



North Clackamas Schools

Annual Comprehensive Financial Report

**For the Fiscal Year Ended
June 30, 2022**

**North Clackamas School District No. 12
Clackamas County, Oregon**

**North Clackamas School District No. 12
Clackamas County, Oregon**

**Annual Comprehensive
Financial Report**

For the Fiscal Year Ended June 30, 2022

Prepared by the
Business Office

Dr. Shay James
Superintendent – Clerk

Matthew J. Makara
Executive Director, Finance & Business Services

NORTH CLACKAMAS SCHOOL DISTRICT NO.12
CLACKAMAS COUNTY, OREGON

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INTRODUCTORY SECTION



Matthew J. Makara
Executive Director, Finance & Business Services

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December 30, 2022

North Clackamas School District No.12
Board of Directors
12400 SE Freeman Way
Milwaukie, Oregon 97222

The comprehensive Annual Financial Report of North Clackamas School District ("District") for the fiscal year ended June 30, 2022 is hereby submitted. Oregon Municipal Audit Law requires that an independent audit be made of all District funds within six months following the close of the fiscal year. This report is published to fulfill the requirement for the fiscal year ended June 30, 2022 and consists of management's representations concerning the finances of the District together with the opinions of our auditor.

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

Pauly Rogers & Co., Certified Public Accountants, have issued an unmodified opinion on the North Clackamas School District's financial statements for the year ended June 30, 2022. The independent auditor's report is located at the front of the financial section of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

PROFILE OF THE DISTRICT

The North Clackamas School District is a kindergarten through twelfth grade district serving approximately 16,578 students. The District is a financially independent, special-purpose municipal corporation exercising financial accountability for all public education within its boundaries. As required by accounting principles generally accepted in the United States of America, all significant activities and organizations have been included in the financial statements.

The District is located in Clackamas County and is located approximately 12 miles southeast of Portland, Oregon along Interstate 205. The District covers approximately 40 square miles in Northern Clackamas County and encompasses the cities of Milwaukie, Happy Valley, Johnson City, and part of Damascus as well as unincorporated neighborhoods of Oak Grove, Concord, Clackamas, Sunnyside, Mount Scott, Southgate and Carver. It is the seventh largest school district in Oregon. The North Clackamas School District, elected by a majority of the voting electorate, is the governing body responsible for the District's public decisions. The seven-member Board has the oversight, responsibility and control over all activities related to the District.

ECONOMIC CONDITION AND OUTLOOK

Located in northwestern Oregon, Clackamas County is one of the six counties that comprise the Portland-Vancouver Primary Metropolitan Statistical Area (PMSA). The six counties are Clackamas, Washington, Multnomah, Yamhill and Columbia in Oregon, and Clark in Washington. Because the District lies within the PMSA, economic and demographic data is not available specifically for the District. Data is generally available for Clackamas County and for the PMSA.

Currently, manufacturing jobs in the PVH-PMSA increased by 6.9 percent over the previous 12 months, while trade, transportation and utilities also account for a 0.8 percent increase, government jobs increased by 4.8 percent, professional and business services by 4.5 percent, education and health services 7.1 percent, and leisure and hospitality 9.2 percent. Housing prices continue to increase, although at a slower rate, and the median income has also increased. Property tax collection has increased approximately 5% year over year.

Clackamas County, in particular, has had increasing home prices and building activity throughout the area. Clackamas Town Center, the largest shopping center in Clackamas County, with 1.2 million square feet of space, has approximately 174 stores. Major commercial business centers are located in the Clackamas Town Center and along McLoughlin Boulevard. Industrial sites include the Clackamas Industrial area along Highway 212, with roughly 500 businesses, and the Milwaukie Industrial area along Highway 224, with approximately 300 businesses. Community business centers are located in Milwaukie, Gladstone and Damascus.

The PVH-PMSA relies heavily on the manufacturing, high technology industries, wholesale trade and financial activities. According to the Oregon Employment Department, at the end of June 2022, the PVH_PMSA unemployment rate was 3.5 percent, as compared to the Oregon unemployment rate of 3.6 percent and the nation's rate of 3.6 percent. These rates are down significantly from the prior year due to the easing of the COVID-19 pandemic isolation mandates.

A variety of transportation alternatives are available in this area. Tri-Met service is available to Portland and the metropolitan area. Transfer stations are located in downtown Milwaukie and Clackamas Town Center. Portland International Airport (PDX) offers easy access to domestic and international markets with 14 scheduled passenger airlines and 11 cargo carriers serving customers both internationally and domestically. Several railroads operate in the District. The Southern Pacific Mainline runs through the Clackamas and Milwaukie Industrial areas. Two other transcontinental railroads serving Portland include Burlington Northern and Union Pacific. Amtrak provides passenger service. The Port of Portland has five Marine terminals, four dry docks and excellent ship repair facilities. Container handling and dockside rail service are readily available. An extensive rail, air, barge and highway transportation network serves the harbor. I-205 is a circumferential freeway bypassing downtown Portland. It connects with I-5 and I-84 for destinations north, south and east. The I-205 beltline serves about 100,000 vehicles daily. Highway 212 connects North Clackamas to U.S. Highway 26 and serves the Mount Hood corridor and Central Oregon. Highway 99E connects the North Clackamas area to the Willamette Valley, Salem and Eugene.

The impacts of the COVID-19 pandemic has altered the behavior of businesses and people in a manner that has a negative effect on local, state, national, and global economic activity, and therefore could adversely affect the financial condition of the State and the District, either directly or indirectly, depending on the length of the pandemic and subsequent economic recovery.

MAJOR INITIATIVES

The School Board, for the 2022-2023 school year, approved the following guiding pillars:

- Student Experience and Success: We prepare each student through engagement, effective instruction, empowerment, and skill development in order to succeed in life and career
- People and Culture: We foster a welcoming and affirming environment through intentional, culturally inclusive practices where each student and employee is equipped to perform at their highest level

- Family and Community Collaboration: We elevate student achievement and well-being through collaboration and active partnership with families and community
- Resources and Services: We maximize resources and services through strategic investment, innovative practices, and continuous improvement processes to strengthen the school community and advance student outcomes

Six to seven specific objectives were approved for each of the guiding pillars and the NCSD leadership team uses those objectives to guide the development and rollout of all major initiatives.

Key performance indicators reported publicly for North Clackamas School District include the following:

- Kindergarten through Second Grade Attendance
- Third Grade English Language Arts
- Eighth Grade Mathematics
- On-Track to Graduate
- On-Time Graduation Rates

Some recent results for the District's key performance indicators and other major initiatives include:

- North Clackamas students outpaced the state in nearly all of the performance indicators
- Sustained progress on delivering all commitments in a six-year, \$433 million capital construction bond project with scheduled improvements at all district facilities
- For the third time in the past four years, the North Clackamas School District set a new record for graduation rate, as 88 percent of the class of 2021 earned a diploma in four years. The new rate represents a 1 percent increase from a year ago (87.0) and a 22.3 percent increase since 2011. Several student groups also made graduation rate growth, including students with disabilities at 78 percent (up 6 percent), homeless students at 71 percent (up 8 percent), and English Language Learners at any time in high school at 86 percent (up 13 percent).

FINANCIAL INFORMATION

Management of the District is responsible for establishing and maintaining an internal control structure designed to protect the assets of the District from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles.

Single Audit. As a recipient of federal, state, and county financial assistance, the District is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs.

This internal control structure is subject to periodic evaluation by management and the internal audit staff of the District. As part of the District's single audit tests have been made to determine the adequacy of the internal control structure, including that portion related to federal financial award programs, as well as to determine that the District has complied with applicable laws and regulations. The results of the District's single audit for the fiscal year ended June 30, 2022, provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Budgetary Controls. In addition, the District maintains budgetary controls. The objective of such budgetary control is to ensure compliance with legal provisions embodied in the annual appropriated budget adopted by the District's Board of Directors. Activities of the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds, Proprietary Funds, Internal Service Funds, and Fiduciary Funds, are included in the annual appropriated budget. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established by function within an individual fund. As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

The District is required by the State of Oregon to adopt an annual budget for all funds subject to the requirements of Local Budget Law as outlined in the Oregon Revised Statutes 294.305 through 294.565, inclusive. The budget for each individual fund is a plan for the financial operation to be conducted during

the coming fiscal year and is adopted annually, prior to July 1, by the Board of Directors. After adoption, the budget may be revised through procedures specified in state statute and Board policy.

Oregon Local Budget law requires the appointment of a Budget Committee to review and approve the budget. The Budget Committee consists of the seven members of the Board of Directors and seven members appointed by the Board. The administration proposes a budget to the Budget Committee, which the Budget Committee may revise or approve. A summary of the approved budget, together with a notice of public hearing, is published in a newspaper with general circulation in the District. A public hearing is held to receive comments concerning the approved budget. The Board of Directors adopts the budget, makes appropriations, and levies taxes after the public hearing and before the beginning of the year for which the budget has been prepared.

Fund Summary. The results of operations and other financial data for the year ended June 30, 2022, are presented by the following non-governmental individual funds. Governmental funds are discussed in more detail in the Management's Discussion and Analysis section.

The financial statements for the non-governmental funds reflect the financial activity of the Internal Service Fund (Self-Insurance Fund), Proprietary Fund (Community Services Fund), and the Fiduciary Funds (Charter School/Scholarship Funds).

Internal Service Fund

This fund accounts for costs incurred for employees' general health insurance, worker's compensation, property and liability claims. Principal revenue sources are charges to other funds for service and earnings on investments. The fund balance at June 30, 2022, was \$11,692,155.

Proprietary Fund

This fund accounts for the rental of District buildings to the general public, child care facilities operated in District facilities, and tuition for after-school programs through the District. The balance in the Community Services Fund at June 30, 2022, was \$643,618.

Fiduciary Funds

The District has a private purpose trust fund. This private purpose trust fund, accounts for charter school and scholarship transactions. The fund balance at June 30, 2022 was \$(109,745). This negative fund balance represents an internal balance owed to another fund and does not represent an external balance. This will be re-claimed during the 2022-23 fiscal year.

Long-term Financial Planning: In January 2014, the Board of Directors readopted Policy **DBDB Fund Balance**, which directs the superintendent or designee to ensure a minimum fund balance of five (5) percent of total adopted revenues. The District's unassigned fund balance in the General Fund, at June 30, 2022, is \$44,760,388, which is well above the minimum targeted level of five (5) percent.

During the 2019 legislative session, \$9B in funding was approved for kindergarten through high school education. This was a 10% increase over the previous biennium. In addition, a bill passed that added a business tax to provide \$2B in new school funding each two-year budget cycle. This was an historic increase in funding. Much of this new revenue, however, will be offset by increases in Oregon Public Employee's Retirement (PERS) costs along with smaller percentage increases in employee salaries.

In May 2019, voters approved a local option levy for schools at \$1.63 per \$1,000 of assessed value. The levy provided \$18.3 million in 2019-2020 which impacted classrooms across the district. Specifically, the additional revenue allowed NCSD to restore a full school year without furlough days, add 22 new teaching positions which will reduce class sizes, and provide full-time counselors at every elementary school.

INDEPENDENT AUDIT

As required by Oregon revised Statutes, sections 297.405 to 297.555 (known as the “Municipal Audit Law”) an annual audit by independent certified public accountants has been performed. Pauly Rogers & Co., a firm of licensed certified public accountants, has audited the North Clackamas School District’s financial statements. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the District for the fiscal year ended June 30, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall basic financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District’s basic financial statements for the fiscal year ended June 30, 2022, are fairly presented in conformity with GAAP. The independent auditor’s report is presented as the first component of the Financial Section of this report. The independent audit of the District’s basic financial statements was part of the broader federally mandated “Single Audit” designed to meet the special requirements of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the basic financial statements, but also on the District’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Single Audit Section of this report.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to North Clackamas School district for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020. This was the second year that the district has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the District must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

In addition, the Association of School Business Officials International (ASBO) awarded its Certificate of Excellence in Financial Reporting to North Clackamas School District for its Comprehensive annual Financial Report for the fiscal year ended June 30, 2021. The District has achieved this prestigious award for three consecutive years.

The Certificate of Excellence is recognition that the District has met the highest standards for financial reporting and accountability as adopted by ASBO. The District believes that the current Comprehensive Annual Financial Report continues to conform to these standards and will be submitting it to ASBO for review.

We wish to express our appreciation to the entire Fiscal Services staff for their efforts and contributions to this annual financial report. We would also like to thank the members of the Board of Directors for their continued support and dedication to the effective financial operation of the District.

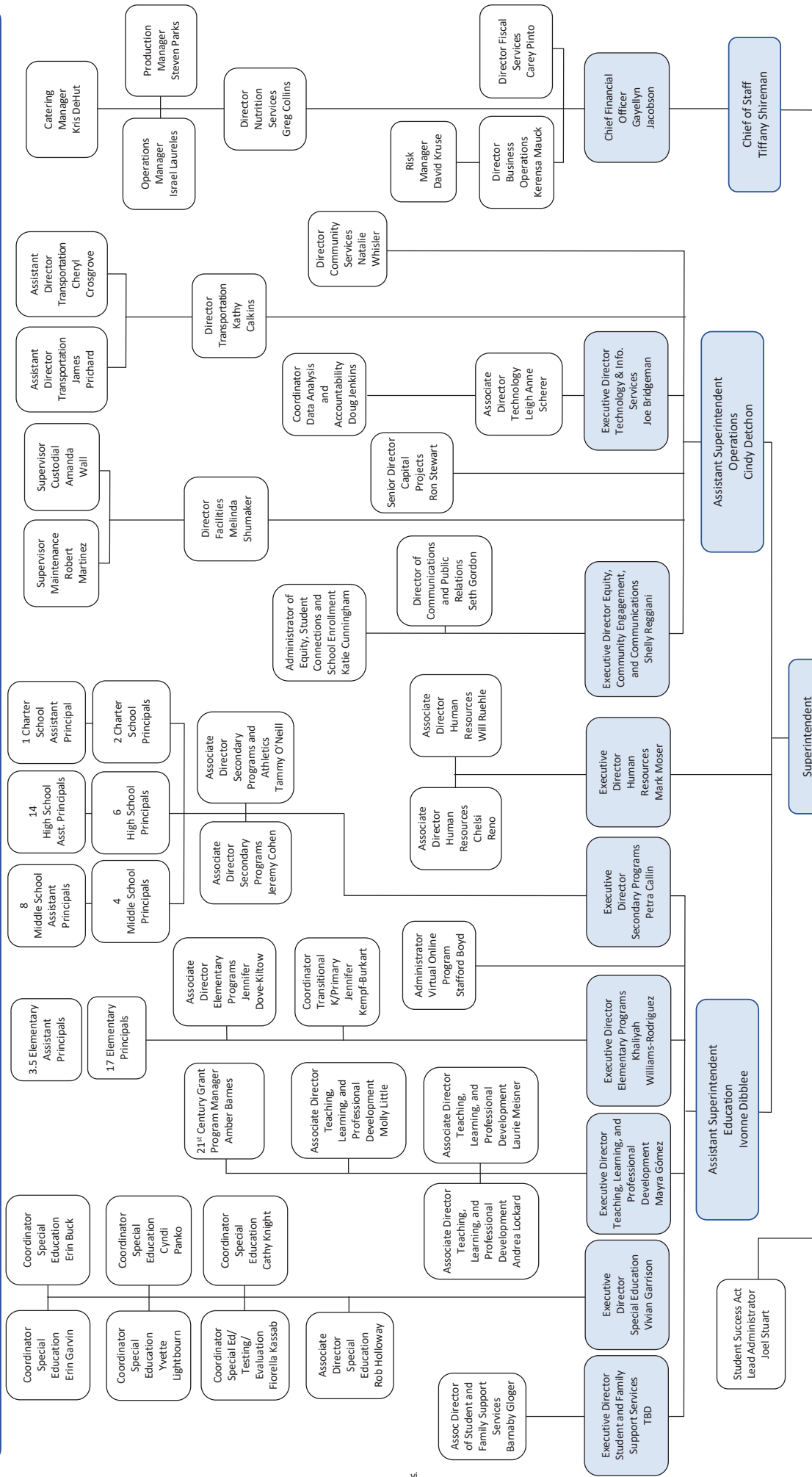
Respectfully submitted,

Matthew J. Makara
Executive Director, Finance and Business Services



STUDENTS

Families - School Buildings - Community



NORTH CLACKAMAS SCHOOL DISTRICT 12
CLACKAMAS COUNTY, OREGON

Administration Building
12400 SE Freeman Way
Milwaukie, OR 97222

Shay James	Superintendent
Tiffany Shireman	Chief of Staff
Cynthia Detchon	Assistant Superintendent
Ivonne Dibblee	Assistant Superintendent
Matthew J. Makara	Chief Financial Officer

BOARD OF DIRECTORS AS OF JUNE 30, 2022

	<u>Term Expires</u>
Mitzi Bauer, Chair	June 30, 2025
Jena Benaloga, Vice Chair	June 30, 2023
Libra Forde	June 30, 2023
Tory McVay	June 30, 2025
Orlando Perez	June 30, 2023
Steven Schroedl	June 30, 2023
Kathy Wai	June 30, 2025

The Board of Directors receives mail at the address above.

FINANCIAL SECTION



PAULY, ROGERS, AND CO., P.C.
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(503) 620-2632 (503) 684-7523 FAX
www.paulyrogersandcpcpas.com

December 30, 2022

INDEPENDENT AUDITORS' REPORT

To the Board of Education
North Clackamas School District
Clackamas County, Oregon

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of North Clackamas School District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of North Clackamas School District, 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 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 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of North Clackamas School 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.

