827	-	834	-	417,179
2210 Improvement of Instruction	314,811	154,802	148,687	85,035	-	1,517	-	704,852
2220 Educational Media Services	440,992	305,763	1,888	172,073	-	120	-	920,836
2240 Instructional Staff Development	92,925	27,132	12,853	4,620	-	-	-	137,530
2241 Site Council	302	30	5,311	1,580	-	-	-	7,223
2310 Board of Education Services	-	-	167,321	8,407	9,069	23,389	-	208,186
2320 Executive Administration Services	258,575	136,417	27,204	12,171	-	2,098	-	436,465
2400	-	-	58	-	-	-	-	58
2410 Office of the Principal Services	3,337,432	1,779,268	104,684	156,945	-	146,689	-	5,525,018
2510	-	-	-	1,722	-	-	-	1,722
2520 Fiscal Services	596,742	507,215	83,172	369,993	-	23,768	-	1,580,890
2540 Operation & Maint of Plant Services	1,958,403	1,200,822	1,621,299	401,385	395,410	246,345	-	5,823,664
2550 Student Transportation Services	1,993,203	1,314,605	39,124	502,420	6,645	62,671	-	3,918,668
2570 Internal Services	242,020	138,023	196,941	236,756	32,330	-	-	846,070
2630 Information Services	76,100	44,087	19,582	517	-	290	-	140,576
2640 Staff Services	277,499	155,512	43,917	40,897	-	1,295	-	519,120
2660 Technology Services	579,274	301,505	216,798	1,194,816	-	595	-	2,292,988
2680 Interpretation Services	1,048	352	-	-	-	-	-	1,400
2700 Supplemental Retirement Program	611,816	72,958	-	-	-	-	-	684,774
<b>Total Support Services</b>	<b>12,684,512</b>	<b>7,150,273</b>	<b>3,223,019</b>	<b>3,220,045</b>	<b>443,454</b>	<b>510,526</b>	<b>-</b>	<b>27,231,829</b>
3100 Food Services	-	-	-	-	-	-	-	-
3200 Other Enterprise Services	-	-	-	-	-	-	-	-
3300 Community Services	-	-	-	-	-	-	-	-
3500 Custody & Care of Children Services	-	-	-	-	-	-	-	-
<b>Total Enterprise and Community Service</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
4110 Service Area Direction	-	-	-	-	-	-	-	-
4120 Site Acquisition and Improvement	-	-	-	-	-	-	-	-
4150 Building Purchases & Improvements	-	-	-	-	-	-	-	-
4190 Other Facilities & Construction Services	-	-	-	-	-	-	-	-
<b>Total Facilities Acquisition and Construction</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
5100 Debt Service	-	-	-	-	-	-	-	-
5200 Transfer of Funds	-	-	-	-	-	-	1,337,327	1,337,327
5300 ESD Apportionment	-	-	-	-	-	-	-	-
6000 Contingency	-	-	-	-	-	-	-	-
<b>Total Other Requirements</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,337,327</b>	<b>1,337,327</b>
<b>Total Requirements and Balances</b>	<b>\$ 39,654,143</b>	<b>\$ 21,230,119</b>	<b>\$ 4,490,082</b>	<b>\$ 4,530,570</b>	<b>\$ 460,065</b>	<b>\$ 517,155</b>	<b>\$ 1,337,327</b>	<b>\$ 72,219,461</b>

**GRANTS PASS SCHOOL DISTRICT NO. 7  
2021-2022 AUDIT EXPENDITURES SUMMARY  
FEDERAL AND OTHER GRANTS FUNDS**

Function	Description	100	200	300	400	500	600	700	Total
1111	Elementary	341,374	256,395	5,050	9,113	-	-	-	611,932
1113	Elementary Extracurricular								-
1121	Middle School Programs	433,211	215,390	20,365	130,369				799,335
1122	Middle School Extracurricular								-
1131	High School Programs	539,740	294,568	135,129	146,722	6,098	62,328		1,184,585
1132	High School Extracurricular	2,150	562						2,712
1140	Pre-Kindergarten Programs								-
1210	Talented and Gifted								-
1220	Youth Transition Programs								-
1250	Less Restricted Prog Students w/Disabilities	487,713	334,945	1,161	824				824,643
1260	Early Intervention								-
1272	Title I	1,061,469	569,321	68,408	130,361		55,240		1,884,799
1280	Alternative Education	48,992	24,401	650	2,678				76,721
1291	English as a Second Language	19,409	10,225	7,979	1,068				38,681
1294	Youth Corrections	100,621	52,993	8,063	2,187				163,864
1299	Other Programs			1,500	33,980				35,480
1400	Summer School Programs	155,912	49,138	11,349					216,399
	<b>Instruction</b>	<b>3,190,591</b>	<b>1,807,938</b>	<b>259,654</b>	<b>457,302</b>	<b>6,098</b>	<b>117,568</b>	<b>-</b>	<b>5,839,151</b>
2110	Attendance & Social Work Services	21,725	12,825	536,965					571,515
2120	Guidance Services	323,142	172,309						495,451
2130	Health Services	46,721	19,882						66,603
2140	Psychological Services	355,128	173,708						528,836
2150	Speech Pathology & Audiology								-
2190	Service Direction, Student Support	73,257	37,037						110,294
2210	Improvement of Instruction	118,607	50,452	137,586	1,245		169,990		477,880
2220	Educational Media Services								-
2240	Instructional Staff Development	101,429	52,810	135,901			14,203		304,343
2241	Site Council								-
2310	Board of Education Services								-
2320	Executive Administration Services								-
2410	Office of the Principal Services								-
2520	Fiscal Services								-
2540	Operation & Maint of Plant Services			1,074	11,746	3,900			16,720
2550	Student Transportation Services			705					705
2570	Internal Services								-
2640	Staff Services								-
2660	Technology Services	108,312	52,391						160,703
2700	Supplemental Retirement Program								-
	<b>Support Services</b>	<b>1,148,321</b>	<b>571,414</b>	<b>812,231</b>	<b>12,991</b>	<b>3,900</b>	<b>184,193</b>	<b>-</b>	<b>2,733,050</b>
3100	Food Services	13,464			104,807				118,271
3200	Other Enterprise Services								-
3300	Community Services	15,257	4,924	2,869	10,125				33,175
3500	Custody & Care of Children Services								-
	<b>Enterprise and Community Service</b>	<b>28,721</b>	<b>4,924</b>	<b>2,869</b>	<b>114,932</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>151,446</b>
4110	Service Area Direction	-	-	-	-	-	-	-	-
4120	Site Acquisition and Improvement	-	-	-	-	-	-	-	-
4150	Building Purchases & Improvements	-	-	-	-	-	-	-	-
4190	Other Facilities & Construction Services	-	-	-	-	-	-	-	-
	<b>Total Facilities Acquisition and Construction</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
5100	Debt Service	-	-	-	-	-	-	-	-
5200	Transfer of Funds	-	-	-	-	-	-	410,990	410,990
5300	ESD Apportionment	-	-	-	-	-	-	-	-
6000	Contingency	-	-	-	-	-	-	-	-
	<b>Total Other Requirements</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>410,990</b>	<b>410,990</b>
<b>Total</b>	<b>Requirements and Balances</b>	<b>\$4,367,633</b>	<b>\$2,384,276</b>	<b>\$1,074,754</b>	<b>\$ 585,225</b>	<b>\$ 9,998</b>	<b>\$ 301,761</b>	<b>\$ 410,990</b>	<b>\$9,134,637</b>