Change in Accounting Principle

The District adopted new accounting guidance, GASB Statement No. 87- Leases during the fiscal year under audit. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 North Clackamas School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 auditors' 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 generally accepted auditing standards 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 generally accepted auditing standards 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 North Clackamas School 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 North Clackamas School 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, and required supplementary information, 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 required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, other financial schedules, and statistical section, as listed in the table of contents, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2022 on our consideration of the internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 30, 2022, on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

A handwritten signature in blue ink, appearing to read "Ken Allen", is positioned above the printed name.

Kenneth Allen, CPA
PAULY, ROGERS AND CO., P.C.

NORTH CLACKAMAS SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) FOR THE YEAR ENDED JUNE 30, 2022

As management of the North Clackamas School District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our Transmittal Letter, which can be found on pages i-v of this report.

FINANCIAL HIGHLIGHTS

In the government-wide statements, the liabilities and deferred inflows of resources of the District exceeded its assets and deferred outflows of resources at June 30, 2022, by \$4 million (net position). Of this amount, \$109.1 million represents the District's investment in capital assets net of related debt, \$21 million is restricted, and the remainder is an unrestricted net deficit of \$134.2 million.

- The District's government-wide net position increased \$15.15 million for the fiscal year \$13.5 million of this amount was from operations and the additional \$1.65 million was a prior period adjustment.
- The District had \$758.1 million invested in capital assets, net of depreciation.
- At the end of the fiscal year, unassigned fund balance for the General Fund was \$44.76 million or about 20 percent of total general fund revenues.
- Total cost of the District's Governmental Funds programs was \$350.2 million for the fiscal year, a decrease of \$34 million (8.8 percent) from the prior year.
- The District's outstanding obligations (bonds payable, notes payable, leases payable, accrued compensated absences, other post-employment benefits, and net pension liability) decreased by 102 million, Bonds payable decreased by \$20.5 million. The Proportionate Share of Net Pension Liability decreased by \$81.4 million and the remainder of these liabilities decreased by \$17 thousand. The Pension Liability and Other Postemployment Benefits are discussed at greater detail in the notes to the financial statements.
- On November 8, 2016, North Clackamas School District voters approved a \$433M Construction Bond Measure. During 2020-21, construction at multiple sites was occurring. The bond allowed the District to: renovate/remodel schools, address security, safety, and seismic needs, address unfunded maintenance, modernize classrooms, increase access to technology, and relieve school overcrowding. Major ongoing projects include replacing/renovating 90-year-old Milwaukie High School, converting Clackamas High East Campus to a middle school, converting Rock Creek Middle School to a fourth comprehensive high school named Adrienne C. Nelson High School which opened September 2021 and building a new elementary school at S.E. Vogel Road named Beatrice Morrow Cannady Elementary which opened September 2019.

In December 2018, NCSD sold the remaining \$110.4 million of the voter-approved \$433 million in bonds. The tax-free bonds were extremely popular among investors resulting in \$16.1 million in premium over the issuing amount. Premium funds will be held in contingency and could be used to cover unanticipated costs or cost increases during the numerous bond projects. Implementation of the bond is overseen by the NCSD School Board and a Community Bond Oversight Committee.

- The District added a local option levy to the November 2018 ballot. The amount of the levy is \$1.63 per \$1000 of assessed value. The cost to each property owner varies based on a property's assessed value and real market value as determined by the county assessor. The 2021-22 proceeds of \$19.8 million were used to fund teaching positions and restore days to the school calendar.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

**NORTH CLACKAMAS SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED JUNE 30, 2022**

- 1) **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 can be found on pages 13 to 14 and include:

The Statement of Net Position: The *Statement of Net Position* focuses on resources available for future operations. In simple terms, this statement presents a snapshot view of what the District owns (assets plus deferred outflows), what it owes (liabilities plus deferred inflows), and the net difference (net position).

Net position may be further separated into amounts restricted for specific purposes and unrestricted amounts. Over time, increases or decreases in net position may serve as an indicator of whether the financial position of the District is improving or deteriorating.

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

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

Governmental activities: 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.

Business-type activities: Business-type activities are intended to recover all or a significant part of their activities through user fees and charges, and include building rentals and daycare provided by the District.

- 2) **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 North Clackamas School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Reports by fund are shown in the Financial Section of the report beginning on page 15. All of the funds of the District can be divided into three categories: *governmental funds*, *proprietary funds*, and *fiduciary funds*.

Governmental funds: The *governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are reconciled to the government-wide Statements of Net Position and Activities. The District maintains several individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General, Special Revenue, Debt Service, and Capital Projects Funds, all of which are

**NORTH CLACKAMAS SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED JUNE 30, 2022**

considered to be major funds. The basic governmental fund financial statements can be found on pages 15-28 of this report.

Proprietary funds: The District maintains two proprietary fund types (enterprise fund and internal service fund).

The Enterprise Fund is an accounting device used to charge for fees and rental services to recover costs of providing the services. The enterprise fund financial statements provide the information for the business-type activities.

The Internal Service Fund is an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses its internal service funds to account for insurance claims and premiums. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements are located on pages 19-21 of this report.

Fiduciary funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is the same as that used for proprietary funds. The District maintains one fiduciary fund - Charter Schools and Scholarships. The fiduciary fund financial statements are located on pages 22-23 of this report.

- 3) **Notes to the basic financial statements:** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements are considered to be an integral part of the financial statements. The notes to the financial statements are located on pages 24-60 of this report.
- 4) **Other information:** In addition to the basic financial statements and accompanying notes, this report also presents certain *Required Supplementary Information* including budget to actual presentations for major funds and a schedule of property tax transactions. This information is located on pages 61-65 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted previously, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, liabilities and deferred inflows exceeded assets and deferred outflows by \$4 million at June 30, 2022.

Cash and investments represent 13.7 percent of total assets.

Capital assets, which consist of the District's land, buildings, building improvements, construction-in-progress, vehicles and equipment, and lease assets represent about 84.1 percent of total assets.

The remaining assets are property tax and other receivables.

The District reports deferred outflows of \$99.6 million, which represent the deferred book loss that occurred as a result of the 2016 refunding of previously issued GO Bonds (\$42.8 million), as well as deferred items related to the District's pension plan (\$62.4 million) and other post-employment benefits (\$10.4 million). The deferred loss will be amortized over the life of the bonds and the deferred pension items are calculated as part of the PERS actuarial valuation.

**NORTH CLACKAMAS SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED JUNE 30, 2022**

The District's largest liability (82 percent) is for the repayment of general obligation and limited tax pension obligation bonds. The next-largest liability is the District's proportionate share of the net pension liability (PERS) and other post-employment benefits, which represents 14 percent of total liabilities. Other liabilities, representing 4 percent of the District's total liabilities, consist almost entirely of payables on accounts, notes, claims, and accrued salaries and benefits.

The District reports Deferred Inflows related to pensions and other post-employment benefits (OPEB) of \$86.9 million. Pension deferrals are reported as a result of the District adopting GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and are representative of adjustments to estimates made in the most recent actuarial valuation for the pension plan.

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

GOVERNMENTAL ACTIVITIES FINANCIAL ANALYSIS

During the current fiscal year, the District's overall financial condition changed as indicated by an increase of \$15.15 million in net position. Unrestricted net position increased by \$35.6 million. At the same time, the District's investment in capital assets, net of related debt, decreased by \$27.8 million.

	Statement of Net Position						
	Governmental Activities		Business-type Activities		Total Primary Government		
	(in thousands)		(in thousands)		(in thousands)		
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021	Increase (Decrease)
Current and other assets	\$ 142,909	\$ 175,304	\$ 669	\$ 850	\$ 143,578	\$ 176,154	\$ (32,576)
Capital assets	758,054	737,196	-	-	758,054	737,196	20,858
Total Assets	900,963	912,500	669	850	901,632	913,350	(11,718)
Deferred Outflows of Resources	99,590	115,602	-	-	99,590	115,602	(16,012)
Long-term debt	890,917	966,182	-	-	890,917	966,182	(75,265)
Other liabilities	26,737	62,087	25	22	26,762	62,087	(35,325)
Total Liabilities	917,654	1,028,269	25	22	917,679	1,028,269	(110,590)
Deferred Inflows of Resources	86,903	19,193	-	-	86,903	19,193	67,710
Net Position							
Net investment in capital assets	109,124	136,943	-	-	109,124	136,943	(27,819)
Restricted	21,044	13,636	-	-	21,044	13,636	7,408
Unrestricted	(134,172)	(169,939)	644	850	(133,528)	(169,089)	35,561
Total Net Position	\$ (4,004)	\$ (19,360)	\$ 644	\$ 850	\$ (3,360)	\$ (18,510)	\$ 15,150

Net Position increased primarily due to the refunding of general obligation bonds increased long-term debt and current assets were utilized for the completion of bond projects during the year resulting in a corresponding increase in capital assets.

**NORTH CLACKAMAS SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED JUNE 30, 2022**

The key elements of the change in the District's net position for the year ended June 30, 2022 are as follows:

	Changes in Net Position For the Year Ended						
	Governmental Activities		Business-type Activities		Total Primary Government		
	in thousands)		(in thousands)		(in thousands)		
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021	Increase (Decrease)
Revenues:							
Program Revenues:							
Charges for services	\$ 1,229	\$ 85	\$ 1,379	\$ -	\$ 2,608	\$ 85	\$ 2,523
Operating grants	39,477	28,518	-	-	39,477	28,518	10,959
Capital grants and contributions	-	457	-	-	-	457	(457)
General Revenues:							
Property taxes	132,252	125,571	-	-	132,252	125,571	6,681
State and local sources	131,551	131,125	-	-	131,551	131,125	426
Miscellaneous	3,558	4,524	-	11	3,558	4,535	(977)
Total revenues	308,067	290,280	1,379	11	309,446	290,291	19,155
Expenses:							
Instruction	147,866	154,283	-	-	147,866	154,283	(6,417)
Support services	102,760	94,784	-	-	102,760	94,784	7,976
Community services	9,055	5,513	1,585	188	10,640	5,701	4,939
Interest on long-term debt	34,679	34,701	-	-	34,679	34,701	(22)
Total expenses	294,360	289,281	1,585	188	295,945	289,469	6,476
Change in net position	13,707	999	(206)	(177)	13,501	822	12,679
Net position - Beginning of Year	(19,361)	(20,359)	850	1,027	(18,511)	(19,332)	821
Prior Period Adjustment	1,650	-	-	-	1,650	-	1,650
Net position - End of Year	\$ (4,004)	\$ (19,360)	\$ 644	\$ 850	\$ (3,360)	\$ (18,510)	\$ 15,150

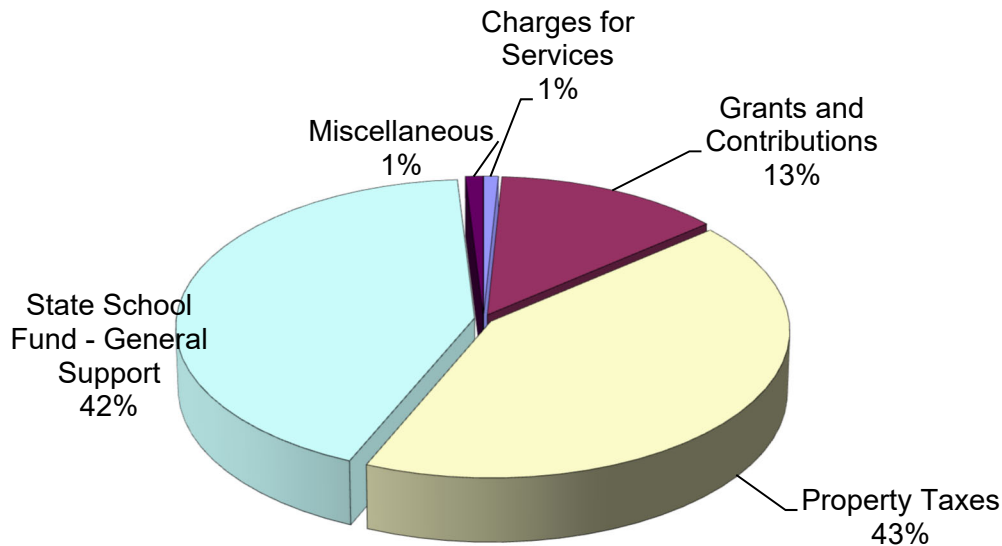
Property tax revenues increased by \$6.7 million from 2020-21. Tax receipts increased primarily due to increases in assessed values and building activity within the county. Taxes were levied appropriately to collect the permanent tax rate and funds to pay general obligation bonded debt. State School Fund (SSF) revenues increased by \$426 thousand. Miscellaneous revenue decreased primarily due to lower investment earnings. Operating grants increased by \$10.9 million due to the federal government's response to the pandemic.

Instruction expenses decreased in 2021-22 by \$6.4 million primarily due to the reduction in GASB 68 pension liabilities. Support Services increased by \$7.9 million and Community Services increased by \$4.9 million primarily due to increased salary and benefit costs.

**NORTH CLACKAMAS SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED JUNE 30, 2022**

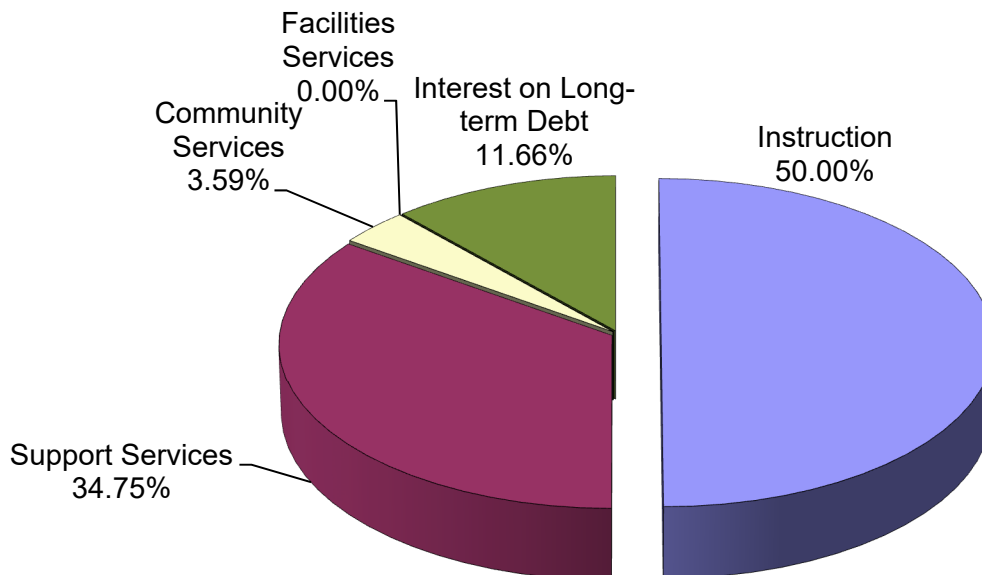
FY 2022 REVENUE PERCENTAGES:

Revenues by Source - Governmental Activities



FY 2022 EXPENDITURE PERCENTAGES:

Expenses by Function - Governmental Activities



As illustrated above, State School Fund revenues represent about 42 percent of the District's total revenue sources. Property taxes comprise about 43 percent of revenues. Instructional expenses make up about 50 percent of the District's expenses, while support services are about 34.75 percent.

**NORTH CLACKAMAS SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED JUNE 30, 2022**

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 \$97.8 million, a decrease of \$26.3 million compared to the prior year. This decrease is primarily due to the spend down of the capital projects fund. Approximately \$44.8 million of the ending fund balance constitutes *unassigned fund balance*, which is available for spending at the government's discretion. \$2.6 million is *assigned* to be held in reserve for future PERS rate increases. Fund balance of \$29.5 million is restricted for capital projects, primarily related to bond work. The remaining \$21.0 million is restricted for debt repayment and grant activities, as authorized by voters and grantors.

General Fund: The General Fund is the main operating fund of the District. As of June 30, 2022, unassigned fund balance was \$44.8 million and assigned fund balance was \$2.6 million. As a measure of the fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. Unassigned Fund balance represents 20 percent of total General Fund expenditures. Total fund balance increased by \$355 thousand during the current fiscal year. This was mainly due to a loss on operations of \$2.2 million being offset by a prior period adjustment of \$2.6 million.

Special Revenue Fund: The Special Revenue Fund has a total fund balance of \$12.0 million. This fund accounts for revenues and expenditures for grants that are restricted for specific educational projects. Principal revenue sources are federal, state, and intermediate grants. The fund increased by \$4.5 million due to increased revenue from both state and federal sources.

Debt Service Fund: The Debt Service Fund has a total fund balance of \$9.0 million, all of which is restricted for the payment of debt service. The fund balance increased by \$2.9 million due to the timing of payments of principal and interest that came due.

Capital Projects Fund: The Capital Projects Fund has a total fund balance of \$29.4 million. The fund balance decreased by \$32.4 million during the current fiscal year, primarily due to continued construction of a new schools and improvements at current sites.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets: The District's investment in capital assets includes land, buildings and improvements, vehicles and equipment, and construction in progress. During the year, the District's investment in capital assets increased by approximately \$20.9 million mainly due to the construction occurring at multiple sites paid for by the 2016 Construction Bond including the completion of Milwaukie High School renovation.

Changes to Capital Assets for the current fiscal year were as follows:

**NORTH CLACKAMAS SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED JUNE 30, 2022**

Capital Assets (Net of Depreciation) (in Thousands)

	Governmental Activities		Increase (Decrease)
	June 30, 2022	June 30, 2021	
Land	\$ 67,409	\$ 67,306	\$ 103
Lease Assets	131	-	131
Construction in Progress	653	128,713	(128,060)
Buildings and Improvements	676,272	530,790	145,482
Equipment	13,589	10,387	3,202
Total capital assets, net of accumulated depreciation	<u>\$ 758,054</u>	<u>\$ 737,196</u>	<u>\$ 20,858</u>

Additional information on capital assets can be found in note 4 in the Notes to Basic Financial statements section of this report.

Long-term debt: At the end of the current fiscal year, the District had total long-term debt outstanding of \$757.1 million, consisting of general obligation and pension obligation debt, and unamortized bond premium.

During the current fiscal year, changes to long-term debt were as follows:

Outstanding Bonded Debt (in thousands)

	Governmental Activities		Increase (Decrease)
	June 30, 2022	June 30, 2021	
General obligation bonds	\$ 691,656	\$ 706,638	\$ (14,982)
Pension obligation bonds	65,399	70,900	(5,501)
Total long-term debt	<u>\$ 757,055</u>	<u>\$ 777,538</u>	<u>\$ (20,483)</u>

State statutes limit the amount of general obligation debt a school district may issue to 7.95 percent of its total real market value. With a real market value of over \$20 billion the current debt margin for the District is nearly \$1.1 billion, which is significantly in excess of the District's outstanding general obligation debt.

In January 2017 Standard & Poor's Rating Services confirmed the District's rating for general obligation debt as "A+" with a stable outlook and Moody's Investors Service issued an underlying Aa3 rating. Additional information on the District's long-term debt can be found in Note 5 in the Notes to Basic Financial statements section of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The most significant economic factor for the District is the State of Oregon's State School Fund. For the year ended, June 30, 2022, the State School Fund – General Support provided 57 percent of the District's General Fund program resources. State provided funding for K-12 education for the 2019-21 biennium is \$9.0B, a 9.8% increase from the previous biennium. State provided funding for K-12 education for the 2021-23 biennium is \$9.3B, a 3.3% increase from the previous biennium. However, increasing payroll and associated payroll costs such as PERS and health insurance costs continue to cause significant strain on the 2021-22 budget and are anticipated to cause more financial pressure in future years.

The 2019 Oregon Legislature passed a new spending bill which will allocate an additional \$1B annually to schools through the Student Success Act. North Clackamas School district anticipated an additional \$5M in revenue from this act in the 2021-22 budget however, due to the COVID-19 pandemic and subsequent recession, the actual revenue was approximately \$3.9 million. Student Investment Account revenue for the 2021-22 budget is anticipated to be \$12.6M. These funds are required to be used to support student mental and behavioral health and increase academic achievement for students, including reducing achievement disparities for targeted student populations.

**NORTH CLACKAMAS SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED JUNE 30, 2022**

Because of continued growth in real estate values and increased building, property taxes are expected to grow at around 3.5%. Enrollment has been relatively flat in the past few years. For the 2021-22 school year, enrollment showed a slight increase from the previous year, but is still down from prior to the pandemic.

The District is implementing a refined strategic planning process that will more closely align budgeting efforts action plan goals. The action plan goals include a focus on student achievement, equity, quality of programs, and stewardship of resources and assets entrusted to the district. This will be extremely important as the District has limited funds.

In June 2022, the board adopted the District budget for the fiscal year 2022-23. The adopted budget for the General Fund for the year ending June 30, 2023 is \$269.2 million. This is an increase of \$15 million from the 2021-22 adopted budget. The District anticipates making appropriate reductions and adjustments as the long-term impacts of the COVID-19 pandemic continue.

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 Chief Financial Officer at 12400 SE Freeman Way, Milwaukie, OR 97222. An electronic copy of this and other prior year financial statements are available on the District's website at: <http://www.nclack.k12.or.us/business/page/audit-reports>.

BASIC FINANCIAL STATEMENTS

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
STATEMENT OF NET POSITION
June 30, 2022

	Governmental Activities	Business Type Activities	Total
Assets			
Cash and Investments	\$ 123,119,666	\$ 668,776	\$ 123,788,442
Property Taxes and Other Receivables	16,199,414	-	16,199,414
OPEB Net Asset - RHIA	3,590,355	-	3,590,355
Capital Assets			
Lease Assets (GASB 87)	131,320		131,320
Land and Construction in Progress - Nondepreciable	68,061,404	-	68,061,404
Capital Assets, Net of Depreciation	689,861,189	-	689,861,189
Total Assets	900,963,348	668,776	901,632,124
Deferred Outflows of Resources			
Pension Deferrals	51,499,325	-	51,499,325
Other Post Employment Benefits	9,505,012	-	9,505,012
OPEB Liability, Stipend Benefit	97,484	-	97,484
Deferred Charge on Refunding	38,488,118	-	38,488,118
Total Deferred Outflows of Resources	99,589,939	-	99,589,939
Liabilities			
Accounts Payable	5,945,576	748	5,946,324
Accrued Payroll and Payroll Liabilities	11,794,555	24,410	11,818,965
Unearned Revenue	1,375,107	-	1,375,107
Estimated Claims Liabilities	6,175,579	-	6,175,579
Accrued Interest Payable	764,708	-	764,708
Accrued Compensated Absences	680,803	-	680,803
Long-term Obligations			
Due Within One Year			
Bonds Payable	27,493,244	-	27,493,244
Lease Payable GASB 87, Due in Less than One Year	45,354		45,354
Notes Payable	1,317,015	-	1,317,015
Due in More Than One Year			
Lease Payable GASB 87	85,650		85,650
Bonds Payable	729,562,177	-	729,562,177
Notes Payable	5,393,304	-	5,393,304
Proportionate Share of Net Pension Liability	94,061,729	-	94,061,729
Other Postemployment Benefits, Implicit Rate Subsidy	31,746,671	-	31,746,671
OPEB Liability, Stipend Benefit	1,212,353	-	1,212,353
Total Liabilities	917,653,825	25,158	917,678,983
Deferred Inflows of Resources			
Pension Deferrals	83,748,538	-	83,748,538
Other Post Employment Benefits	2,462,182	-	2,462,182
OPEB Liability, Stipend Benefit	692,608	-	692,608
Total Deferred Inflows of Resources	86,903,328	-	86,903,328
Net Position			
Net Investment in Capital Assets	109,124,464	-	109,124,464
Restricted for:			
Special Grants and Services	12,011,185	-	12,011,185
Debt Services	9,033,242	-	9,033,242
Unrestricted	(134,172,757)	643,618	(133,529,139)
Total Net Position	\$ (4,003,866)	\$ 643,618	\$ (3,360,248)

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
STATEMENT OF ACTIVITIES
Year Ended June 30, 2022

	Function Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total
Functions/Programs							
Governmental Activities:							
Instructional Services	\$ 147,866,228	\$ -	\$ 18,724,188	\$ -	\$ (129,142,040)	\$ -	\$ (129,142,040)
Supporting Services	102,759,697	375,311	11,397,941	-	(90,986,445)	-	(90,986,445)
Community Services	9,055,416	853,527	9,354,738	-	1,152,849	-	1,152,849
Interest on Long-term Debt	34,678,658	-	-	-	(34,678,658)	-	(34,678,658)
Total Governmental Activities	294,359,999	1,228,838	39,476,867	-	(253,654,294)		(253,654,294)
Business-Type Activities:							
Community Services	1,584,891	1,378,814	-	-	-	(206,077)	(206,077)
Total	<u>\$ 295,944,890</u>	<u>\$ 2,607,652</u>	<u>\$ 39,476,867</u>	<u>\$ -</u>	<u>(253,654,294)</u>	<u>(206,077)</u>	<u>\$ (253,860,371)</u>
General Revenues							
Property Taxes Levied for General Purposes and Debt Service					132,251,551	-	132,251,551
State and Local Revenue					131,550,904	-	131,550,904
Miscellaneous					3,592,847	-	3,592,847
Earnings on Investments					(34,298)	-	(34,298)
Total General Revenues					267,361,004	-	267,361,004
Change in Net Position					13,706,710	(206,077)	13,500,633
Net Position							
Beginning of Year					(19,360,589)	849,695	(18,510,894)
Prior Period Adjustment					1,650,013	-	1,650,013
End of Year					<u>\$ (4,003,866)</u>	<u>\$ 643,618</u>	<u>\$ (3,360,248)</u>

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2022

	General	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Totals
ASSETS					
Cash and Investments	\$ 74,798,689	\$ 2,000	\$ 9,712,499	\$ 20,126,548	\$ 104,639,736
Property Taxes and Other Receivables	6,143,393	8,070,557	1,342,988	640,388	16,197,326
Due from Other Funds	-	6,998,942	-	11,918,884	18,917,826
Total Assets	<u>\$ 80,942,082</u>	<u>\$ 15,071,499</u>	<u>\$ 11,055,487</u>	<u>\$ 32,685,820</u>	<u>\$ 139,754,888</u>
LIABILITIES					
Accounts Payable	\$ 1,955,363	\$ 754,201	\$ -	\$ 3,236,012	\$ 5,945,576
Accrued Payroll and Payroll Liabilities	10,863,549	931,006	-	-	11,794,555
Due to Other Funds	17,534,495	-	769,047	-	18,303,542
Unearned Revenue	-	1,375,107	-	-	1,375,107
Total Liabilities	<u>30,353,407</u>	<u>3,060,314</u>	<u>769,047</u>	<u>3,236,012</u>	<u>37,418,780</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	<u>3,243,368</u>	<u>-</u>	<u>1,253,198</u>	<u>-</u>	<u>4,496,566</u>
Total Deferred Inflows of Resources	<u>3,243,368</u>	<u>-</u>	<u>1,253,198</u>	<u>-</u>	<u>4,496,566</u>
FUND BALANCES					
Restricted for					
Special Grants and Services	-	12,011,185	-	-	12,011,185
Debt Service	-	-	9,033,242	-	9,033,242
Future Capital Projects	-	-	-	29,449,808	29,449,808
Assigned for					
Future PERS Obligations	2,584,919	-	-	-	2,584,919
Unassigned	<u>44,760,388</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>44,760,388</u>
Total Fund Balances	<u>47,345,307</u>	<u>12,011,185</u>	<u>9,033,242</u>	<u>29,449,808</u>	<u>97,839,542</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 80,942,082</u>	<u>\$ 15,071,499</u>	<u>\$ 11,055,487</u>	<u>\$ 32,685,820</u>	<u>\$ 139,754,888</u>

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO STATEMENT OF NET POSITION
June 30, 2022

Total Fund Balances - Governmental Funds	\$	97,839,542
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets are not financial resources and therefore are not reported in the governmental funds:

Cost	\$ 940,543,559	
Accumulated depreciation	<u>(182,620,966)</u>	757,922,593

A portion of the District's property taxes are collected after year-end but are not available soon enough to pay for the current years' operations, and therefore are not reported as revenue in the governmental funds.		4,496,566
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The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position		11,692,155
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The OPEB net asset - RHIA is not collectable in the current period, and therefore is not reported as an asset in the governmental funds		3,590,355
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The net pension liability is not due and payable in the current period, and therefore is not reported as a liability in the governmental funds		(94,061,729)
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Lease Assets under GASB 87 are not recognized in the governmental funds		131,320
Lease Liabilities under GASB 87 are not recognized in the governmental funds		(131,004)

Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds.

Deferred outflows of resources related to pensions	51,499,325	
Deferred outflows of resources related to refunding	38,488,118	
Deferred outflows of resources related to OPEB	9,505,012	
Deferred outflows of resources related to OPEB - Stipend	97,484	
Deferred inflows or resources related to OPEB	(2,462,182)	
Deferred inflows or resources related to stipend benefit	(692,608)	
Deferred inflows or resources related to pensions	<u>(83,748,538)</u>	12,686,611

Long-term obligations not payable in the current year are not reported as governmental fund liabilities. Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due. These obligations consist of:

Accrued interest payable	(764,708)	
Accrued compensated absences	(680,803)	
Bonds payable	(757,055,421)	
Notes payable	(6,710,319)	
Net OPEB liability	(31,746,671)	
Net OPEB liability, stipend benefit	<u>(1,212,353)</u>	(798,170,275)

Total Net Position	\$	<u>(4,003,866)</u>
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NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
Year Ended June 30, 2022

	General	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
Revenues					
Property Taxes	\$ 94,860,346	\$ -	\$ 36,337,296	\$ -	\$ 131,197,642
State and Local Sources	125,538,289	23,100,915	-	236,709	148,875,913
Federal Sources	58,709	22,411,603	-	-	22,470,312
Earnings from Investments	(235,855)	-	107,229	40,496	(88,130)
Services Provided Other Funds	2,661,127	-	16,636,263	-	19,297,390
Construction Excise Tax	-	-	-	2,328,854	2,328,854
Miscellaneous	946,258	-	-	-	946,258
Total Revenues	223,828,874	45,512,518	53,080,788	2,606,059	325,028,239
Expenditures					
Current					
Instruction	131,049,436	22,271,603	-	-	153,321,039
Support Services	89,792,719	11,383,558	-	-	101,176,277
Enterprise and Community Services	-	8,774,805	-	-	8,774,805
Facilities Acquisition and Construction	-	-	-	370,372	370,372
Debt Service					
Principal	-	-	26,589,451	-	26,589,451
Interest	-	-	26,007,656	-	26,007,656
Capital Outlay					
Instruction	40,190	207,247	-	-	247,437
Support Services	157,110	-	-	-	157,110
Enterprise and Community Services	-	48,178	-	-	48,178
Facilities Acquisition and Construction	-	-	-	33,536,662	33,536,662
Total Expenditures	221,039,455	42,685,391	52,597,107	33,907,034	350,228,987
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,789,419	2,827,127	483,681	(31,300,975)	(25,200,748)
Other Financing Sources (Uses)					
Transfers In	-	3,195,050	2,402,878	95,814	5,693,742
Transfers (Out)	(5,019,429)	(1,500,000)	-	(274,313)	(6,793,742)
Total Other Sources (Uses)	(5,019,429)	1,695,050	2,402,878	(178,499)	(1,100,000)
Net Change in Fund Balance	(2,230,010)	4,522,177	2,886,559	(31,479,474)	(26,300,748)
Fund Balances					
Beginning of Year	46,990,398	7,489,008	6,146,683	61,864,188	122,490,277
Prior Period Adjustment	2,584,919	-	-	(934,906)	1,650,013
End of year	\$ 47,345,307	\$ 12,011,185	\$ 9,033,242	\$ 29,449,808	\$ 97,839,542

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
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

Net Change in Fund Balances - Total Governmental Funds \$ (26,300,748)

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

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

Expenditures for capital assets	\$ 41,511,756	
Less current year depreciation	<u>(20,785,433)</u>	20,726,323

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

Principal payments	26,589,451	
Accreted interest of deferred interest bonds	(8,623,120)	
Change in accrued vacation	<u>(19,383)</u>	17,946,948
Change in GASB 87 Net Asset Position	(54,935)	
Change in GASB 87 Net Liability Position	<u>55,251</u>	316

Governmental funds report the effect of issuance costs, premiums, and discounts when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences:

Amortization of deferred charge on refunding bonds	(4,267,335)	
Amortization of premium	<u>4,055,066</u>	(212,269)

The revenues and expenses of the internal service funds are included in governmental activities in the statement of activities. (310,496)

Actuarial changes in Long-term pension liabilities, deferred outflows and deferred inflows of resources are not reported as governmental funds liabilities and therefore not reported as revenues or expenditures in the governmental funds. 2,430,689

In the statement of activities interest is accrued on long-term debt, whereas in the governmental funds it is recorded as interest expenses when due. (47,882)

Property taxes that do not meet the measurable and available criteria are not recognized as revenues in the current year in the governmental funds. In the statement of activities property taxes are recognized as revenue when levied. 1,053,909

In the statement of activities, contributions for other postemployment benefits less than the actuarially determined contribution amount increase the other postemployment benefit obligation. In the governmental funds the entire contribution is recognized as an expenditure. This is the amount by which the obligation decreased. (1,580,080)

Change in Net Position \$ 13,706,710

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2022

	BUSINESS TYPE ACTIVITIES: ENTERPRISE FUND	GOVERNMENTAL ACTIVITIES: INTERNAL SERVICE FUND
ASSETS		
Current Assets:		
Cash and Investments	\$ 668,776	\$ 18,479,930
Accounts Receivable	-	2,088
Total Current Assets	668,776	18,482,018
LIABILITIES		
Current Liabilities:		
Estimated Claims Liability	-	6,175,579
Accounts Payable	748	-
Accrued Payroll and Associated Payroll Costs	24,410	-
Interfund Payable	-	614,284
Total Current Liabilities	25,158	6,789,863
NET POSITION		
Unrestricted	643,618	11,692,155
Total Net Position	\$ 643,618	\$ 11,692,155

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year Ended June 30, 2022

	BUSINESS TYPE ACTIVITIES: ENTERPRISE FUND	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUND
Operating Revenues:		
Services Provided to Other Funds	\$ -	\$ 40,615,834
Charges for Services	1,242,594	-
Rentals	136,220	-
Miscellaneous	-	2,646,279
Total Operating Revenues	1,378,814	43,262,113
Operating Expenses:		
Salaries and Associated Payroll Costs	1,512,715	-
Purchased Services	4,775	44,726,441
Supplies and Materials	35,211	-
Other Operating Expenses	32,190	-
Total Operating Expenses	1,584,891	44,726,441
Operating Income, (Loss)	(206,077)	(1,464,328)
Nonoperating Revenue and Expenses		
Earnings from Investments	-	53,832
Total Nonoperating Revenue and Expenses	-	53,832
Income (Loss) Before Transfers	(206,077)	(1,410,496)
Transfers		
Transfer In	-	1,100,000
Total Transfers	-	1,100,000
Change in Net Position	(206,077)	(310,496)
Net Position		
Beginning of Year	849,695	12,002,651
End of Year	\$ 643,618	\$ 11,692,155

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended June 30, 2022

	BUSINESS TYPE ACTIVITIES: ENTERPRISE FUND	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUND
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from User Charges	\$ 1,242,594	\$ -
Cash Received from Other Rentals and Miscellaneous	136,220	2,646,279
Cash Received from Assessments Made to Other Funds	-	40,850,549
Cash received from state grants	-	7,545,646
Cash Payments to Suppliers for Goods and Services	(39,238)	(42,270,064)
Cash Payments to Employees for Services	(1,488,416)	-
Cash Payments for Other Operating Expenses	(32,190)	-
Net Cash Provided (Used) by Operating Activities	(181,030)	1,226,764
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest Received	-	53,832
Net Cash Provided (Used) by Investing Activities	-	53,832
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers, In	-	1,100,000
Net Cash Provided (Used) by Noncapital Financing Activities	-	1,100,000
Net Increase, (Decrease) in Cash and Cash Equivalents	(181,030)	2,380,596
Cash and Cash Equivalents - Beginning	849,806	16,099,334
Cash and Cash Equivalents - Ending	\$ 668,776	\$ 18,479,930
Reconciliation of Operating Income, (Loss) to Net Cash Provided, (Used) by Operating Activities:		
Operating income, (loss)	\$ (206,077)	\$ (1,464,328)
Adjustments to Reconcile Operating Income, (Loss) to Net Cash Provided, (Used) by Operating Activities:		
Changes in Assets and Liabilities:		
Receivables	-	234,715
Interfund	-	1,561,872
Payables	748	894,505
Accrued Payroll and Associated Payroll Costs	24,299	-
Net Cash Provided (Used) by Operating Activities	\$ (181,030)	\$ 1,226,764
Cash Paid for Interest	\$ -	\$ -
Cash Paid for Taxes	\$ -	\$ -

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
June 30, 2022

	Private Purpose Trust Fund
Assets	
Cash and Investments	\$ 367,989
Other Receivables	47,820
Total Assets	415,809
Liabilities	
Accounts Payable	282,072
Accrued Payroll, Taxes and Employee Withholdings	243,482
Total Liabilities	525,554
Net Position	
Held in Trust for:	
Scholarships and Charter Schools	(109,745)
Total Net Position	\$ (109,745)

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
Year Ended June 30, 2022

	Private Purpose Trust Fund
Additions:	
State and Local Sources	\$ 10,379,674
Total Additions	10,379,674
Deductions:	
Charter Schools Payments	10,505,066
Scholarships	2,490
Total Deductions	10,507,556
Change in Net Position	(127,882)
Net Position	
Beginning of Year	18,137
End of Year	\$ (109,745)

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

1. Summary of Significant Accounting Policies

Reporting Entity

North Clackamas School District No. 12 (the District) is a municipal corporation governed by an elected Board of Directors. The Board approves administrative officials. The daily functioning of the District is under supervision of the Superintendent. As required by generally accepted accounting principles, all activities of the District have been included in the basic financial statements.