**GRANTS PASS SCHOOL DISTRICT NO. 7  
2021-2022 AUDIT EXPENDITURES SUMMARY  
STUDENT BODY FUND**

Function Description	100	200	300	400	500	600	700	Total
1111 Elementary	-	-	-	-	-	-	-	-
1112 Elementary	-	-	-	-	-	-	-	-
1113 Elementary Extracurricular	-	-	-	9,695	-	-	-	9,695
1121 Middle School Programs	-	-	4,128	2,522	-	-	-	6,650
1122 Middle School Extracurricular	-	-	4,477	14,258	-	150	-	18,885
1131 High School Programs	-	-	10,750	5,660	-	-	-	16,410
1132 High School Extracurricular	16,107	2,462	230,991	260,035	-	6,034	-	515,629
1210 Talented and Gifted	-	-	-	-	-	-	-	-
1220 Youth Transition Programs	-	-	-	-	-	-	-	-
1250 Less Restricted Prog Students w/Disabilities	-	-	-	-	-	-	-	-
1280 Alternative Education	-	-	-	-	-	-	-	-
1291 English as a Second Language	-	-	-	-	-	-	-	-
1400 Summer School Programs	-	-	-	-	-	-	-	-
<b>Total Instruction</b>	<b>16,107</b>	<b>2,462</b>	<b>250,346</b>	<b>292,170</b>	<b>-</b>	<b>6,184</b>	<b>-</b>	<b>567,269</b>
2110 Attendance & Social Work Services	-	-	-	-	-	-	-	-
2120 Guidance Services	-	-	-	-	-	-	-	-
2130 Health Services	-	-	-	-	-	-	-	-
2140 Psychological Services	-	-	-	-	-	-	-	-
2150 Speech Pathology & Audiology	-	-	-	-	-	-	-	-
2190 Service Direction, Student Support	-	-	-	-	-	-	-	-
2210 Improvement of Instruction	-	-	-	-	-	-	-	-
2220 Educational Media Services	-	-	-	-	-	-	-	-
2240 Instructional Staff Development	-	-	-	-	-	-	-	-
2241 Site Council	-	-	-	-	-	-	-	-
2310 Board of Education Services	-	-	-	-	-	-	-	-
2320 Executive Administration Services	-	-	-	-	-	-	-	-
2410 Office of the Principal Services	-	-	-	-	-	-	-	-
2520 Fiscal Services	-	-	-	-	-	64	-	64
2540 Operation & Maint of Plant Services	-	-	-	-	-	-	-	-
2550 Student Transportation Services	-	-	-	-	-	-	-	-
2570 Internal Services	-	-	-	-	-	-	-	-
2640 Staff Services	-	-	-	-	-	-	-	-
2660 Technology Services	-	-	-	-	-	-	-	-
2700 Supplemental Retirement Program	-	-	-	-	-	-	-	-
<b>Total Support Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>64</b>	<b>-</b>	<b>64</b>
3100 Food Services	-	-	-	-	-	-	-	-
3200 Other Enterprise Services	-	-	-	-	-	-	-	-
3300 Community Services	-	-	-	-	-	-	-	-
3500 Custody & Care of Children Services	-	-	-	-	-	-	-	-
<b>Total Enterprise and Community Service</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
4110 Service Area Direction	-	-	-	-	-	-	-	-
4120 Site Acquisition and Improvement	-	-	-	-	-	-	-	-
4150 Building Purchases & Improvements	-	-	-	-	-	-	-	-
4190 Other Facilities & Construction Services	-	-	-	-	-	-	-	-
<b>Total Facilities Acquisition and Construction</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
5100 Debt Service	-	-	-	-	-	-	-	-
5200 Transfer of Funds	-	-	-	-	-	-	-	-
5300 ESD Apportionment	-	-	-	-	-	-	-	-
6000 Contingency	-	-	-	-	-	-	-	-
<b>Total Other Requirements</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Requirements and Balances</b>	<b>\$ 16,107</b>	<b>\$ 2,462</b>	<b>\$ 250,346</b>	<b>\$ 292,170</b>	<b>\$ -</b>	<b>\$ 6,248</b>	<b>\$ -</b>	<b>\$ 567,333</b>