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

Basis of Presentation

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities display information about the District. These statements include the governmental financial activities of the overall District, except fiduciary activities. Governmental activities are financed primarily through property taxes, intergovernmental revenues, and charges for services.

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

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

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

FUND FINANCIAL STATEMENTS

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

The District reports the following major governmental funds:

General Fund – This fund accounts for all revenues and expenditures except for those required to be accounted for in another fund. The principal revenue sources are property taxes and an apportionment from the State of Oregon. Expenditures in the fund are made for instructional purposes and related support services.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

1. Summary of Significant Accounting Policies (Continued)

Basis of Presentation – FUND FINANCIAL STATEMENTS (Continued)

Special Revenue Fund - This fund accounts for the revenues and expenditures of specific educational programs funded from federal, state, local sources, and student body activities. Principal sources of revenue are federal and state grants paid to the District through state and county agencies and other grants paid to the District directly from state, local and private agencies as well as student body receipts.

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

Capital Projects Fund – This fund accounts for activities related to the acquisition, construction, equipping and furnishing of new schools and other facilities. Principal revenue sources are proceeds from general obligation bond issues and related interest earned on proceeds not yet expended.

Additionally, the District reports the following fund types:

Enterprise Fund – This fund accounts for activities related to community service including child care services. Principal revenue sources are charges for services and rentals.

Internal Service Fund – This fund accounts for costs incurred for employees' general health insurance. The principal revenue source is charges to other funds for services.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's Enterprise Fund are rental and lease charges for facility use and service charges to external customers for goods and services. Operating expenses for the Enterprise Fund include salaries and benefits, supplies, materials and administrative expenses. The principal operating revenues of the District's Internal Service Funds are charges to other funds for insurance. Operating expenses for the Internal Service Funds include self-insurance. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses in both the Enterprise Fund and the Internal Service Funds.

The private-purpose trust fund is used to account for charter school receipts and scholarship resources held by the District in a fiduciary capacity for use by charter schools and students. Disbursements from this fund is made in accordance with the trust and donor agreements.

Measurement Focus and Basis of Accounting

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

1. Summary of Significant Accounting Policies (Continued)

Measurement Focus and Basis of Accounting (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. 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 finance purchase agreements are reported as other financing sources.

The Enterprise and Internal Service Fund employs the economic resources measurement focus and the accrual basis of accounting.

Budget

A budget is prepared and legally adopted for each governmental fund type and private purpose trust on the modified accrual basis of accounting. The budgetary basis of accounting is the same as accounting principles generally accepted in the United States of America basis for the governmental fund types and private purpose trust fund, except that capital outlay expenditures, including items below the District's capitalization level, are budgeted by function 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 detail budget document, however, is required to contain more specific, detailed information for the aforementioned expenditure categories. Unexpected additional resources may be added to the budget through the use of supplemental budget and appropriation resolution.

Supplemental budgets less than 10% of fund's budget may be adopted by the Board at a regular meeting. A supplemental budget greater than 10% of a fund's original budget requires a hearing before the public, publication in newspapers and approval by the Board. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control (major function levels) with Board approval. The District's appropriations lapse at year-end. In 2021-2022, actual expenditures were within appropriations except for two items noted on page 103.

Cash and Investments

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

The District's investments consist of the State of Oregon Treasurer's Local Government Investment Pool (LGIP). The District's investments are reported a fair value based upon quoted market rates. Changes in fair value of investments are recorded as investment earnings. The LGIP is stated at costs 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 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.

1. Summary of Significant Accounting Policies (Continued)

Fair Value, Inputs, Methodologies and Hierarchy

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

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

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

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

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

Property Taxes Receivable

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

Accounts and Other Receivables

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

Grants

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

1. Summary of Significant Accounting Policies (Continued)

Pensions

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

Capital Assets

Capital assets are recorded at original cost or estimated original cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at their acquisition value on the date donated. The District defines capital assets as assets with an initial cost of more than \$5,000 and an estimated 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 and Equipment	5 to 30 years

Deferred Outflows/Inflows of Resources

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

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

Retirement Plans

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

The District offers its employees a tax deferred annuity plan established pursuant to Section 403(b) and 457(b) of the Internal Revenue Code.

Lease Assets

Lease assets are assets which the government leases for a term of more than one year. The value of the leases is determined by the net present value of the leases at the government's incremental borrowing rate at the time of the lease agreement, amortized over the life of the agreement.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

1. Summary of Significant Accounting Policies (Continued)

Leases Payable

In the government-wide financial statements, leases payable are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources.

Self-Insurance

The District is self-insured for losses and claims up to policy deductible limits ranging from \$5,000 to \$50,000 for property, comprehensive general and automobile liability, board of directors' liability, boiler and machinery, and fidelity bonds coverages. Additionally, the District is self-insured for workers' compensation.

Post Employment Health Care Benefits

Eligible employees who elect early retirement are entitled to participate in the District's group medical insurance plan. Such costs are recorded as expenses in the General Fund and are funded as premiums become due.

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, if material, when earned in the government-wide financial statements. A liability is accrued in the governmental funds when the amount matures.

Long-term Debt

In the government-wide financial statements long-term debt is reported as a liability in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of applicable bond premium or discount. Bond issuance costs are expensed in the period incurred. Savings realized from advance refunding of debt are recorded as deferred outflows of resources and amortized over the remaining life of the related defeased debt.

In the fund financial statements bond premiums and discounts are recognized when incurred and are 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.

Interfund Transactions

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. This includes interfund transfers occurring within governmental activities and interfund receivables and payables. Interfund services provided and used are not eliminated during the consolidation process.

Interfund Receivables/Payables

The District maintains a cash pool that is available for use by all funds. The cash pool account is maintained in the General Fund, while activity between funds utilizing this cash is referred to as Due to/from Other Funds in each fund at the end of the fiscal year in the fund basis financial statements. All interfund loan balances are considered current and are eliminated in the government-wide financial statements.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

1. Summary of Significant Accounting Policies (Continued)

Fund Balances

In the governmental financial statements, fund balances are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Governmental fund balances are classified as nonspendable, restricted, committed, assigned or unassigned. Following are descriptions of fund classifications used by the district:

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

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

Committed fund balance includes amounts that can be used only for the specific purposes pursuant to constraints imposed by a formal resolution of the School Board. The School Board can modify or rescind the commitment at any time through taking a similar formal resolution.

Assigned fund balance includes amounts assigned for specific uses as authorized by the Superintendent and/or Director of Finance.

Unassigned fund balance is the residual classification for balances not assigned to another category. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

The governing body has approved the following order of spending regarding fund balance categories: The spending of restricted fund balances on purposes for which such funds can be used to occur first when funds are spent for restricted and unrestricted purposes. When unrestricted classifications of fund balance are spent, the board will consider the committed amounts will be reduced first, followed by assigned amounts and then unassigned amounts.

To preserve a sound financial system and to provide stable financial base, the governing body has adopted a minimum fund balance policy. The District will target a minimum fund balance equal to no less than (5%) percent of the General Fund expenditures and other financing uses as a reserve for economic uncertainties.

Net Position

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

Net Investment in Capital Assets – This amount consist of capital assets net of accumulated depreciation and reduced by outstanding debt attributed to the acquisition, construction, or improvement of the assets. In addition, the District has unspent bond proceeds in the form of cash and investments to fund bond expenditures in subsequent years.

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

Unrestricted net position – This amount is all net position that do not meet the definition of “net invested in capital assets” or “restricted net position”. In the event that both restricted and unrestricted net position is available for use, restricted net position is assumed to be utilized first.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
 NOTES TO BASIC FINANCIAL STATEMENTS
 Year Ended June 30, 2022

1. Summary of Significant Accounting Policies (Continued)

Use of Estimates

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

2. Cash and Investments

The District maintains a cash pool that is available for use by all funds except the agency fund. Each fund type's portion of this pool is reported on the Combined Balance Sheet as Cash and Investments or Due to/from other funds. In addition, cash is separately held by certain funds of the District.

Cash and investments on June 30, 2022 consist of the following:

Deposits with banks	\$ 76,415,293
Investments	<u>47,741,138</u>
	<u>\$ 124,156,431</u>

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

Statement of Net Position	
Cash and Investments	\$ 123,788,442
Statement of Net Position - Fiduciary Funds	
Cash and Investments - Private Purpose Trust	<u>367,989</u>
	<u>\$ 124,156,431</u>

Deposits

Custodial credit risk – Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the District's deposits may not be returned to the District. Insurance and collateral requirements for the deposits are established by federal banking regulations and Oregon law. State statutes require that the District's deposits be covered by the Federal Deposit Insurance Corporation (FDIC) or by a multiple financial institution collateral pool under ORS 295.015 which is administered by the State of Oregon Office of the Treasury.

Deposits with financial institutions include primarily bank demand and money market deposits. The balances in these accounts according to the District's records total \$76,415,293 on June 30, 2022. The bank statement records reflect a balance of \$79,052,255 at year end. Of this amount, \$750,000 is covered by the FDIC's general deposit insurance rules. As required by Oregon Revised Statutes, deposits in excess of federal depository insurance were held at a qualified depository for public funds. All qualified depositories for public funds are included in the multiple financial institution collateral pool that is maintained by and in the name of the Office of State Treasurer. As a result the District has no exposure to custodial credit risk for deposits with financial institutions.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

2. Cash and Investments (Continued)

Investments

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held.

Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund appears to be in compliance with all portfolio guidelines at June 30, 2022. The LGIP seeks to exchange shares at \$1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool. We intend to measure these investments at book value since it materially approximates fair value.

The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. As of June 30, 2022, the fair value of the position in the LGIP is 98.98% of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized. The District booked a fair market value loss of \$491,973, for the difference between the pool fair market value and the book value. The audited financial statements can be found at:

<https://www.oregon.gov/treasury/public-financial-services/oregon-short-term-funds/pages/default.aspx>

Investment Type	Fair Value	Weighted Average Maturity in Years	% of Investment Portfolio
Local Government Investment Pool	47,741,138	0.41	100.00%
	<u>\$ 47,741,138</u>	<u>0.41</u>	<u>100.00%</u>

The "weighted average maturity in years" calculation assumes that all investments are held until maturity.

Interest rate risk – investments. Interest rate risks is the risk that changes in interest rates will adversely affect the fair value of an investment. The District minimizes interest rate risk by structuring the investment portfolio so that securities mature to meet the cash requirements for ongoing operations and capital construction projects, thereby avoiding the need to sell securities in the open market, and investing primarily in the Local Government Investment Pool (LGIP). Funds may be invested in the LGIP to the extent permitted by ORS 294.810. Excess amounts are invested in adherence with the portfolio maturity constraints.

Under the District's policy, investments of over 18 months will be avoided, unless they can be matched with specific expected use of funds as provided by ORS 294.135. The investment of capital bond proceeds are timed to meet construction payments.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
 NOTES TO BASIC FINANCIAL STATEMENTS
 Year Ended June 30, 2022

2. Cash and Investments (Continued)

Investments (Continued)

Concentration of credit risk – investments. The Oregon State Treasurer's Local Government Investment Pool (LGIP) is subject to regulatory oversight by the Oregon Secretary of State and is not required to be categorized by risk. 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 Treasurer maintains the Oregon Short-Term Fund, of which the LGIP is a part. It is not registered with the U.S. Securities and Exchange Commission. The Fund currently has no credit rating as assigned by the credit rating agencies. On June 30, 2022, the fund's composite weighted rating was equivalent to S&P's AA ratings. The State's investment policies are governed by statute and the Oregon Investment Council (Council). The State Treasurer is the investment officer for the Council and is responsible for all funds in the State Treasury. Investments in the Fund are further governed by portfolio guidelines issued by the Oregon Short-Term Fund Board (OSTFB) and approved by the Oregon Investment Council (ORS 294.805 to 294.895).

As a means of limiting its exposure to fair value losses arising from rising interest rates, no more than the stated percentage of the overall portfolio will be invested in each of the following categories of securities:

<u>Investment Type</u>	<u>Maximum % of Holdings</u>
U.S. Treasury Securities	100%
Local Government Investment Pool	100% (or pool limit)
Fully insured Certificates of Deposit (CD)	100%
Bankers' Acceptances (BA's)	50%
Certificates of Deposits (CD)	25%
Repurchase Transactions	10%
U.S. Government agency securities and Instrumentalities of government sponsored Corporations.	100%

As of June 30, 2022, more than 5% of the District's total investments are in securities by the following issuers:

<u>Issuer</u>	<u>% of Total Investments</u>
Local Government Investment Pool	100%

As of June 30, 2022, the District was in compliance with the State of Oregon statutes regarding investments as discussed under Note 1 and the District's investment policies.

3. Accounts, Property Taxes and Grants Receivable

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Internal Service Fund</u>	<u>Total</u>
Uncollected Property Taxes	\$ 3,479,587	\$ -	\$ 1,342,988	\$ -	\$ -	\$ 4,822,575
Grants Receivables	948,437	8,070,557	-	-	-	9,018,994
Other Receivables	1,715,369	-	-	640,388	2,088	2,357,845
Total Receivables	<u>\$ 6,143,393</u>	<u>\$ 8,070,557</u>	<u>\$ 1,342,988</u>	<u>\$ 640,388</u>	<u>\$ 2,088</u>	<u>\$ 16,199,414</u>

Special Revenue Fund and Capital Projects Fund grants receivable are comprised of claims for reimbursement of costs under various federal and state grant programs.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

4. Capital Assets

Capital assets activity for the year ended June 30, 2022 was as follows:

	Balance July 1, 2021	Increases	Decreases	Balance June 30, 2022
Capital assets not being depreciated:				
Construction in Progress	\$ 128,712,734	\$ -	\$ (128,060,067)	\$ 652,667
Land	67,306,124	102,613	-	67,408,737
Total Capital Assets not being depreciated	196,018,858	102,613	(128,060,067)	68,061,404
Capital assets being depreciated:				
Buildings and improvements	665,536,859	163,688,267	-	829,225,126
Equipment	37,476,086	5,780,943	-	43,257,029
Total capital assets being depreciated	703,012,945	169,469,210	-	872,482,155
Less accumulated depreciation for:				
Buildings and improvements	(134,746,360)	(18,206,717)	-	(152,953,077)
Equipment	(27,089,173)	(2,578,716)	-	(29,667,889)
Total accumulated depreciation	(161,835,533)	(20,785,433)	-	(182,620,966)
Total capital assets being depreciated, net	541,177,412	148,683,777	-	689,861,189
Total capital assets, net	\$ 737,196,270	\$ 148,786,390	\$ (128,060,067)	\$ 757,922,593

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

Program	
Instructional programs	\$ 12,055,551
Supporting services	8,106,319
Community services	623,563
Total depreciation expense	\$ 20,785,433

Construction Commitments - The District has active construction projects as of June 30, 2022. As of the end of the fiscal year, the District is committed under various accepted bid agreements and contracts for approximately \$5,172,764 for goods, services and construction of facilities.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

5. Long-Term Debt

General Long-Term Debt

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

In December 2014, the District issued \$170,380,000 in general obligation bonds for the purpose of refunding portion of its general obligation bonds issued in 2007. The bonds were sold at a premium of \$28,237,296. A total of \$197,617,296 was raised to buy back bonds issued in 2007 with an outstanding principal balance of \$153,556,142 and valued as of December 18, 2014 of \$197,631,199. The difference of 986,097 was paid for cost of issuance of the bonds.

The 2014 refunding resulted in a deferred loss on the Statement of Net Position of \$35,334,060 due to the excess of the principal balance and premium of the new bonds as compared to the principle balance and premium outstanding for the bonds that were paid off. Although the stated amount of the bonded debt is now higher, the District will save a significant amount of money over the life of the new bonds due to the reduction in interest payments. The present value of savings on the total debt service of the refunding bonds in comparison to the old bonds is \$15,119,698.

In May of 2016, the District issued \$23,830,000 in general obligation bonds for the purpose of refunding additional 2007 bonds. The bonds were sold at a premium of \$3,084,637. In addition, the District provided \$464,705 of its own funds to bring the total money raised to \$27,379,342. The 2007 with an outstanding principal balance of \$25,630,000 were paid off and transaction costs of \$209,421. The difference of \$1,539,921 is reported as a deferred loss on the Statement of Net Position and amortized over the life of the new bonds.

In March 2017, the District issued Series 2017B for \$182,350,000 in general obligation bonds to finance capital construction and improvements. Interest rates range from 4.0% to 5.0%, payable semiannually in June and December, beginning June 2020. The bonds mature on June 15, 2037 with principal payments due annually on June 15th. The District issued series 2017B deferred interest bonds for \$140,292,626 in general obligation bonds to finance capital construction and improvements. Interest rates range from 1.42% to 4.56% deferred interest is compounded and paid at maturity beginning June 2019. The bonds mature June 15, 2042.

In December 2018, the District issued Series 2018 for \$110,357,000 in general obligation bonds to finance capital construction and improvements. Interest rates on this issue is 5.0%, payable semiannually in June and December, beginning December 2019. The bonds mature on June 15, 2042 with principal payments due annually on June 15th.

Pension Obligation Bonds – On October 31, 2002 and April 2003, the District issued \$113,978,012 of limited tax pension obligation bonds to finance its portion of the unfunded actuarial liability (UAL) with the State of Oregon Public Employees Retirement System (PERS) as of December 31, 2000. On August 11, 2011, the District issued \$3,490,000 of limited tax pension obligation bonds.

Full Faith and Credit Obligation Bonds – On June 30, 2020, the District issued \$11,036,100 full faith and credit obligation bonds to provide funds for the District's bus transportation facility and subsequent improvements. Interest rate on the bonds is \$2.93% with final maturity June 1, 2035.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

5. Long-Term Debt (Continued)

In October 2020, the District issued \$139,415,000 in general obligation bonds for the purpose of refunding portion of its general obligation bonds issued in 2014. A total of \$138,616,157 was raised to buy back bonds issued in 2014. The difference of \$798,843 was paid for cost of issuance of the bonds.

The 2020 refunding resulted in a deferred loss on the Statement of Net Position of \$20,926,157 due to the excess of the principal balance of the new bonds as compared to the principle balance outstanding for the bonds that were paid off. Although the stated amount of the bonded debt is now higher, the District will save a significant amount of money over the life of the new bonds due to the reduction in interest payments. The present value of savings on the total debt service of the refunding bonds in comparison to the old bonds is \$9,644,103. The deferred loss is amortized on the straight line basis over the life of the 2020 refunding bonds.

Bonds payable are as follows:

Issue Date	Issue Amount	Outstanding July 1, 2021	Additions	Reductions	Outstanding June 30, 2022	Interest Rates
General Obligation Bonds:						
12/14	\$ 170,380,000	\$ 29,465,000	\$ -	\$ 8,695,000	\$ 20,770,000	2.0% - 5.0%
05/16	23,830,000	21,600,000	-	280,000	21,320,000	2.0% - 4.0%
3/17A	140,292,626	132,193,968	-	-	132,193,968	1.42% - 4.56%
3/17B	182,350,000	177,460,000	-	3,150,000	174,310,000	4.0% - 5.0%
12/18	110,357,000	105,410,000	-	2,985,000	102,425,000	5.00%
10/20	139,415,000	135,045,000	-	4,125,000	130,920,000	.25% - 1.58%
		601,173,968	-	19,235,000	581,938,968	
Limited Tax Pension Obligation Bonds:						
10/02	50,821,060	34,465,000	-	3,845,000	30,620,000	2.06 - 6.10 %
03/03	63,156,952	36,435,322	-	1,655,876	34,779,446	1.50 - 6.27%
08/11	3,490,000	-	-	-	-	4.12%
		70,900,322	-	5,500,876	65,399,446	
Full Faith and Credit Obligation		10,730,451	-	314,592	10,415,859	2.93%
Total G.O. and Pension Bonds		682,804,741	-	25,050,468	657,754,273	
Bond Interest Accretion		37,366,853	8,623,120	-	45,989,973	
Unamortized Premium		57,366,241	-	4,055,066	53,311,175	
Total Bonds Payable		777,537,835	8,623,120	29,105,534	757,055,421	
Less Current Portion		(25,050,468)			(27,493,244)	
		<u>\$ 752,487,367</u>			<u>\$ 729,562,177</u>	

Payments on the general obligation bonds are made by the Debt Service Fund from property taxes and earnings on investments. Payments on pension bonds are made by the Debt Service Fund from revenue charges to other funds. Notes Payable payments are paid out of the Debt Service Funds from transfers from the general fund. Notes payable at June 30, 2022, consist of the following:

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

5. Long-Term Debt (Continued)

Description	Issued to	Issued Date	Maturity Date	Interest Rate	Original Issue Amount	Amount Outstanding
Schedule #13	Key Bank	1/20/2013	12/20/2022	2.78%	1,665,122	92,899
Schedule #14	Key Bank	12/10/2014	12/20/2024	2.37%	1,157,224	320,267
Schedule #15	Key Bank	7/23/2015	6/20/2025	2.79%	900,000	297,470
Schedule #16	Key Bank	10/12/2016	6/20/2026	2.96%	1,020,576	435,934
Schedule #17	Key Bank	10/30/2017	6/20/2027	2.58%	2,394,649	1,323,654
Schedule #18	Key Bank	8/30/2018	6/20/2028	3.23%	1,852,380	1,174,445
Schedule #19	Key Bank	8/30/2018	6/20/2028	2.19%	1,852,380	1,941,045
Freeman Building	US Bank	10/1/2016	10/1/2026	3.66%	2,249,205	1,124,605
Total Note Payable					<u>\$ 13,091,536</u>	6,710,320
Less Current Portion						<u>(1,317,015)</u>
						<u>\$ 5,393,304</u>

The District total long-term debt changes is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds Payable	\$ 682,804,741	\$ -	\$ 25,050,468	\$ 657,754,273	\$ 27,493,244
Unamortized Premiums	57,366,241	-	4,055,066	53,311,175	-
Deferred Interest on Bonds	37,366,853	8,623,120	-	45,989,973	-
Notes Payable	8,249,304	-	1,538,984	6,710,320	1,317,015
Lease Liab. Intangible (GASB 87)	-	186,255	55,251	131,004	45,354
Proportionate Share of NPL	175,416,318	-	81,354,589	94,061,729	-
Other Post Employment Benefits	30,319,345	1,427,326	-	31,746,671	-
OPEB Liability, Stipend	1,248,818	-	36,465	1,212,353	-
	<u>\$ 898,038,526</u>	<u>\$ 10,236,701</u>	<u>\$ 112,090,823</u>	<u>\$ 890,917,498</u>	<u>\$ 28,855,614</u>

Payments for pension liabilities and other post employment benefits are made by the General fund.

Future maturities are as follows:

Fiscal Year	Bonds	Notes	Leases Liab. Intangible (GASB 87)	Total	Interest Due
2022-2023	27,493,245	1,317,015	45,354	28,855,614	25,365,144
2023-2024	34,583,272	1,250,895	37,829	35,871,996	20,150,206
2024-2025	38,153,023	1,211,647	25,643	39,390,313	18,523,992
2025-2026	36,198,060	1,065,215	14,574	37,277,849	17,221,917
2026-2031	161,821,437	1,865,547	7,604	163,694,588	68,171,822
2031-2036	175,100,183	-	-	175,100,183	89,510,424
2036-2041	156,774,077	-	-	156,774,077	140,226,173
2041-2042	27,630,976	-	-	27,630,976	37,681,773
	<u>\$ 657,754,273</u>	<u>\$ 6,710,319</u>	<u>\$ 131,004</u>	<u>\$ 664,595,596</u>	<u>\$ 416,851,451</u>

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

6. Lease Liability Intangible (GASB 87)

For the year ended 6/30/2022, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. 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. For additional information, refer to the disclosures below.

On 07/01/2021, North Clackamas School District, OR entered into a 39 month lease as Lessee for the use of Enterprise Fleet E288455. An initial lease liability was recorded in the amount of \$54,253.49. As of 06/30/2022, the value of the lease liability is \$38,057.72. North Clackamas School District, OR is required to make monthly fixed payments of \$1,430.83. The lease has an interest rate of 2.1560%. The Vehicles estimated useful life was 39 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$54,353.49 with accumulated amortization of \$16,498.53 is included with Vehicles on the Lease Class activities table found below. The lease has a lease termination penalty of \$400.00.

On 07/01/2021, North Clackamas School District, OR entered into a 39 month lease as Lessee for the use of Enterprise Fleet E288456. An initial lease liability was recorded in the amount of \$50,222.67. As of 06/30/2022, the value of the lease liability is \$35,239.09. North Clackamas School District, OR is required to make monthly fixed payments of \$1,430.83. The lease has an interest rate of 2.1560%. The Vehicles estimated useful life was 39 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$50,472.67 with accumulated amortization of \$15,320.54 is included with Vehicles on the Lease Class activities table found below. The lease has an unguaranteed residual value of \$1,765.49. The lease has a lease termination penalty of \$400.00.

On 07/01/2021, North Clackamas School District, OR entered into a 39 month lease as Lessee for the use of Enterprise Fleet E284807. An initial lease liability was recorded in the amount of \$51,618.37. As of 06/30/2022, the value of the lease liability is \$36,644.76. North Clackamas School District, OR is required to make monthly fixed payments of \$1,430.84. The lease has an interest rate of 2.1560%. The Vehicles estimated useful life was 39 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$51,718.37 with accumulated amortization of \$15,698.66 is included with Vehicles on the Lease Class activities table found below. The lease has an unguaranteed residual value of \$1,856.81. The lease has a lease termination penalty of \$400.00.

On 07/01/2021, North Clackamas School District, OR entered into a 48 month lease as Lessee for the use of Enterprise Fleet E283722. An initial lease liability was recorded in the amount of \$29,710.47. As of 06/30/2022, the value of the lease liability is \$22,612.21. North Clackamas School District, OR is required to make monthly fixed payments of \$666.15. The lease has an interest rate of 2.2470%. The Vehicles estimated useful life was 48 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$29,710.47 with accumulated amortization of \$7,417.32 is included with Vehicles on the Lease Class activities table found below. The lease has an unguaranteed residual value of \$6,423.34. The lease has a lease termination penalty of \$400.00.

Principal and Interest Requirements to Maturity		Governmental Activities		
Fiscal Year	Principal Payments	Interest Payments	Total Payments	
2023	45,354	1,408	46,762	
2024	37,829	956	38,785	
2025	25,643	586	26,229	
2026	14,574	288	14,862	
2027	7,604	80	7,684	
Total	\$ 131,004	\$ 3,318	\$134,322	

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

6. Lease Liability Intangible (GASB 87) – (Continued)

GOVERNMENTAL ACTIVITIES:	Balance as of			Balance as of
	July 1, 2021	Additions	Reductions	June 30, 2022
Lease Liability				
Vehicles				
Enterprise Fleet E288455	54,353	-	16,696	37,658
Enterprise Fleet E288456	50,473	-	15,484	34,989
Enterprise Fleet E284807	51,718	-	15,474	36,245
Enterprise Fleet E283722	29,710	-	7,598	22,112
Total Vehicle Lease Liability	\$ 186,255	\$ -	\$ 55,251	\$ 131,004
	Balance as of			Balance as of
	July 1, 2021	Additions	Reductions	June 30, 2022
Lease Assets				
Vehicles				
Enterprise Fleet E288455	54,353	-	-	54,353
Enterprise Fleet E288456	50,473	-	-	50,473
Enterprise Fleet E284807	51,718	-	-	51,718
Enterprise Fleet E283722	29,710	-	-	29,710
Total Vehicle Lease Assets	186,255	-	-	186,255
Lease Accumulated Amortization				
Vehicles				
Enterprise Fleet E288455	-	16,499	-	16,499
Enterprise Fleet E288456	-	15,321	-	15,321
Enterprise Fleet E284807	-	15,699	-	15,699
Enterprise Fleet E283722	-	7,417	-	7,417
Total Vehicle Lease Accumulated Amortization	-	54,935	-	54,935
Total Lease Accumulated Amortization	-	54,935	-	131,320
Total Governmental Lease Assets, Net	\$ 186,255	\$ (54,935)	\$ -	\$ 131,320

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

7. Interfund Receivables/Payables & Transfers

The composition of due to/due from balances as of June 30, 2022 is as follows:

	Due From	Due to
Major Government Funds		
General Fund	\$	\$ 17,534,495
Special Revenue Fund	6,998,942	
Debt Service Fund		769,047
Capital Projects Fund	11,918,884	
Internal Service Fund	-	614,284
	<u>\$ 18,917,826</u>	<u>\$ 18,917,826</u>

The District maintains a cash pool that is available for use by all funds. Each fund type's portion of this pool is reported as either Cash and Investments or Due to/from Other Funds. Interfund receivables and payables (Due To /Due From Other Funds) arise during normal processing of receipts and disbursements for all funds through a single checking account and do not represent interfund loans.

The interfund transfers during the year ended June 30, 2022 are as follows:

	Transfer In	Transfer Out
Major Government Funds		
General Fund	\$ -	\$ 5,019,429
Special Revenue Fund	3,195,050	1,500,000
Debt Service Fund	2,402,878	-
Capital Projects Fund	95,814	274,313
Internal Service Fund	1,100,000	-
	<u>\$ 6,793,742</u>	<u>\$ 6,793,742</u>

The District made transfers from the General fund to fund bus replacement and cover wage increases in the Special Revenue Fund, to cover principal and interest payments in the Debt Service Fund, to the Internal Service Fund to cover worker's compensation claims and to the Capital Projects Fund to cover principal and interest. The Special Revenue Fund made a transfer to the Debt Service Fund to cover bus financing payments and to the Capital Projects fund to cover principal and interest payments.

8. Pension Plan

Plan Description

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

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

8. Pension Plan (Continued)

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

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

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

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

Pension Benefits

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

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

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

Death Benefits

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

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

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

8. Pension Plan (Continued)

Disability Benefits

A member with ten or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 when determining the monthly benefit.

Benefit Changes after Retirement

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

Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2017 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

OPSRP Pension Program (Chapter 238A)

Pension Benefits.

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

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

Death Benefits

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

Disability Benefits

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

Benefit Changes after Retirement

Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2017 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

8. Pension Plan (Continued)

Contributions

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

Employer contribution rates during the period were based on the December 31, 2019 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2021. The District made lump sum payments to establish side accounts in 2002 and 2004, which reduces the District rates below the standard School District Pool rates. The District's contractually required contribution rate for the year ended June 30, 2022 was 12.88% of eligible payroll for Tier 1/Tier 2 members and 9.77% of eligible payroll for OPSRP members. Employer contributions for the year ended June 30, 2022 were \$14,104,373, excluding amounts to fund employer specific liabilities. \$16,636,263 was charged for the year ended June 30, 2022 as PERS benefit expenditures to be used for bond payments as they become due.

Pension Liabilities, 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 \$94,061,729 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 projected long-term contribution effort to the Plan with the total projected long-term contribution effort of all employers, actuarially determined. At June 30, 2022 the District's proportion was .786% which was .018% lower than its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the District recognized a reduction in pension expense of \$2.4 million. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 8,804,793	\$ -
Changes in assumptions	23,546,483	247,548
Net difference between projected and actual earnings on investments	-	69,633,169
Changes in proportionate share	5,043,676	5,170,669
Differences between employer contributions and employer's proportionate share of system contributions`	-	8,697,152
District contributions subsequent to the measurement date	14,104,373	-
Total	<u>\$ 51,499,325</u>	<u>83,748,538</u>

District contributions subsequent to the measurement date of \$14,104,373 reported as deferred outflows of resources related to pensions will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported by the District as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in subsequent years as follows:

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

8. Pension Plan (Continued)

	Pension Expense
June 30, 2023	(8,067,233)
June 30, 2024	(10,315,169)
June 30, 2025	(11,842,340)
June 30, 2026	(17,899,217)
June 30, 2027	1,770,373

Actuarial Methods and Assumptions:

Actuarial Valuations

The employer contribution rates effective July 1, 2021, through June 30, 2023, were set using the projected unit credit actuarial cost method.