**GRANTS PASS SCHOOL DISTRICT NO. 7  
2021-2022 AUDIT EXPENDITURES SUMMARY  
FOOD SERVICE FUND**

Function Description	100	200	300	400	500	600	700	Total
1111 Elementary	-	-	-	-	-	-	-	-
1112 Elementary	-	-	-	-	-	-	-	-
1113 Elementary Extracurricular	-	-	-	-	-	-	-	-
1121 Middle School Programs	-	-	-	-	-	-	-	-
1122 Middle School Extracurricular	-	-	-	-	-	-	-	-
1131 High School Programs	-	-	-	-	-	-	-	-
1132 High School Extracurricular	-	-	-	-	-	-	-	-
1210 Talented and Gifted	-	-	-	-	-	-	-	-
1220 Youth Transition Programs	-	-	-	-	-	-	-	-
1250 Less Restricted Prog Students w/Disabilities	-	-	-	-	-	-	-	-
1280 Alternative Education	-	-	-	-	-	-	-	-
1291 English as a Second Language	-	-	-	-	-	-	-	-
1400 Summer School Programs	-	-	-	-	-	-	-	-
<b>Total Instruction</b>	-	-	-	-	-	-	-	-
2110 Attendance & Social Work Services	-	-	-	-	-	-	-	-
2120 Guidance Services	-	-	-	-	-	-	-	-
2130 Health Services	-	-	-	-	-	-	-	-
2140 Psychological Services	-	-	-	-	-	-	-	-
2150 Speech Pathology & Audiology	-	-	-	-	-	-	-	-
2190 Service Direction, Student Support	-	-	-	-	-	-	-	-
2210 Improvement of Instruction	-	-	-	-	-	-	-	-
2220 Educational Media Services	-	-	-	-	-	-	-	-
2240 Instructional Staff Development	-	-	-	-	-	-	-	-
2241 Site Council	-	-	-	-	-	-	-	-
2310 Board of Education Services	-	-	-	-	-	-	-	-
2320 Executive Administration Services	-	-	-	-	-	-	-	-
2410 Office of the Principal Services	-	-	-	-	-	-	-	-
2520 Fiscal Services	-	-	-	-	-	-	-	-
2540 Operation & Maint of Plant Services	-	-	-	-	-	-	-	-
2550 Student Transportation Services	-	-	-	-	-	-	-	-
2570 Internal Services	-	-	-	-	-	-	-	-
2640 Staff Services	-	-	-	-	-	-	-	-
2660 Technology Services	-	-	-	-	-	-	-	-
2700 Supplemental Retirement Program	-	-	-	-	-	-	-	-
<b>Total Support Services</b>	-	-	-	-	-	-	-	-
3100 Food Services	1,024,455	661,159	31,914	1,231,610	28,960	150	-	2,978,248
3200 Other Enterprise Services	-	-	-	3,063	-	-	-	3,063
3300 Community Services	-	-	-	208	-	-	-	208
3500 Custody & Care of Children Services	-	-	-	-	-	-	-	-
<b>Total Enterprise and Community Service</b>	1,024,455	661,159	31,914	1,234,881	28,960	150	-	2,981,519
4110 Service Area Direction	-	-	-	-	-	-	-	-
4120 Site Acquisition and Improvement	-	-	-	-	-	-	-	-
4150 Building Purchases & Improvements	-	-	-	-	-	-	-	-
4190 Other Facilities & Construction Services	-	-	-	-	-	-	-	-
<b>Total Facilities Acquisition and Construction</b>	-	-	-	-	-	-	-	-
5100 Debt Service	-	-	-	-	-	-	-	-
5200 Transfer of Funds	-	-	-	-	-	-	-	-
5300 ESD Apportionment	-	-	-	-	-	-	-	-
6000 Contingency	-	-	-	-	-	-	-	-
<b>Total Other Requirements</b>	-	-	-	-	-	-	-	-
<b>Total Requirements and Balances</b>	<b>\$ 1,024,455</b>	<b>\$ 661,159</b>	<b>\$ 31,914</b>	<b>\$ 1,234,881</b>	<b>\$ 28,960</b>	<b>\$ 150</b>	<b>\$ -</b>	<b>\$ 2,981,519</b>

**GRANTS PASS SCHOOL DISTRICT NO. 7  
2021-2022 AUDIT EXPENDITURES SUMMARY  
COOL SCHOOLS FUND**

Function Description	100	200	300	400	500	600	700	Total
1111 Elementary	-	-	-	-	-	-	-	-
1112 Elementary	-	-	-	-	-	-	-	-
1113 Elementary Extracurricular	-	-	-	-	-	-	-	-
1121 Middle School Programs	-	-	-	-	-	-	-	-
1122 Middle School Extracurricular	-	-	-	-	-	-	-	-
1131 High School Programs	-	-	-	-	-	-	-	-
1132 High School Extracurricular	-	-	-	-	-	-	-	-
1210 Talented and Gifted	-	-	-	-	-	-	-	-
1220 Youth Transition Programs	-	-	-	-	-	-	-	-
1250 Less Restricted Prog Students w/Disabilities	-	-	-	-	-	-	-	-
1280 Alternative Education	-	-	-	-	-	-	-	-
1291 English as a Second Language	-	-	-	-	-	-	-	-
1400 Summer School Programs	-	-	-	-	-	-	-	-
<b>Total Instruction</b>	-	-	-	-	-	-	-	-
2110 Attendance & Social Work Services	-	-	-	-	-	-	-	-
2120 Guidance Services	-	-	-	-	-	-	-	-
2130 Health Services	-	-	-	-	-	-	-	-
2140 Psychological Services	-	-	-	-	-	-	-	-
2150 Speech Pathology & Audiology	-	-	-	-	-	-	-	-
2190 Service Direction, Student Support	-	-	-	-	-	-	-	-
2210 Improvement of Instruction	-	-	-	-	-	-	-	-
2220 Educational Media Services	-	-	-	-	-	-	-	-
2240 Instructional Staff Development	-	-	-	-	-	-	-	-
2241 Site Council	-	-	-	-	-	-	-	-
2310 Board of Education Services	-	-	-	-	-	-	-	-
2320 Executive Administration Services	-	-	-	-	-	-	-	-
2410 Office of the Principal Services	-	-	-	-	-	-	-	-
2520 Fiscal Services	-	-	-	-	-	-	-	-
2540 Operation & Maint of Plant Services	-	-	-	-	-	-	-	-
2550 Student Transportation Services	-	-	-	-	-	-	-	-
2570 Internal Services	-	-	-	-	-	-	-	-
2640 Staff Services	-	-	-	-	-	-	-	-
2660 Technology Services	-	-	-	-	-	-	-	-
2700 Supplemental Retirement Program	-	-	-	-	-	-	-	-
<b>Total Support Services</b>	-	-	-	-	-	-	-	-
3100 Food Services	-	-	-	-	-	-	-	-
3200 Other Enterprise Services	-	-	-	-	-	-	-	-
3300 Community Services	-	-	-	-	-	-	-	-
3500 Custody & Care of Children Services	-	-	-	-	-	-	-	-
<b>Total Enterprise and Community Service</b>	-	-	-	-	-	-	-	-
4110 Service Area Direction	-	-	-	-	-	-	-	-
4120 Site Acquisition and Improvement	-	-	-	-	-	-	-	-
4150 Building Purchases & Improvements	-	-	-	-	-	-	-	-
4190 Other Facilities & Construction Services	-	-	-	-	-	-	-	-
<b>Total Facilities Acquisition and Construction</b>	-	-	-	-	-	-	-	-
5100 Debt Service	-	-	-	-	-	-	-	-
5200 Transfer of Funds	-	-	-	-	-	-	600,000	600,000
5300 ESD Apportionment	-	-	-	-	-	-	-	-
6000 Contingency	-	-	-	-	-	-	-	-
<b>Total Other Requirements</b>	-	-	-	-	-	-	600,000	600,000
<b>Total Requirements and Balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 600,000</b>	<b>\$ 600,000</b>