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

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

Actuarial Assumptions

The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

8. Pension Plan (Continued)

<u>Actuarial Methods and Assumptions</u>	
	<u>Pension</u>
Valuation date	December 31, 2019
Measurement date	June 30, 2021
Experience Study	2018, published July 24, 2019
Actuarial assumptions:	
Actuarial cost method	Entry Age Normal
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 Moro decision; blend based on service.
Mortality	<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. <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. <i>Disabled retirees:</i> Pub-2010 Disable Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

(Source: June 30, 2021 PERS ACFR; Page 71)

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
 NOTES TO BASIC FINANCIAL STATEMENTS
 Year Ended June 30, 2022

8. Pension 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, 2019.

Discount Rate

The discount rate used to measure the total pension liability was 6.90 percent. 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

TABLE 1

Asset Class	Target Allocation	
	Through June 2, 2021	After June 2, 2021
Cash	0.0%	0.0%
Debt Securities	20.0%	20.0%
Public Equity	32.5%	30.0%
Private Equity	17.5%	20.0%
Real Estate	12.5%	12.5%
Alternatives Portfolio	15.0%	15.0%
Risk Parity*	2.5%	2.5%
Total	<u>100.0%</u>	<u>100.0%</u>

* Risk Parity asset class/strategy included within Alternatives Portfolio on the Statement of Fiduciary Net Position

(Source: June 30, 2021 PERS ACFR; Page 42)

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

8. Pension Plan (Continued)

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2019 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. For more information on the Plan's portfolio, assumed asset allocation, and the long-term expected rate of return for each major asset class, calculated using both arithmetic and geometric means, see PERS' audited financial statements at:

<https://www.oregon.gov/pers/Documents/Financials/ACFR/2021-ACFR.pdf>

TABLE 31

<u>Long-Term Expected Rate of Return</u> ¹				
Asset Class	Target Allocation	Annual Arithmetic Return ²	20-Year Annualized Geometric Mean	Annual Standard Deviation
Global Equity	30.62 %	7.11 %	5.85 %	17.05 %
Private Equity	25.50	11.35	7.71	30.00
Core Fixed Income	23.75	2.80	2.73	3.85
Real Estate	12.25	6.29	5.66	12.00
Master Limited Partnerships	0.75	7.65	5.71	21.30
Infrastructure	1.50	7.24	6.26	15.00
Commodities	0.63	4.68	3.10	18.85
Hedge Fund of Funds - Multistrategy	1.25	5.42	5.11	8.45
Hedge Fund Equity - Hedge	0.63	5.85	5.31	11.05
Hedge Fund - Macro	5.62	5.33	5.06	7.90
US Cash	-2.50 ³	1.77	1.76	1.20
Assumed Inflation - Mean			2.40 %	1.65 %

¹ Based on the OIC Statement of Investment Objectives and Policy Framework for the Oregon Public Employees Retirement Fund, including revisions adopted at the OIC meeting on June 2, 2021.

² The arithmetic mean is a component that goes into calculating the geometric mean. Expected rates of return are presented using the geometric mean, which the Board uses in setting the discount rate.

³ Negative allocation to cash represents levered exposure from allocation to Risk Parity strategy.

(Source: June 30, 2021 Oregon PERS ACFR; Page 81)

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

8. Pension Plan (Continued)

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.9 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 percentage point lower (5.9 percent) or one percentage point higher (7.9 percent) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
District's proportionate share of the net pension liability (asset)	\$ 184,714,734	\$ 94,061,729	\$ 18,218,066

Pension Plan Fiduciary Net Position

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

Changes in Plan Provisions Effecting the Roll Forward

There were no changes in actuarial methods, allocation, and assumption from December 31, 2017 to the December 31, 2019 actuarial valuation as noted in the Actuarial Valuation Report.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

9. Other Post Employment Benefits

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

	OPEB Health Insurance Subsidy	OPEB Health Insurance Account	OPEB Stipend Benefit	Net
Total OPEB Liability	\$ 31,746,671	\$ -	\$ -	\$ 31,746,671
Total OPEB Asset	-	3,590,355	-	3,590,355
OPEB Deferred Outflows of Resources	8,627,656	877,356	-	9,505,012
OPEB Deferred Inflows of Resources	1,086,568	1,375,614	-	2,462,182
OPEB Expense	2,449,234	(739,643)	(129,509)	1,580,082

Plan Description – The District maintains a single employer plan is comprised of both explicit and implicit benefits to employees attaining early retirement eligibility. Employees are generally “early retirement eligible” after attaining age 55 and completing 10 years of District Service or upon retiring from the District after completing 30 years of PERS covered employment. Licensed are provided an upfront Health Reimbursement Account contribution that can be used to purchase benefits. Administrative employees are provided with an “allowance” that may be drawn down as a stipend or may be applied to pay for continued coverage under one or more of the District’s benefit plans (i.e. the medical plan, the dental plan, the vision plan, and life insurance plan). These benefit fall within the scope of GASB 75 and are collectively referred to as “Stipend” benefits.

Confidential employees are provided an allowance to pay for continued coverage under one or more of the District’s benefit plans. Because this benefit is contingent on the retiree’s continued coverage under the District’s health plan the benefits is the Scope of GASB 75 and are referred as to as “Explicit Medical” benefits.

Per Oregon Revised Statutes (ORS) 243.303, the District provides health insurance coverage on a self-pay basis for retirees and eligible dependents until they are Medicare eligible. Healthcare premiums rates must be based on all plan members, both active employees and retirees. There is an implicit subsidy with respect to retired employees because the medical premium rates charged for coverage typically are less than actual expected retiree claim costs. This is due to medical premium rates being determined by blending both active employee and retiree experience. This additional cost is called the “implicit subsidy” and is required to be valued under GASB 75. There are 1933 active and 107 retired members in the plan.

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

Total OPEB Liability – The District’s total OPEB liability of \$31,746,671 was measured as of June 30, 2021 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs - The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

9. Other Post Employment Benefits (Continued)

Postemployment Health Insurance Subsidy (PHIS)

Valuation date	June 30, 2021
Measurement date	June 30, 2021
Actuarial cost method	Entry Age Normal, level percent of salary.
Actuarial assumptions:	
Discount rate	2.16% per year, based on all years discounted at 20 year municipal bond rate.
Inflation rate	2.50% per year
Salary increases	3.00% per year
Healthcare cost trend rates	Increase from 3.0% to 5.0% in 2020-2021 depending on plan selected by employees to an ultimate rate range of 3.0% to 5.0% beginning in 2022
Mortality rates	As developed for the valuation of benefits under Oregon PERS and vary by years of service.
Turnover rates	As developed for the valuation of benefits under Oregon PERS and vary by years of service.
Disability rates	As developed for the valuation of benefits under Oregon PERS and vary by employee age.
Retirement rates	As developed for the valuation of benefits under Oregon PERS and vary by employee age.

Changes in the Total OPEB Liability:

Balance at June 30, 2021	\$ 30,319,345
Service cost	1,817,784
Interest	643,729
Change in assumptions	-
Experience (gain)/loss	-
Benefit payments	(1,034,187)
Balance at June 30, 2022	<u>\$ 31,746,671</u>

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

9. Other Post Employment Benefits (Continued)

Postemployment Health Insurance Subsidy (PHIS)

For the year ended June 30, 2022, the District recognize an OPEB expense of \$2,449,234 related to the PHIS OPEB. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 8,304,771	\$ 358,886
Difference between expected and actual experience	<u>322,885</u>	<u>727,682</u>
Total	<u>\$ 8,627,656</u>	<u>\$ 1,086,568</u>

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

	Expense
June 30, 2023	<u>1,021,908</u>
June 30, 2024	1,021,908
June 30, 2025	1,021,908
June 30, 2026	1,070,606
June 30, 2027	1,137,816
Thereafter	2,266,942

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following presents the total OPEB liability of the District, as well as what that the District's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.16 percent) or one percentage point higher (3.16 percent) than the current rate:

	1% Decrease (1.16%)	Current Discount Rate (2.16%)	1% Increase (3.16%)
Total OPEB Liability	\$ 34,242,149	\$ 31,746,671	\$ 29,381,775

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

	1% Decrease	Current Health Care Trend Rates	1% Increase
Total OPEB Liability	\$ 28,870,219	\$ 31,746,671	\$ 35,174,262

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

9. Other Post Employment Benefits (Continued)

Retirement Health Insurance Account (RHIA)

Plan description

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

Benefits

RHIA pays a \$60 monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees.

Contributions

Because RHIA was created by enabling legislation (ORS238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to \$60 or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the Retirement Health Insurance Account established by the employer, and any monthly cost in excess of \$60 shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of credible service in PERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a PERS-sponsored health plan. A surviving spouse or dependent of a deceased PERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from PERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by OPERS, currently 0.50% of Tier 1 and Tier 2 payroll and 0.43% of OPSRP of annual covered payroll. The OPERS Board of Trustees sets the employer contribution rate based on the annual required contribution (ARC) of the employers, an amount actuarially determined. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The District's contributions to RHIA for the years ended June 30, 2022, 2021, and 2020, were approximately \$24,788, \$27,975, and \$120,163 which equaled the required contributions each year.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

9. Other Post Employment Benefits (Continued)

Retirement Health Insurance Account (RHIA)

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

At June 30, 2022, the District reported an asset of \$3,590,355 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, rolled forward to the measurement date. The District's proportion of the net OPEB asset was based on the District's actual, legally required contributions made during the fiscal year being compared to the total actual contributions made in the fiscal year by all employers. The District's proportionate share as of the measurement date is 1.045% changed from 1.682%, for the prior measurement date.

For the year ended June 30, 2022, the District recognized OPEB expense reduction of (\$791,099) related to the RHIA OPEB. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to the RHIA OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 99,890
Changes in assumptions	70,644	53,411
Net difference between projected and actual earnings on investments	-	853,259
Changes in proportionate share	781,924	-
District contributions subsequent to the measurement date	24,788	369,054
		-
Total	<u>\$ 877,356</u>	<u>\$ 1,375,614</u>

\$24,788 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as an addition of the OPEB (asset) in the year ended June 30, 2022. Amounts reported as deferred outflows of resources and deferred inflows of resources related to the RHIA OPEB will be recognized in OPEB RHIA expense as follows:

	Expense
June 30, 2023	\$ (208,309)
June 30, 2024	149,598
June 30, 2025	(194,801)
June 30, 2026	(269,534)
June 30, 2027	-
Thereafter	-

Actuarial Assumptions

The total OPEB asset in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
 NOTES TO BASIC FINANCIAL STATEMENTS
 Year Ended June 30, 2022

9. Other Post Employment Benefits (Continued)

Retirement Health Insurance Account (RHIA)

TABLE 28

<u>Actuarial Methods and Assumptions</u>	
	RHIA
Valuation date	December 31, 2019
Measurement date	June 30, 2021
Experience Study	2018, published July 24, 2019
Actuarial assumptions:	
Actuarial cost method	Entry Age Normal
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
Retiree healthcare participation	Healthy retirees: 32% Disabled retirees: 20%
Healthcare cost trend rate	Not applicable
Mortality	<p>Healthy retirees and beneficiaries: 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>Active members: 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>Disabled retirees: 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>

(Source: June 30, 2021 Oregon PERS ACFR; Page 72)

9. Other Post Employment Benefits (Continued)

Retirement Health Insurance Account (RHIA)

Discount Rate

The discount rate used to measure the total OPEB liability at June 30, 2022 was 6.9 percent, a reduction approved by the Board from 7.2 percent in the prior fiscal year. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2019 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. For more information on the long-term expected rate of return for each major asset class, calculated using both the arithmetic and geometric means, see PERS audited financial statements at: <https://www.oregon.gov/pers/documents/financials/cafr/2021-ACFR.pdf>.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
 NOTES TO BASIC FINANCIAL STATEMENTS
 Year Ended June 30, 2022

9. Other Post Employment Benefits (Continued)

Retirement Health Insurance Account (RHIA)

Sensitivity Analysis

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the District for the Retirement Health Insurance Account, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current discount rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
District's Net OPEB Liability (Asset)	(3,175,142)	(3,590,355)	(3,945,047)

Stipend Benefit

Stipend Benefit – The District offers stipend benefits, a single employer benefit plan, to all retired licensed employees and administrators as follows:

- Licensed Employees – At least 10 consecutive years of licensed, active District Service and eligible for PERS retirement.
- Administrators – Administrators must have been hired prior to July 1, 2005. At least 10 years of District Service as an Administrator, or 7 years as an Administrator with 20 years of total District Service and eligible for PERS retirement.

Stipend Benefit for Licensed Employees – Eligible licensed employees may receive a \$15,000 to \$30,000 one-time contribution to a Health Reimbursement Account based on their years of consecutive service. This benefit is pro-rated for employees who work less than full time.

Option 1: Retiree may use stipend benefit to pay for continued coverage under one or more of the District's health plans (i.e. the medical plan, the dental plan, the vision, plan and the life insurance plan) on a pre-tax basis. Any remaining amount in the retiree's account balance at the age of 65 can be used to pay Medicare premiums and any other eligible expenses covered under the plan documents. If the retiree dies before the account balance is exhausted, any remaining amount belongs to their designated beneficiary.

Stipend Benefit for Administrators – Eligible Administrators receive the lesser of 60% of salary at retirement or \$60,000 (benefit is pro-rated for employees who work less than full time) as retirement benefit that may be paid in one of the following forms:

Option 1: The Administrator may elect to purchase District insurance using the stipend up to age 65. After age 65, any remaining balance is payable to the retiree. If the retiree dies before the account balance is exhausted, any remaining amount is paid as a lump sum to retiree's beneficiary.

Option 2: Retiree may receive retirement benefit as stipend payable over five (5) years in equal installments. This benefit continues until the account balance is exhausted. If the retiree dies before the account balance is paid, any remaining amount is paid as a lump sum to retiree's beneficiary.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

9. Other Post Employment Benefits (Continued)

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

Total OPEB Stipend Liability – The District's total OPEB Stipend liability of \$1,212,353 was measured as of June 30, 2021 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs - The total OPEB Stipend liability in the June 30, 2022 actuarial valuation was determined using the actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. See table in health insurance subsidy section.

Changes in the Total OPEB Stipend Liability:

Balance at June 30, 2021	\$	1,248,818
Service cost		39,571
Interest		25,874
Change in assumptions		-
Experience (gain)/loss		-
Benefit payments		(101,910)
Balance at June 30, 2022	\$	<u>1,212,353</u>

For the year ended June 30, 2022, the District recognized OPEB Stipend expense reduction of (\$129,509) related to the OPEB Stipend. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB Stipend from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 674,529
Changes in assumptions	97,484	18,079
Total	<u>\$ 97,484</u>	<u>\$ 692,608</u>

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

	Expense
June 30, 2023	(136,931)
June 30, 2024	(136,931)
June 30, 2025	(136,931)
June 30, 2026	(121,956)
Thereafter	(62,375)

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

9. Other Post-Employment Benefits (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following presents the total OPEB liability of the District, as well as what that the District's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.16 percent) or one percentage point higher (3.16 percent) than the current rate:

	1% Decrease (1.16%)	Current Discount Rate (2.16%)	1% Increase (3.16%)
Total OPEB Stipend Liability	\$ 1,272,134	\$ 1,212,353	\$ 1,153,279

Tax Sheltered Annuity and Deferred Compensation Arrangements

The District offers its employees a tax deferred annuity program established pursuant to Section 403(b) of the Internal Revenue Code (the Code). Contributions are made through salary reductions from participating employee up to the amounts specified in the Code. As of June 30, 2022, 279 employees were participating in the plan. A total of \$56,000 employer paid contributions were made during the year then ended for 176 employees.

The District had a deferred compensation plan available for its employees wherein they may execute an individual agreement with the District for amounts earned by them to not be paid until a future date when certain circumstances are met. These circumstances are: termination by reason of death, disability, resignation or retirement. Payment to the employee will be made over a period not to exceed 15 years. The deferred compensation plan is one which is authorized under Section 457 of the Code and have been approved in its specifics by a private ruling from the Internal Revenue Service. The assets of the plan are held by the administration for the sole benefit of the plan participants and are not considered assets or liabilities of the District. As of June 30, 2022, 163 employees were participating in the plan. In addition, 89 employees also make Roth contributions using a 403(b) or 457 investment vehicle. These contributions are taxed when invested but not subject to income tax when withdrawn.

10. Accrued Compensated Absences

The General Fund is the primary fund where the compensated absences liability is liquidated. Activity for compensated absences for the year ended June 30, 2022, all of which are considered due within one year, as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Accrued Compensated Absences	\$ 661,420	\$ 680,803	\$ 661,420	\$ 680,803
	<u>\$ 661,420</u>	<u>\$ 680,803</u>	<u>\$ 661,420</u>	<u>\$ 680,803</u>

11. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District carries commercial insurance. The District is self-insured for \$50,000 for each comprehensive general liability or automobile claim. The operations of the self-insurance program are reported in an Internal Service Fund, the General Self-Insurance Fund. Expenses are for reported and expected claims, administrative operating costs and the premium for its property insurance policies.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

11. Risk Management (Continued)

The District established a Self-Insurance Fund to account for and finance its uninsured risks of loss related to injuries of employees. Under this program, the Fund provides coverage up to a maximum of \$300,000 for each Workers' compensation claim.

The District established the Health Self-Insurance Fund during the 1999-2000 fiscal year. The Health Self-Insurance Fund is used to pay for employee medical bills, stop loss insurance payment, and administrative fees.

The District purchases commercial insurance for claims and stop-loss for the Health Fund in excess of coverage provided by the above Internal Service Fund and for all other risks of loss. Settled claims have not exceed this commercial coverage in any of the past three fiscal years.

The General Fund makes payments to the above Internal Service Funds based on estimates of the amounts needed to pay prior and current year claims and to establish assets available to pay claim losses. Standards require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated. The Claim liability of \$6,175,579 reported in the fund at June 30, 2022 has been accrued. Liabilities include an amount calculated considering the effects of inflations, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. The District provides currently for estimated losses to be incurred from pending claims and for incurred but no reported claims.

Changes in the fund's claims liability amounts for the years ended June 30, 2022 and 2021 are as follows:

	<u>2022</u>	<u>2021</u>
Estimated claims liability	\$ 5,268,049	\$ 5,501,391
Current year claims and changes in estimates	44,726,441	37,176,308
Claims payments	<u>(43,818,911)</u>	<u>(37,409,650)</u>
Estimated claim liability	<u>\$ 6,175,579</u>	<u>\$ 5,268,049</u>

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

12. Contingent Liabilities

The amounts of grant revenue reflected in the financial statements are subject to audit and adjustment by grantor agencies, principally the federal government. Any costs that are questioned or recommended to be disallowed which ultimately result in disallowed claims may become a liability of the District. The amount, if any, of costs which may be disallowed by the grantor cannot be determined at this time, although District management expects such amounts, if any, to be immaterial. The District, in the regular course of business, is named as a defendant in various lawsuits. The likely outcome of these lawsuits is not presently determinable. The District is dependent on the State of Oregon for a substantial portion of its operating funds. Due to funding uncertainties at the State level, future funding for school district may be reduced. The ultimate effect of this possible reduction in funding on the District's future operations is not yet determinable.

13. Property Tax Abatements

For the year ended June 30, 2022, \$16,461,359 in tax abatements were issued at the County level for properties within the District's boundaries. The majority of the abatements, totaling \$9,836,310 were issued in reference to ORS 307.090 – Schools. \$3,138,683 in abatements were issued in reference to ORS 307.130 – Property of certain museums, volunteer fire departments and literary, benevolent, charitable and scientific institutions. The remaining \$3,486,366 consisted of a variety of abatements that were not individually significant to the District.

14. Negative Net Position

The Private Purpose Trust Fund had a negative ending net position of (\$109,745) at June 30, 2022. This was the result of Charter Schools utilizing more of the District's resources through pooled cash and investments than was allocated to them from State School Fund resources. In the next fiscal year, the District plans to reallocate resources internally to eliminate the Private Purpose Trust Fund's shortfall.

15. Prior Period Adjustment

A prior period adjustment of \$934,906, reducing beginning fund balance in the Capital Projects Fund and also reducing beginning Net Position on the Statement of Activities was necessary to correct the mark to market valuation of investments as of June 30, 2021.

A prior period adjustment of \$2,584,919, increasing beginning fund balance in the General Fund as well as beginning Net Position on the Statement of Activities was necessary to account for the District's intention in prior years to set aside reserves for future PERS rate increases. The reserve had previously been accumulated in a liability account when it should actually have been an assigned fund balance.

REQUIRED SUPPLEMENTARY INFORMATION

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
SCHEDULE OF CHANGES IN TOTAL OTHER
POST EMPLOYMENT BENEFITS AND RELATED RATIOS
June 30, 2022

OPEB Liability - Medical Benefit

	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Total OPEB Liability - Beginning	\$ 30,319,345	\$ 25,723,404	\$ 24,860,477	\$ 15,348,952	\$ 14,508,158	\$ 4,981,640
Service Cost	1,817,784	1,764,839	1,198,657	1,163,745	671,940	655,551
Interest	643,729	545,646	849,377	521,671	513,228	170,684
Changes in Benefit Terms	-	-	-	-	-	10,238,544
Changes of Assumptions or Other Input	-	4,030,406	-	8,186,327	-	(960,386)
Experience (Gain)/Loss	-	(820,888)	-	527,893	-	(149,996)
Benefit Payments	(1,034,187)	(924,062)	(1,185,107)	(888,111)	(344,374)	(427,879)
Net Change in Total OPEB Liability	1,427,326	4,595,941	862,927	9,511,525	840,794	9,526,518
Total Liability - End of Year	<u>\$ 31,746,671</u>	<u>\$ 30,319,345</u>	<u>\$ 25,723,404</u>	<u>\$ 24,860,477</u>	<u>\$ 15,348,952</u>	<u>\$ 14,508,158</u>
Covered Employee Payroll	\$ 109,699,434	\$ 106,504,305	\$ 95,128,229	\$ 92,357,504	\$ 92,574,470	\$ 90,316,556
Total OPEB Liability as Percentage of Covered Payroll	28.94%	28.47%	27.04%	26.92%	16.58%	16.06%

Total Pension Liability - Stipend Benefit

	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Total Total Pension Liability - Beginning	\$ 1,248,818	\$ 1,485,075	\$ 1,943,193	\$ 2,132,215	\$ 3,018,348	\$ 10,248,588
Service Cost	39,571	38,418	30,445	29,558	43,659	42,594
Interest	25,874	30,011	58,439	65,999	89,806	357,313
Changes in Benefit Terms	-	-	-	-	-	(5,876,834)
Changes of Assumptions or Other Input	-	156,566	-	(28,463)	-	(41,983)
Experience (Gain)/Loss	-	(269,931)	-	236,927	-	(1,175,802)
Benefit Payments	(101,910)	(191,321)	(547,002)	(493,043)	(1,019,598)	(535,528)
Net Change in Total Pension Liability	(36,465)	(236,257)	(458,118)	(189,022)	(886,133)	(7,230,240)
Total Liability - End of Year	<u>\$ 1,212,353</u>	<u>\$ 1,248,818</u>	<u>\$ 1,485,075</u>	<u>\$ 1,943,193</u>	<u>\$ 2,132,215</u>	<u>\$ 3,018,348</u>
Covered Employee Payroll	\$ 4,180,081	\$ 4,058,331	\$ 4,467,431	\$ 4,337,312	\$ 62,135,175	\$ 62,135,175
Total OPEB Liability as Percentage of Covered Payroll	29.00%	30.77%	33.24%	44.80%	3.43%	4.86%

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

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
REQUIRED SUPPLEMENTARY INFORMATION
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM
June 30, 2022

SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY FOR RHIA (ASSET)

Fiscal Year Ended	(a) District's Proportion of the net pension Liability (Asset) (NPL)	(b) District's Proportionate Share of the Net OPEB Liability (Asset) (NPL)	(c) District's Covered Payroll	(b/c) NPL as a Percentage of Covered Payroll	Plan Fiduciary net position as a percentage of the total pension liability
June 30, 2018	0.9186%	\$ (383,355)	\$ 91,691,433	-0.42%	108.90%
June 30, 2019	0.9427%	(1,052,364)	95,592,498	-1.10%	124.00%
June 30, 2020	0.9185%	(1,774,960)	98,558,381	-1.80%	144.40%
June 30, 2021	1.6820%	(3,428,600)	108,584,022	-3.16%	150.10%
June 30, 2022	1.0455%	(3,590,355)	109,196,663	-3.29%	183.90%

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

SCHEDULE OF DISTRICT CONTRIBUTIONS FOR RHIA

Fiscal Year Ended	Statutorily Required Contribution	Contributions in relation to the statutorily required Contribution	Contribution Deficiency (excess)	District's Covered Payroll	Contributions as a Percent of Covered Payroll
June 30, 2018	\$ 456,482	\$ 456,482	\$ -	95,592,498	0.48%
June 30, 2019	455,249	455,249	-	98,558,381	0.46%
June 30, 2020	120,163	120,163	-	108,284,022	0.11%
June 30, 2021	27,975	27,975	-	109,196,663	0.03%
June 30, 2022	24,788	24,788	-	128,047,177	0.02%

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

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
REQUIRED SUPPLEMENTARY INFORMATION
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM
June 30, 2022

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

Fiscal Year Ended	(a) District's Proportion of the net pension Liability (NPL)	(b) District's Proportionate Share of the Net Pension Liability (NPL)	(c) District's Covered Payroll	(b/c) NPL as a Percentage of Covered Payroll	Plan Fiduciary net position as a percentage of the total pension liability
June 30, 2014	0.5500%	\$ 28,028,915	\$ 70,863,117	39.55%	91.97%
June 30, 2015	0.5500%	(12,449,878)	74,894,505	-16.62%	103.60%
June 30, 2016	0.5400%	31,054,190	79,190,775	39.21%	91.88%
June 30, 2017	0.6300%	94,982,200	85,807,840	110.69%	80.53%
June 30, 2018	0.7000%	94,728,298	91,691,433	103.31%	83.12%
June 30, 2019	0.8418%	127,533,440	95,592,498	133.41%	82.10%
June 30, 2020	0.7879%	136,301,159	98,558,381	138.29%	80.20%
June 30, 2021	0.8038%	175,416,318	108,584,022	161.55%	75.80%
June 30, 2022	0.7860%	94,061,729	109,196,663	86.14%	87.00%

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

SCHEDULE OF DISTRICT CONTRIBUTIONS

Fiscal Year Ended	Statutorily required contribution	Contributions in relation to the statutorily required Contribution	Contribution deficiency (excess)	District's Covered Payroll	Contributions as a percent of covered payroll
June 30, 2014	\$ 5,775,344	\$ 5,775,344	\$ -	74,894,505	7.71%
June 30, 2015	6,228,511	6,228,511	-	79,190,775	7.87%
June 30, 2016	2,813,974	2,813,974	-	85,807,840	3.28%
June 30, 2017	3,007,479	3,007,479	-	91,691,433	3.28%
June 30, 2018	7,993,460	7,993,460	-	95,592,498	8.36%
June 30, 2019	8,228,081	8,228,081	-	98,558,381	8.35%
June 30, 2020	14,822,647	14,822,647	-	108,584,022	13.65%
June 30, 2021	14,905,919	14,905,919	-	109,196,663	13.65%
June 30, 2022	14,104,373	14,104,373	-	128,047,177	11.01%

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

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2022

	Budget		Actual	Variance with Final budget
	Adopted	Final		
Revenues				
Revenues from Local Sources				
Property Taxes	\$ 94,820,200	\$ 94,820,200	\$ 94,686,292	\$ (133,908)
Penalties and Interest on Taxes	200,000	200,000	174,054	(25,946)
Earnings from Investments	600,000	600,000	(235,855)	(835,855)
Fees	200,000	200,000	371,981	171,981
Rentals	92,000	92,000	3,328	(88,672)
Contributions - Private	100,000	100,000	35,070	(64,930)
Services Provided Other Funds	2,605,381	2,605,381	2,661,127	55,746
Fees Charged to Grants	900,000	900,000	1,356,331	456,331
Miscellaneous Local Sources	450,000	450,000	946,258	496,258
Revenues from Intermediate Sources				
Other Intermediate Sources	2,700,000	2,700,000	3,262,224	562,224
Revenues from State Sources				
Unrestricted State Grants	117,297,506	117,297,506	120,509,355	3,211,849
Revenues from Federal Sources				
Federal Grants	-	-	58,709	58,709
Total Revenues	219,965,087	219,965,087	223,828,874	3,863,787
Expenditures				
Instruction *	136,107,354	134,107,354	131,089,626	3,017,728
Support Services *	90,564,377	92,564,377	89,949,829	2,614,548
Debt Service *	-	500,000	-	500,000
Enterprise and Community Services *	5,848	5,848	-	5,848
Facilities Acquisition and Construction *	160,000	160,000	-	160,000
Contingencies *	23,704,600	21,204,600	-	21,204,600
Total Expenditures	250,542,179	248,542,179	221,039,455	27,502,724
Excess (Deficiency) of Revenues Over (Under) Expenditures	(30,577,092)	(28,577,092)	2,789,419	31,366,511
Other Financing Sources (Uses):				
Transfers (out) *	(3,674,379)	(5,674,379)	(5,019,429)	654,950
Total Other Financing Sources (Uses)	(3,674,379)	(5,674,379)	(5,019,429)	654,950
Net Change in Fund Balance	(34,251,471)	(34,251,471)	(2,230,010)	32,021,461
Fund Balance				
Beginning of Year	34,251,471	34,251,471	46,990,398	12,738,927
Prior Period Adjustment			2,584,919	
End of Year	\$ -	\$ -	\$ 47,345,307	\$ 44,760,388

* Legally adopted appropriation level

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2022

	Budget		Actual	Variance with Final budget
	Adopted	Final		
Revenues				
Local Sources	\$ 13,115,476	\$ 13,230,657	\$ 4,258,545	\$ (8,972,112)
Intermediate Sources	50,593	50,593	-	(50,593)
State Sources	24,792,570	24,930,752	18,842,370	(6,088,382)
Federal Sources	40,874,839	40,621,476	22,411,603	(18,209,873)
Total Revenues	78,833,478	78,833,478	45,512,518	(33,320,960)
Expenditures				
Instruction *	37,664,316	37,664,316	22,271,603	15,392,713
Support Services *	26,915,404	21,165,404	11,383,558	9,781,846
Debt Service *	-	5,750,000	-	5,750,000
Enterprise and Community Services *	16,789,761	16,789,761	8,822,983	7,966,778
Construction *	1,000,000	1,000,000	207,247	792,753
Contingencies *	-	2,000,000	-	2,000,000
Total Expenditures	82,369,481	84,369,481	42,685,391	41,684,090
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,536,003)	(5,536,003)	2,827,127	8,363,130
Other Financing Sources (Uses):				
Transfers In	1,850,000	3,850,000	3,195,050	(654,950)
Transfers (Out) *	(1,774,313)	(1,774,313)	(1,500,000)	274,313
Total Other Financing Sources (Uses)	75,687	2,075,687	1,695,050	274,313
Net Change in Fund Balance	(3,460,316)	(3,460,316)	4,522,177	7,982,493
Fund Balances				
Beginning of Year	3,460,316	3,460,316	7,489,008	4,028,692
End of Year	\$ -	\$ -	\$ 12,011,185	\$ 12,011,185

* Legally adopted appropriation level

SUPPLEMENTARY INFORMATION

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2022

	Budget			Variance with
	Adopted	Final	Actual	Final Budget
Revenues				
Revenues from Local Sources				
Property Taxes	\$ 36,849,298	\$ 36,849,298	\$ 36,236,887	\$ (612,411)
Penalties and Interest of Taxes	100,000	100,000	100,409	409
Earnings from Investments	180,000	180,000	107,229	(72,771)
Services Provided Other Funds	13,034,735	13,034,735	16,636,263	3,601,528
Total Revenue	50,164,033	50,164,033	53,080,788	2,916,755
Expenditures				
Debt Service *				
Redemption of Principal	26,589,452	26,589,452	26,589,451	1
Interest	26,397,459	26,397,459	26,007,656	389,803
Total Expenditures	52,986,911	52,986,911	52,597,107	389,804
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,822,878)	(2,822,878)	483,681	3,306,559
Other Financing Sources (Uses)				
Transfers In	2,402,878	2,402,878	2,402,878	-
Total Other Financing Sources (Uses)	2,402,878	2,402,878	2,402,878	-
Net Change in Fund Balance	(420,000)	(420,000)	2,886,559	3,306,559
Fund Balance				
Beginning of Year	420,000	420,000	6,146,683	5,726,683
End of Year	\$ -	\$ -	\$ 9,033,242	\$ 9,033,242

* Legally adopted appropriation level

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2022

	Budget			Variance with
	Adopted	Final	Actual	Final Budget
Revenues				
Revenues from Local Sources				
Earnings from Investments	\$ 100,000	\$ 100,000	\$ 40,496	\$ (59,504)
Miscellaneous Local Sources	2,600,000	2,600,000	65,266	(2,534,734)
Construction Excise Tax	1,800,000	1,800,000	2,328,854	528,854
Revenues from State Sources	100,000	100,000	171,443	71,443
Total Revenue	4,600,000	4,600,000	2,606,059	(1,993,941)
Expenditures				
Support Services *	500,000	500,000	-	500,000
Facilities Acquisition and Construction *	88,496,000	88,496,000	33,907,034	54,588,966
Total Expenditures	88,996,000	88,996,000	33,907,034	55,088,966
Excess (Deficiency) of Revenues Over (Under) Expenditures	(84,396,000)	(84,396,000)	(31,300,975)	53,095,025
Other Financing Sources (Uses)				
Transfers In	95,814	95,814	95,814	-
Transfers (Out) *	-	-	(274,313)	(274,313)
Total Other Sources (Uses)	95,814	95,814	(178,499)	(274,313)
Net Change in Fund Balance	(84,300,186)	(84,300,186)	(31,479,474)	52,820,712
Fund Balance				
Beginning of Year	84,300,186	84,300,186	61,864,188	(22,435,998)
Prior Period Adjustment			(934,906)	
End of Year	\$ -	\$ -	\$ 29,449,808	\$ 30,384,714

* Legally adopted appropriation level

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
COMMUNITY SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2022

	Budget			Variance with
	Adopted	Final	Actual	Final Budget
Revenues				
Revenues from Local Sources				
Child Care	\$ 2,250,000	\$ 2,250,000	\$ 1,242,594	\$ (1,007,406)
Rental	350,000	350,000	136,220	(213,780)
Total Revenues	2,600,000	2,600,000	1,378,814	(1,221,186)
Expenditures				
Debt Service *	-	7,500	-	7,500
Enterprise and Community Services *	2,685,000	2,685,000	1,584,891	1,100,109
Contingencies *	515,000	507,500	-	507,500
Total Expenditures	3,200,000	3,200,000	1,584,891	1,615,109
Net Change in Fund Balance	(600,000)	(600,000)	(206,077)	393,923
Fund Balance				
Beginning of the Year	600,000	600,000	849,695	249,695
End of Year	\$ -	\$ -	\$ 643,618	\$ 643,618

* Legally adopted appropriation level

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
SELF-INSURANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2022

	Budget			Variance with
	Adopted	Final	Actual	Final Budget
Revenues				
Recovery Stop Loss	\$ 150,000	\$ 150,000	\$ 1,865,443	\$ 1,715,443
RX America Refund	105,000	105,000	646,468	541,468
Service Provided Other Fund	39,000,000	39,000,000	40,615,834	1,615,834
Earnings from Investments	42,381	42,381	53,832	11,451
Miscellaneous	72,500	72,500	134,368	61,868
Total Revenues	39,369,881	39,369,881	43,315,945	3,946,064
Expenditures				
Instruction *	1,859	1,859	-	1,859
Support Services - Self Insured Losses *	47,492,679	47,492,679	44,726,441	2,766,238
Enterprise and Community Services *	337	337	-	337
Facilities Acquisition and Construction *	6	6	-	6
Total Expenditures	47,494,881	47,494,881	44,726,441	2,768,440
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,125,000)	(8,125,000)	(1,410,496)	6,714,504
Other Financing Sources (Uses)				
Transfers In	1,100,000	1,100,000	1,100,000	-
Total Other Sources (Uses)	1,100,000	1,100,000	1,100,000	-
Net Change in Fund Balance	(7,025,000)	(7,025,000)	(310,496)	6,714,504
Fund Balance				
Beginning of Year	7,025,000	7,025,000	12,002,651	4,977,651
End of Year	\$ -	\$ -	\$ 11,692,155	\$ 11,692,155