**GRANTS PASS SCHOOL DISTRICT NO. 7  
2021-2022 AUDIT EXPENDITURES SUMMARY  
BUS REPLACEMENT FUND**

Function Description	100	200	300	400	500	600	700	Total
1111 Elementary	-	-	-	-	-	-	-	-
1112 Elementary	-	-	-	-	-	-	-	-
1113 Elementary Extracurricular	-	-	-	-	-	-	-	-
1121 Middle School Programs	-	-	-	-	-	-	-	-
1122 Middle School Extracurricular	-	-	-	-	-	-	-	-
1131 High School Programs	-	-	-	-	-	-	-	-
1132 High School Extracurricular	-	-	-	-	-	-	-	-
1210 Talented and Gifted	-	-	-	-	-	-	-	-
1220 Youth Transition Programs	-	-	-	-	-	-	-	-
1250 Less Restricted Prog Students w/Disabilities	-	-	-	-	-	-	-	-
1280 Alternative Education	-	-	-	-	-	-	-	-
1291 English as a Second Language	-	-	-	-	-	-	-	-
1400 Summer School Programs	-	-	-	-	-	-	-	-
<b>Total Instruction</b>	-	-	-	-	-	-	-	-
2110 Attendance & Social Work Services	-	-	-	-	-	-	-	-
2120 Guidance Services	-	-	-	-	-	-	-	-
2130 Health Services	-	-	-	-	-	-	-	-
2140 Psychological Services	-	-	-	-	-	-	-	-
2150 Speech Pathology & Audiology	-	-	-	-	-	-	-	-
2190 Service Direction, Student Support	-	-	-	-	-	-	-	-
2210 Improvement of Instruction	-	-	-	-	-	-	-	-
2220 Educational Media Services	-	-	-	-	-	-	-	-
2240 Instructional Staff Development	-	-	-	-	-	-	-	-
2241 Site Council	-	-	-	-	-	-	-	-
2310 Board of Education Services	-	-	-	-	-	-	-	-
2320 Executive Administration Services	-	-	-	-	-	-	-	-
2410 Office of the Principal Services	-	-	-	-	-	-	-	-
2520 Fiscal Services	-	-	-	-	-	-	-	-
2540 Operation & Maint of Plant Services	-	-	-	-	-	-	-	-
2550 Student Transportation Services	-	-	-	-	645,527	-	-	645,527
2570 Internal Services	-	-	-	-	-	-	-	-
2640 Staff Services	-	-	-	-	-	-	-	-
2660 Technology Services	-	-	-	-	-	-	-	-
2700 Supplemental Retirement Program	-	-	-	-	-	-	-	-
<b>Total Support Services</b>	-	-	-	-	<b>645,527</b>	-	-	<b>645,527</b>
3100 Food Services	-	-	-	-	-	-	-	-
3200 Other Enterprise Services	-	-	-	-	-	-	-	-
3300 Community Services	-	-	-	-	-	-	-	-
3500 Custody & Care of Children Services	-	-	-	-	-	-	-	-
<b>Total Enterprise and Community Service</b>	-	-	-	-	-	-	-	-
4110 Service Area Direction	-	-	-	-	-	-	-	-
4120 Site Acquisition and Improvement	-	-	-	-	-	-	-	-
4150 Building Purchases & Improvements	-	-	-	-	-	-	-	-
4190 Other Facilities & Construction Services	-	-	-	-	-	-	-	-
<b>Total Facilities Acquisition and Construction</b>	-	-	-	-	-	-	-	-
5100 Debt Service	-	-	-	-	545,039	-	-	545,039
5200 Transfer of Funds	-	-	-	-	-	-	-	-
5300 ESD Apportionment	-	-	-	-	-	-	-	-
6000 Contingency	-	-	-	-	-	-	-	-
<b>Total Other Requirements</b>	-	-	-	-	<b>545,039</b>	-	-	<b>545,039</b>
<b>Total Requirements and Balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,190,566</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,190,566</b>



**GRANTS PASS SCHOOL DISTRICT NO. 7  
2021-2022 AUDIT EXPENDITURES SUMMARY  
PERS RESERVE FUND**

Function Description	100	200	300	400	500	600	700	Total
1111 Elementary	-	-	-	-	-	-	-	-
1112 Elementary	-	-	-	-	-	-	-	-
1113 Elementary Extracurricular	-	-	-	-	-	-	-	-
1121 Middle School Programs	-	-	-	-	-	-	-	-
1122 Middle School Extracurricular	-	-	-	-	-	-	-	-
1131 High School Programs	-	-	-	-	-	-	-	-
1132 High School Extracurricular	-	-	-	-	-	-	-	-
1210 Talented and Gifted	-	-	-	-	-	-	-	-
1220 Youth Transition Programs	-	-	-	-	-	-	-	-
1250 Less Restricted Prog Students w/Disabilities	-	-	-	-	-	-	-	-
1280 Alternative Education	-	-	-	-	-	-	-	-
1291 English as a Second Language	-	-	-	-	-	-	-	-
1400 Summer School Programs	-	-	-	-	-	-	-	-
<b>Total Instruction</b>	-	-	-	-	-	-	-	-
2110 Attendance & Social Work Services	-	-	-	-	-	-	-	-
2120 Guidance Services	-	-	-	-	-	-	-	-
2130 Health Services	-	-	-	-	-	-	-	-
2140 Psychological Services	-	-	-	-	-	-	-	-
2150 Speech Pathology & Audiology	-	-	-	-	-	-	-	-
2190 Service Direction, Student Support	-	-	-	-	-	-	-	-
2210 Improvement of Instruction	-	-	-	-	-	-	-	-
2220 Educational Media Services	-	-	-	-	-	-	-	-
2240 Instructional Staff Development	-	-	-	-	-	-	-	-
2241 Site Council	-	-	-	-	-	-	-	-
2310 Board of Education Services	-	-	-	-	-	-	-	-
2320 Executive Administration Services	-	-	-	-	-	-	-	-
2410 Office of the Principal Services	-	-	-	-	-	-	-	-
2520 Fiscal Services	-	-	-	-	-	-	-	-
2540 Operation & Maint of Plant Services	-	-	-	-	-	-	-	-
2550 Student Transportation Services	-	-	-	-	-	-	-	-
2570 Internal Services	-	-	-	-	-	-	-	-
2640 Staff Services	-	-	-	-	-	-	-	-
2660 Technology Services	-	-	-	-	-	-	-	-
2700 Supplemental Retirement Program	-	-	-	-	-	-	-	-
<b>Total Support Services</b>	-	-	-	-	-	-	-	-
3100 Food Services	-	-	-	-	-	-	-	-
3200 Other Enterprise Services	-	-	-	-	-	-	-	-
3300 Community Services	-	-	-	-	-	-	-	-
3500 Custody & Care of Children Services	-	-	-	-	-	-	-	-
<b>Total Enterprise and Community Service</b>	-	-	-	-	-	-	-	-
4110 Service Area Direction	-	-	-	-	-	-	-	-
4120 Site Acquisition and Improvement	-	-	-	-	-	-	-	-
4150 Building Purchases & Improvements	-	-	-	-	-	-	-	-
4190 Other Facilities & Construction Services	-	-	-	-	-	-	-	-
<b>Total Facilities Acquisition and Construction</b>	-	-	-	-	-	-	-	-
5100 Debt Service	-	-	-	-	-	-	-	-
5200 Transfer of Funds	-	-	-	-	-	-	-	-
5300 ESD Apportionment	-	-	-	-	-	-	-	-
6000 Contingency	-	-	-	-	-	-	-	-
<b>Total Other Requirements</b>	-	-	-	-	-	-	-	-
<b>Total Requirements and Balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**GRANTS PASS SCHOOL DISTRICT NO. 7  
2021-2022 AUDIT EXPENDITURES SUMMARY  
DEBT SERVICE FUND**

Function Description	100	200	300	400	500	600	700	Total
1111 Elementary	-	-	-	-	-	-	-	-
1112 Elementary	-	-	-	-	-	-	-	-
1113 Elementary Extracurricular	-	-	-	-	-	-	-	-
1121 Middle School Programs	-	-	-	-	-	-	-	-
1122 Middle School Extracurricular	-	-	-	-	-	-	-	-
1131 High School Programs	-	-	-	-	-	-	-	-
1132 High School Extracurricular	-	-	-	-	-	-	-	-
1210 Talented and Gifted	-	-	-	-	-	-	-	-
1220 Youth Transition Programs	-	-	-	-	-	-	-	-
1250 Less Restricted Prog Students w/Disabilities	-	-	-	-	-	-	-	-
1280 Alternative Education	-	-	-	-	-	-	-	-
1291 English as a Second Language	-	-	-	-	-	-	-	-
1400 Summer School Programs	-	-	-	-	-	-	-	-
<b>Total Instruction</b>	-	-	-	-	-	-	-	-
2110 Attendance & Social Work Services	-	-	-	-	-	-	-	-
2120 Guidance Services	-	-	-	-	-	-	-	-
2130 Health Services	-	-	-	-	-	-	-	-
2140 Psychological Services	-	-	-	-	-	-	-	-
2150 Speech Pathology & Audiology	-	-	-	-	-	-	-	-
2190 Service Direction, Student Support	-	-	-	-	-	-	-	-
2210 Improvement of Instruction	-	-	-	-	-	-	-	-
2220 Educational Media Services	-	-	-	-	-	-	-	-
2240 Instructional Staff Development	-	-	-	-	-	-	-	-
2241 Site Council	-	-	-	-	-	-	-	-
2310 Board of Education Services	-	-	-	-	-	-	-	-
2320 Executive Administration Services	-	-	-	-	-	-	-	-
2410 Office of the Principal Services	-	-	-	-	-	-	-	-
2520 Fiscal Services	-	-	-	-	-	-	-	-
2540 Operation & Maint of Plant Services	-	-	-	-	-	-	-	-
2550 Student Transportation Services	-	-	-	-	-	-	-	-
2570 Internal Services	-	-	-	-	-	-	-	-
2640 Staff Services	-	-	-	-	-	-	-	-
2660 Technology Services	-	-	-	-	-	-	-	-
2700 Supplemental Retirement Program	-	-	-	-	-	-	-	-
<b>Total Support Services</b>	-	-	-	-	-	-	-	-
3100 Food Services	-	-	-	-	-	-	-	-
3200 Other Enterprise Services	-	-	-	-	-	-	-	-
3300 Community Services	-	-	-	-	-	-	-	-
3500 Custody & Care of Children Services	-	-	-	-	-	-	-	-
<b>Total Enterprise and Community Service</b>	-	-	-	-	-	-	-	-
4110 Service Area Direction	-	-	-	-	-	-	-	-
4120 Site Acquisition and Improvement	-	-	-	-	-	-	-	-
4150 Building Purchases & Improvements	-	-	-	-	-	-	-	-
4190 Other Facilities & Construction Services	-	-	-	-	-	-	-	-
<b>Total Facilities Acquisition and Construction</b>	-	-	-	-	-	-	-	-
5100 Debt Service	-	-	-	-	-	608,871	-	608,871
5200 Transfer of Funds	-	-	-	-	-	-	-	-
5300 ESD Apportionment	-	-	-	-	-	-	-	-
6000 Contingency	-	-	-	-	-	-	-	-
<b>Total Other Requirements</b>	-	-	-	-	-	608,871	-	608,871
<b>Total Requirements and Balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 608,871</b>	<b>\$ -</b>	<b>\$ 608,871</b>

**GRANTS PASS SCHOOL DISTRICT NO. 7  
2021-2022 AUDIT EXPENDITURES SUMMARY  
CAPITAL PROJECTS FUND**

Function Description	100	200	300	400	500	600	700	Total
1111 Elementary	-	-	-	-	-	-	-	-
1112 Elementary	-	-	-	-	-	-	-	-
1113 Elementary Extracurricular	-	-	-	-	-	-	-	-
1121 Middle School Programs	-	-	-	-	-	-	-	-
1122 Middle School Extracurricular	-	-	-	-	-	-	-	-
1131 High School Programs	-	-	-	-	-	-	-	-
1132 High School Extracurricular	-	-	-	35,656	-	-	-	35,656
1210 Talented and Gifted	-	-	-	-	-	-	-	-
1220 Youth Transition Programs	-	-	-	-	-	-	-	-
1250 Less Restricted Prog Students w/Disabilities	-	-	-	-	-	-	-	-
1280 Alternative Education	-	-	-	-	-	-	-	-
1291 English as a Second Language	-	-	-	-	-	-	-	-
1400 Summer School Programs	-	-	-	-	-	-	-	-
<b>Total Instruction</b>	-	-	-	<b>35,656</b>	-	-	-	<b>35,656</b>
2110 Attendance & Social Work Services	-	-	-	-	-	-	-	-
2120 Guidance Services	-	-	-	-	-	-	-	-
2130 Health Services	-	-	-	-	-	-	-	-
2140 Psychological Services	-	-	-	-	-	-	-	-
2150 Speech Pathology & Audiology	-	-	-	-	-	-	-	-
2190 Service Direction, Student Support	-	-	-	-	-	-	-	-
2210 Improvement of Instruction	-	-	-	-	-	-	-	-
2220 Educational Media Services	-	-	-	-	-	-	-	-
2240 Instructional Staff Development	-	-	-	-	-	-	-	-
2241 Site Council	-	-	-	-	-	-	-	-
2310 Board of Education Services	-	-	6,665	-	-	-	-	6,665
2320 Executive Administration Services	-	-	-	-	-	-	-	-
2410 Office of the Principal Services	-	-	-	78,634	-	-	-	78,634
2520 Fiscal Services	50,505	19,171	12,314	-	-	-	-	81,990
2540 Operation & Maint of Plant Services	-	-	52,361	9,260	65,349	-	-	126,970
2550 Student Transportation Services	-	-	-	-	-	-	-	-
2570 Internal Services	-	-	-	-	-	-	-	-
2640 Staff Services	-	-	-	-	-	-	-	-
2660 Technology Services	-	-	-	-	-	-	-	-
2700 Supplemental Retirement Program	-	-	-	-	-	-	-	-
<b>Total Support Services</b>	<b>50,505</b>	<b>19,171</b>	<b>71,340</b>	<b>87,894</b>	<b>65,349</b>	-	-	<b>294,259</b>
3100 Food Services	-	-	-	-	-	-	-	-
3200 Other Enterprise Services	-	-	-	-	-	-	-	-
3300 Community Services	-	-	-	-	-	-	-	-
3500 Custody & Care of Children Services	-	-	-	-	-	-	-	-
<b>Total Enterprise and Community Service</b>	-	-	-	-	-	-	-	-
4110 Service Area Direction	-	-	-	-	-	-	-	-
4120 Site Acquisition and Improvement	-	-	-	-	-	-	-	-
4150 Building Purchases & Improvements	-	-	7,933	-	8,751,068	-	-	8,759,001
4190 Other Facilities & Construction Services	-	-	-	-	-	-	-	-
<b>Total Facilities Acquisition and Construction</b>	-	-	<b>7,933</b>	-	<b>8,751,068</b>	-	-	<b>8,759,001</b>
5100 Debt Service	-	-	-	-	-	376,266	-	376,266
5200 Transfer of Funds	-	-	-	-	-	-	-	-
5300 ESD Apportionment	-	-	-	-	-	-	-	-
6000 Contingency	-	-	-	-	-	-	-	-
<b>Total Other Requirements</b>	-	-	-	-	-	<b>376,266</b>	-	<b>376,266</b>
<b>Total Requirements and Balances</b>	<b>\$ 50,505</b>	<b>\$ 19,171</b>	<b>\$ 79,273</b>	<b>\$ 123,550</b>	<b>\$ 8,816,417</b>	<b>\$ 376,266</b>	<b>\$ -</b>	<b>\$ 9,465,182</b>

**GRANTS PASS SCHOOL DISTRICT NO. 7  
2021-2022 AUDIT EXPENDITURES SUMMARY  
INTERNAL SERVICE FUND**

Function Description	100	200	300	400	500	600	700	Total
1111 Elementary	-	-	-	-	-	-	-	-
1112 Elementary	-	-	-	-	-	-	-	-
1113 Elementary Extracurricular	-	-	-	-	-	-	-	-
1121 Middle School Programs	-	-	-	-	-	-	-	-
1122 Middle School Extracurricular	-	-	-	-	-	-	-	-
1131 High School Programs	-	-	-	-	-	-	-	-
1132 High School Extracurricular	-	-	-	-	-	-	-	-
1210 Talented and Gifted	-	-	-	-	-	-	-	-
1220 Youth Transition Programs	-	-	-	-	-	-	-	-
1250 Less Restricted Prog Students w/Disabilities	-	-	-	-	-	-	-	-
1280 Alternative Education	-	-	-	-	-	-	-	-
1291 English as a Second Language	-	-	-	-	-	-	-	-
1400 Summer School Programs	-	-	-	-	-	-	-	-
<b>Total Instruction</b>	-	-	-	-	-	-	-	-
2110 Attendance & Social Work Services	-	-	-	-	-	-	-	-
2120 Guidance Services	-	-	-	-	-	-	-	-
2130 Health Services	-	-	-	-	-	-	-	-
2140 Psychological Services	-	-	-	-	-	-	-	-
2150 Speech Pathology & Audiology	-	-	-	-	-	-	-	-
2190 Service Direction, Student Support	-	-	-	-	-	-	-	-
2210 Improvement of Instruction	-	-	-	-	-	-	-	-
2220 Educational Media Services	-	-	-	-	-	-	-	-
2240 Instructional Staff Development	-	-	-	-	-	-	-	-
2241 Site Council	-	-	-	-	-	-	-	-
2310 Board of Education Services	-	-	-	-	-	-	-	-
2320 Executive Administration Services	-	-	-	-	-	-	-	-
2410 Office of the Principal Services	-	-	-	-	-	-	-	-
2520 Fiscal Services	-	13,104	-	-	-	-	-	13,104
2540 Operation & Maint of Plant Services	-	-	-	-	-	-	-	-
2550 Student Transportation Services	-	-	-	-	-	-	-	-
2570 Internal Services	-	-	-	-	-	-	-	-
2640 Staff Services	-	-	-	-	-	-	-	-
2660 Technology Services	-	-	-	-	-	-	-	-
2700 Supplemental Retirement Program	-	-	-	-	-	-	-	-
<b>Total Support Services</b>	-	<b>13,104</b>	-	-	-	-	-	<b>13,104</b>
3100 Food Services	-	-	-	-	-	-	-	-
3200 Other Enterprise Services	-	-	-	-	-	-	-	-
3300 Community Services	-	-	-	-	-	-	-	-
3500 Custody & Care of Children Services	-	-	-	-	-	-	-	-
<b>Total Enterprise and Community Service</b>	-	-	-	-	-	-	-	-
4110 Service Area Direction	-	-	-	-	-	-	-	-
4120 Site Acquisition and Improvement	-	-	-	-	-	-	-	-
4150 Building Purchases & Improvements	-	-	-	-	-	-	-	-
4190 Other Facilities & Construction Services	-	-	-	-	-	-	-	-
<b>Total Facilities Acquisition and Construction</b>	-	-	-	-	-	-	-	-
5100 Debt Service	-	-	-	-	-	-	-	-
5200 Transfer of Funds	-	-	-	-	-	-	-	-
5300 ESD Apportionment	-	-	-	-	-	-	-	-
6000 Contingency	-	-	-	-	-	-	-	-
<b>Total Other Requirements</b>	-	-	-	-	-	-	-	-
<b>Total Requirements and Balances</b>	<b>\$ -</b>	<b>\$ 13,104</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 13,104</b>

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

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

Board of Education  
Grants Pass School District No. 7  
Grants Pass, Oregon 97526

We have audited the basic financial statements of Grants Pass School District No. 7 (the District) as of and for the year ended June 30, 2022 and have issued our report thereon dated December 27, 2022. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0320 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not the objective of our audit, and accordingly, we do not express such an opinion.

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

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

In connection with our audit, nothing came to our attention that caused us to believe the District was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administration Rules 162-010-0000 through 162-010-0320 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, except as disclosed in *Note 1* of the financial statements.

### **OAR 162-010-0230 Internal Control**

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

We did identify a certain deficiency in internal control, noted in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* that we consider to be a significant deficiency.

### **Restrictions on Use**

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



Aria Bettinger, CPA  
KDP Certified Public Accountants, LLP  
Medford, Oregon  
December 27, 2022

**ITEMS REQUIRED BY THE UNIFORM GUIDANCE**



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

Board of Education  
Grants Pass School District No. 7  
Grants Pass, Oregon 97526

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Grants Pass School District No. 7 (the District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 27, 2022.

**Report on Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that are not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider a material weakness. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001 that we consider to be a significant deficiency.

**Report on Compliance and Other Matters**

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

### **Management's Response to Findings**

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

### **Purpose of this Report**

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



Aria Bettinger, CPA  
KDP Certified Public Accountants, LLP  
Medford, Oregon  
December 27, 2022

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

Board of Education  
Grants Pass School District No. 7  
Grants Pass, Oregon 97526

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

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

We have audited Grants Pass School District's (the District) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the District's major federal programs for the year ended June 30, 2022. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

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

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

A handwritten signature in cursive script that reads "Aria Bettinger".

Aria Bettinger, CPA  
KDP Certified Public Accountants, LLP  
Medford, Oregon  
December 27, 2022

**GRANTS PASS SCHOOL DISTRICT NO. 7**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2022**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Grant/Contract Number	Federal Expenditures
<b>U.S. Department of Agriculture</b>			
Passed through Oregon Department of Education:			
School Breakfast Program (SBP)	10.553	N/A	\$ 712,085
COVID-19 National School Lunch Program (NSLP)	10.555	N/A	53,966
National School Lunch Program (NSLP)	10.555	N/A	1,756,196
Commodities NSLP	10.555	N/A	289,238
Summer Food Service Program for Children (SFSPC)	10.559	N/A	131,623
Commodities SFSP	10.559	N/A	497
Fresh Fruit and Vegetable Program	10.582	61219, 61297, 61298	73,226
Total Child Nutrition Cluster			<u>3,016,831</u>
Child Nutrition Discretionary Grants Limited Availability	10.579	N/A	32,100
Total AL 10.579			<u>32,100</u>
COVID-19 State Pandemic Electronic Benefit Transfer Administrative Costs Gr.	10.649	N/A	5,814
Total AL 10.649			<u>5,814</u>
		<b>Total U.S. Department of Agriculture</b>	<b>\$ 3,054,745</b>
<b>U.S. Department of Education</b>			
Passed through Oregon Department of Education:			
Title I Grants to Local Educational Agencies (ESSA 19-20 Supplement)	84.010	65110	\$ 35,088
Title I Grants to Local Educational Agencies (20-21)	84.010	58269	155,256
Title I Grants to Local Educational Agencies (21-22)	84.010	66978	1,786,878
Total AL 84.010			<u>1,977,222</u>
Passed through Oregon Department of Education:			
Special Education - Grants to States (IDEA Part B)	84.027	60662, 68626	821,255
Total Special Education Cluster (IDEA)			<u>821,255</u>
Passed through Oregon Department of Education:			
English Language Acquisition State Grants (21-22)	84.365	67134	11,415
Total AL 84.365			<u>11,415</u>
Passed through Oregon Department of Education:			
Supporting Effective Instruction State Grants (20-21)	84.367	58761, 67411	283,318
Total AL 84.367			<u>283,318</u>
Passed through Oregon Department of Education:			
Student Support and Academic Enrichment Program (20-21)	84.424	58579, 66767	78,836
Total AL 84.424			<u>78,836</u>
Passed through Oregon Department of Education:			
COVID-19 Education Stabilization Fund (ESSER)	84.425D	57816, 64586, 64792	4,409,542
COVID-19 Education Stabilization Fund (ARP ESSER)	84.425U	64891	149,507
Total AL 84.425			<u>4,559,049</u>
		<b>Total U.S. Department of Education</b>	<b>\$ 7,731,095</b>
		<b>Total Expenditures of Federal Awards</b>	<b>\$ 10,785,840</b>
Passed through Josephine County Treasurer:			
Schools and Roads - Grants to States	10.665	N/A	\$ 135,378
Total Forest Service Schools and Roads Cluster			<u>\$ 135,378</u>

**GRANTS PASS SCHOOL DISTRICT NO. 7**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2022**

**NOTE A – BASIS OF PRESENTATION:**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the District under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

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

**NOTE C – INDIRECT COST RATE:**

The District has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**NOTE D – FOOD DISTRIBUTION:**

Non-monetary assistance is reported in the Schedule at fair market value of the commodities received and disbursed. For the year ended June 30, 2022, the District received food commodities totaling \$289,735.

**NOTE E – SUBRECIPIENTS:**

The District did not have any federal awards that were passed through to subrecipients for the year ended June 30, 2022.

**NOTE F – SCHOOLS AND ROADS - GRANTS TO STATES:**

The District includes federal forest fees in the Schedule due to requirements of the Oregon Department of Education. These expenditures are not subject to the Uniform Guidance audit due to treatment based on guidance provided by both the Oregon Department of Education and United States Department of Agriculture.

**GRANTS PASS SCHOOL DISTRICT NO. 7  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2022**

**SECTION I – SUMMARY OF AUDITOR’S RESULTS**

***Financial Statements***

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified?  Yes  None Reported

Noncompliance material to financial statements noted?  Yes  No

***Federal Awards***

Internal control over major federal programs:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified?  Yes  None reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?  Yes  No

Identification of major federal programs:

<u>AL Number(s)</u>	<u>Name of Federal Program or Cluster</u>
#84.010	Title I Grants to Local Educational Agencies
#84.425	Education Stabilization Fund

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

Auditee qualified as a low-risk auditee?  Yes  No



**GRANTS PASS SCHOOL DISTRICT NO. 7  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2022 (CONTINUED)**

**SECTION II – FINANCIAL STATEMENT FINDINGS**

2022-001: Financial Reporting: Audit Adjustments – Significant Deficiency

*Criteria* – Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Properly recording assets and liabilities and the associated revenue and expense is a key component of effective internal control over financial reporting.

*Condition* – Cash, accounts receivable and related revenue and expense, and liabilities were not properly recorded at June 30, 2022.

*Cause* – Internal controls in place did not ensure that cash, accounts receivable and associated revenue, and accrued liabilities and associated expenses were calculated and reported accurately.

*Effect or potential effect* – Prior to adjustments, various asset, liability, revenue and expense accounts were not properly recorded at year end by material amounts.

*Recommendations* – We highly recommend that the District enhance internal controls to ensure that all accounts are reconciled timely and all necessary year end calculations are completed, and that work is reviewed on a regular basis.

*Views of Responsible Officials and Planned Corrective Actions* – Management agrees with this finding. Management will properly apply internal controls to the financial statement close process to ensure the District's financial statements are correctly reported.

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

None Reported

**GRANTS PASS SCHOOL DISTRICT NO. 7  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
FISCAL YEAR ENDED JUNE 30, 2022**

**FINANCIAL STATEMENT FINDINGS**

2021-001: Financial Reporting: Audit Adjustments – Significant Deficiency

*Statement of Condition:* Cash, accounts receivable and related revenue and expense, and liabilities were not properly recorded at June 30, 2021.

*Recommendations:* We highly recommend that the District enhance internal controls to ensure that all accounts are reconciled timely and all necessary year end calculations are completed, and that work is reviewed on a regular basis.

*Current Status:* This finding is ongoing. See 2022-001 for similar finding noted in the 2022 audit.