* Legally adopted appropriation level

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
PRIVATE PURPOSE TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2022

	Budget			Variance with
	Adopted	Final	Actual	Final Budget
Revenues				
State and Local Sources	\$ 11,207,416	\$ 11,207,416	\$ 10,379,674	\$ (827,742)
Total Revenues	11,207,416	11,207,416	10,379,674	(827,742)
Expenditures				
Instruction *	9,406,873	9,406,873	8,862,110	544,763
Support Services *	1,800,543	1,785,543	1,642,956	142,587
Debt Service *	-	15,000	-	15,000
Community Services *	-	-	2,490	(2,490)
Total Expenditures	11,207,416	11,207,416	10,507,556	699,860
Net Change in Fund Balance	-	-	(127,882)	(127,882)
Fund Balance				
Beginning of Year	-	-	18,137	18,137
End of Year	\$ -	\$ -	\$ (109,745)	\$ (109,745)

* Legally adopted appropriation level

OTHER FINANCIAL SCHEDULES

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
SCHEDULE OF PROPERTY TAX TRANSACTIONS
YEAR ENDED JUNE 30, 2022

GENERAL FUND

Tax Roll Year	Beginning Balance and 2021-2022 Levy	Discounts Allowed	Net Adjustments	Interest	Collections	Balance June 30, 2022
2021-2022	\$ 98,916,388	\$ (446)	\$ (2,900,656)	\$ 33,789	\$ 94,048,254	\$ 1,967,923
2020-2021	1,427,589	(420)	(82,382)	59,835	650,037	695,590
2019-2020	643,191	(428)	(28,877)	51,473	293,193	375,549
2018-2019	187,593	(228)	(16,871)	37,439	100,393	70,556
2017-2018	76,479	(234)	(9,819)	19,185	39,510	27,383
2016-2017	25,598	-	(1,590)	3,593	6,286	17,722
and prior	105,550	-	(3,244)	(6,140)	13,662	88,643
	<u>\$ 101,382,386</u>	<u>\$ (1,756)</u>	<u>\$ (3,043,440)</u>	<u>\$ 199,174</u>	<u>\$ 95,097,335</u>	<u>\$ 3,243,368</u>

Reconciliation to Revenue Reported in the Financial Statements:

Paid to General Fund	\$ 94,673,572
Public Option Taxes Allocated to Charter Schools	423,763
Total Revenue	<u>\$ 95,097,335</u>
General Fund Collections	\$ 94,673,572
Payments in Lieu of Taxes	12,720
Total General Fund Taxes	<u>\$ 94,686,292</u>

DEBT SERVICE FUND

Tax Roll Year	Beginning Balance and 2021-2022 Levy	Discounts Allowed	Net Adjustments	Interest	Collections	Balance June 30, 2022
2021-2022	\$ 37,675,188	\$ (170)	\$ (1,104,799)	\$ 12,870	\$ 35,821,017	\$ 749,541
2020-2021	530,158	(156)	(30,594)	22,221	241,402	258,319
2019-2020	254,995	(170)	(11,448)	20,407	94,829	148,888
2018-2019	95,048	(115)	(8,548)	18,969	50,866	35,749
2017-2018	38,205	(117)	(4,905)	9,584	19,737	13,679
2016-2017	12,880	-	(800)	1,808	3,163	8,917
and prior	45,373	-	(1,395)	(2,640)	5,873	38,105
	<u>\$ 38,651,846</u>	<u>\$ (728)</u>	<u>\$ (1,162,489)</u>	<u>\$ 83,218</u>	<u>\$ 36,236,887</u>	<u>\$ 1,253,198</u>

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
SUPPLEMENTAL INFORMATION
AS REQUIRED BY THE OREGON DEPARTMENT OF EDUCATION
Year Ended June 30, 2022

A. Energy bills for heating - all funds:

	<u>Objects 325, 326 & 327</u>
Function 2540	\$ 3,539,538
Function 2550	\$ 43,977

B. Replacement of equipment - General Fund:

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

Exclude these functions:

			<u>Amount</u>
1113, 1122 & 1132	Co-curricular activities	4150	Construction
1140	Pre-kindergarten	2550	Pupil transportation
1300	Continuing education	3100	Food service
1400	Summer school	3300	Community services

\$ -

**2021 - 22 DISTRICT AUDIT REVENUE SUMMARY
NORTH CLACKAMAS SCHOOL DISTRICT**

Revenue from Local Sources		Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
1110 Ad Valorem Taxes Levied by District	\$	74,744,432	\$ -	\$ 36,241,585	\$ -	\$ -	\$ -	\$ -
1121 Local Option Ad Valorem Taxes Levied by District	\$	19,941,860	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 423,763
1130 Construction Excise Tax	\$	-	\$ -	\$ -	\$ 2,328,854	\$ -	\$ -	\$ -
1190 Penalties and Interest on Taxes	\$	174,054	\$ -	\$ 94,976	\$ -	\$ -	\$ -	\$ -
1201 Revenue from Local Governmental Units	\$	14,382	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1311 Tuition From Individuals	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1414 Transportation Fees	\$	7,723	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1500 Earnings on Investments	\$	(235,855)	\$ -	\$ 107,229	\$ 40,496	\$ -	\$ 53,832	\$ -
1600 Food Service	\$	-	\$ 332,814	\$ -	\$ -	\$ -	\$ -	\$ -
1700 Extracurricular Activities	\$	371,981	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1800 Community Services Activities	\$	-	\$ -	\$ -	\$ -	\$ 1,242,594	\$ -	\$ -
1910 Rentals	\$	3,328	\$ -	\$ -	\$ -	\$ 136,220	\$ -	\$ -
1920 Contributions & Donations from Private Sources	\$	35,070	\$ 43,229	\$ -	\$ -	\$ -	\$ -	\$ 47,820
1960 Recovery of Expenditures	\$	38,062	\$ -	\$ -	\$ -	\$ -	\$ 2,511,911	\$ -
1970 Services Provided Other Funds	\$	2,661,127	\$ -	\$ 16,636,263	\$ -	\$ -	\$ 40,615,834	\$ -
1980 Fees Charged to Grants	\$	1,356,331	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1990 Miscellaneous	\$	886,091	\$ 3,882,502	\$ 735	\$ 65,266	\$ -	\$ 134,368	\$ -
Total Revenue from Local Sources	\$	99,998,586	\$ 4,258,545	\$ 53,080,787	\$ 2,434,615	\$ 1,378,814	\$ 43,315,945	\$ 471,583
Revenue from Intermediate Sources		Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
2101 County School Funds	\$	45,846	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2102 General ESD Revenue	\$	3,113,578	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2199 Other Intermediate Sources	\$	102,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2200 Restricted Revenue	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue from Intermediate Sources	\$	3,262,224	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue from State Sources		Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
3101 State School Fund - General Support	\$	117,168,430	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,908,091
3102 State School Fund - School Lunch Match	\$	-	\$ 54,446	\$ -	\$ -	\$ -	\$ -	\$ -
3103 Common School Fund	\$	1,896,875	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3199 Other Unrestricted Grants-in-Aid	\$	1,444,051	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3222 State School Fund Transportation Equipment	\$	-	\$ 715,000	\$ -	\$ -	\$ -	\$ -	\$ -
3299 Other Restricted Grants-in-Aid	\$	-	\$ 18,072,924	\$ -	\$ 171,443	\$ -	\$ -	\$ -
Total Revenue from State Sources	\$	120,509,355	\$ 18,842,370	\$ -	\$ 171,443	\$ -	\$ -	\$ 9,908,091
Revenue from Federal Sources		Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
4201 Unrestricted Revenue Direct from Federal Government	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4300 Restricted Revenue Direct From the Federal Government	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4500 Restricted Revenue from the Federal Government Through the State	\$	58,709	\$ 21,892,918	\$ -	\$ -	\$ -	\$ -	\$ -
4801 Federal Forest Fees	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4900 Revenue for/on Behalf of the District	\$	-	\$ 518,685	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue from Federal Sources	\$	58,709	\$ 22,411,603	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue from Other Sources		Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
5100 Long Term Debt Financing Sources	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5200 Interfund Transfers	\$	-	\$ 3,195,050	\$ 2,402,878	\$ 95,814	\$ -	\$ 1,100,000	\$ -
5300 Sale of or Compensation for Loss of Fixed Assets	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5400 Resources - Prior Period Adjustment	\$	2,584,919	\$ -	\$ -	\$ 934,906	\$ -	\$ -	\$ -
Total Revenue from Other Sources	\$	2,584,919	\$ 3,195,050	\$ 2,402,878	\$ 1,030,720	\$ -	\$ 1,100,000	\$ -
Grand Totals	\$	226,413,794	\$ 48,707,569	\$ 55,483,665	\$ 3,636,778	\$ 1,378,814	\$ 44,415,945	\$ 10,379,674

**2021 - 22 DISTRICT AUDIT EXPENDITURE SUMMARY
NORTH CLACKAMAS SCHOOL DISTRICT**

Fund: 100 General Fund								
Instruction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Elementary, K-5 or K-6	40,912,818	25,839,206	14,280,213	5,091	788,223	-	85	-
1121 Middle/Junior High Programs	17,357,701	11,214,940	5,968,475	1,816	172,469	-	-	-
1122 Middle/Junior High School Extracurricular	290,556	213,342	62,265	1,235	13,713	-	-	-
1131 High School Programs	29,196,686	16,133,199	8,729,931	82,697	4,205,602	-	45,257	-
1132 High School Extracurricular	3,951,516	2,663,600	849,155	162,463	152,495	40,190	83,613	-
1140 Pre-Kindergarten Programs	-	-	-	-	-	-	-	-
1210 Programs for the Talented and Gifted	126,970	80,026	46,927	17	-	-	-	-
1220 Restrictive Programs for Students with Disabilities	11,328,334	5,497,814	3,446,182	2,339,373	44,798	-	167	-
1250 Less Restrictive Programs for Students with Disabilities	10,071,706	6,415,882	3,620,315	7,187	28,322	-	-	-
1260 Treatment and Habilitation	-	-	-	-	-	-	-	-
1271 Remediation	277,645	181,088	96,557	-	-	-	-	-
1272 Title I	-	-	-	-	-	-	-	-
1280 Alternative Education	12,028,410	2,950	781	12,024,678	-	-	-	-
1291 English Second Language Programs	5,203,014	3,265,765	1,826,380	8,797	102,072	-	-	-
1292 Teen Parent Program	-	-	-	-	-	-	-	-
1293 Migrant Education	-	-	-	-	-	-	-	-
1294 Youth Corrections Education	-	-	-	-	-	-	-	-
1299 Other Programs	-	-	-	-	-	-	-	-
1300 Adult/Continuing Education Programs	-	-	-	-	-	-	-	-
1400 Summer School Programs	344,273	266,784	76,524	-	964	-	-	-
Total Instruction Expenditures	131,089,626	71,774,596	39,003,706	14,633,355	5,508,657	40,190	129,122	-
Support Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance and Social Work Services	1,877,793	964,933	616,113	262,903	33,795	-	50	-
2120 Guidance Services	4,993,037	3,221,534	1,763,587	119	7,397	-	400	-
2130 Health Services	1,168,660	782,274	337,530	9,650	37,811	-	1,395	-
2140 Psychological Services	868,240	577,528	272,727	342	17,643	-	-	-
2150 Speech Pathology and Audiology Services	2,697,209	1,743,321	932,271	395	21,221	-	-	-
2160 Other Student Treatment Services	755,277	470,773	248,388	33,061	3,055	-	-	-
2190 Service Direction, Student Support Services	2,471,062	1,636,112	822,599	4,993	7,357	-	-	-
2210 Improvement of Instruction Services	2,395,727	1,418,879	645,892	45,847	281,991	-	3,119	-
2220 Educational Media Services	2,123,097	1,198,576	827,497	316	96,709	-	-	-
2230 Assessment & Testing	309,764	157,465	65,549	80,235	6,516	-	-	-
2240 Instructional Staff Development	2,004,347	973,895	886,573	110,616	33,263	-	-	-
2310 Board of Education Services	424,580	-	-	381,813	20,404	-	22,364	-
2320 Executive Administration Services	2,303,069	1,325,887	591,985	299,717	80,193	-	5,287	-
2410 Office of the Principal Services	16,087,383	10,339,130	5,430,308	10,246	305,932	-	1,766	-
2490 Other Support Services - School Administration	211,147	157,096	49,761	1,894	2,395	-	-	-
2510 Direction of Business Support Services	63,919	42,737	20,048	1,019	-	-	115	-
2520 Fiscal Services	2,512,791	1,362,636	898,043	65,196	90,940	-	95,976	-
2540 Operation and Maintenance of Plant Services	17,980,187	6,545,441	3,972,406	5,594,715	1,114,394	147,693	605,539	-
2550 Student Transportation Services	14,617,614	6,642,098	4,527,504	1,272,237	1,342,363	-	833,412	-
2570 Internal Services	1,120,244	356,757	219,219	538,599	5,669	-	-	-
2610 Direction of Central Support Services	-	-	-	-	-	-	-	-
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	-	-	-	-	-	-	-	-
2630 Information Services	1,265,365	673,548	366,737	143,186	65,996	-	15,898	-
2640 Staff Services	5,056,641	3,303,732	1,244,197	408,398	100,004	-	309	-
2660 Technology Services	5,633,367	2,237,839	1,193,037	1,554,754	638,321	9,417	-	-
2670 Records Management Services	-	-	-	-	-	-	-	-
2690 Other Support Services - Central	-	-	-	-	-	-	-	-
2700 Supplemental Retirement Program	1,009,309	108,858	900,451	-	-	-	-	-
Total Support Services Expenditures	89,949,829	46,241,048	26,832,422	10,820,251	4,313,367	157,110	1,585,630	-
Community Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	-	-	-	-	-	-	-	-
3200 Other Enterprise Services	-	-	-	-	-	-	-	-
3300 Community Services	-	-	-	-	-	-	-	-
3500 Custody and Care of Children Services	-	-	-	-	-	-	-	-
Total Community Services Expenditures	-	-	-	-	-	-	-	-
Facilities Acquisition and Construction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	-	-	-	-	-	-	-	-
4120 Site Acquisition and Development Services	-	-	-	-	-	-	-	-
4150 Building Acquisition, Construction, and Improvement	-	-	-	-	-	-	-	-
4180 Other Capital Items	-	-	-	-	-	-	-	-
4190 Other Facilities Construction Services	-	-	-	-	-	-	-	-
Total Facilities Acquisition and Construction Expenditures	-	-	-	-	-	-	-	-
Other Uses Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	-	-	-	-	-	-	-	-
5200 Transfers of Funds	5,019,429.00	-	-	-	-	-	-	5,019,429
5300 Apportionment of Funds by ESD	-	-	-	-	-	-	-	-
5400 PERS UAL Bond Lump Sum	-	-	-	-	-	-	-	-
Total Other Uses Expenditures	5,019,429	-	-	-	-	-	-	5,019,429
Grand Total	226,058,884.00	118,015,644	65,836,129	25,453,606	9,822,024	197,300	1,714,753	5,019,429

**2021 - 22 DISTRICT AUDIT EXPENDITURE SUMMARY
NORTH CLACKAMAS SCHOOL DISTRICT**

Fund: 200 Special Revenue Funds

Instruction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Elementary, K-5 or K-6	\$ 6,210,575	\$ 2,692,644	\$ 1,338,966	\$ 156,074	\$ 2,022,891	\$ -	\$ -	\$ -
1113 Elementary Extracurricular	\$ 64,287	\$ -	\$ -	\$ -	\$ 64,287	\$ -	\$ -	\$ -
1121 Middle/Junior High Programs	\$ 1,236,391	\$ 637,683	\$ 334,919	\$ 206,054	\$ 59,735	\$ -	\$ -	\$ -
1122 Middle/Junior High School Extracurricular	\$ 163,693	\$ 502	\$ 155	\$ -	\$ 163,036	\$ -	\$ -	\$ -
1131 High School Programs	\$ 5,939,892	\$ 2,665,669	\$ 1,399,040	\$ 1,203,912	\$ 661,405	\$ -	\$ 9,865	\$ -
1132 High School Extracurricular	\$ 2,128,965	\$ 99,634	\$ 21,569	\$ 90,000	\$ 1,917,762	\$ -	\$ -	\$ -
1140 Pre-Kindergarten Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1210 Programs for the Talented and Gifted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1220 Restrictive Programs for Students with Disabilities	\$ 447,213	\$ 261,574	\$ 178,875	\$ 3,102	\$ 3,663	\$ -	\$ -	\$ -
1250 Less Restrictive Programs for Students with Disabilities	\$ 1,944,697	\$ 1,184,037	\$ 746,831	\$ -	\$ 13,828	\$ -	\$ -	\$ -
1260 Treatment and Habilitation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1271 Remediation	\$ 549,512	\$ 105,630	\$ 44,165	\$ 379,855	\$ 19,861	\$ -	\$ -	\$ -
1272 Title I	\$ 1,327,515	\$ 770,006	\$ 463,759	\$ 59,493	\$ 34,258	\$ -	\$ -	\$ -
1280 Alternative Education	\$ 315,472	\$ -	\$ -	\$ 315,472	\$ -	\$ -	\$ -	\$ -
1291 English Language Learner	\$ 367,960	\$ 229,824	\$ 138,136	\$ -	\$ -	\$ -	\$ -	\$ -
1292 Teen Parent Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1293 Migrant Education	\$ 3,055	\$ 1,522	\$ 463	\$ -	\$ 1,070	\$ -	\$ -	\$ -
1294 Youth Corrections Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1299 Other Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1300 Adult/Continuing Education Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1400 Summer School Programs	\$ 1,570,375	\$ 582,972	\$ 148,278	\$ 731,228	\$ 107,897	\$ -	\$ -	\$ -
Total Instruction Expenditures	\$ 22,271,603	\$ 9,231,698	\$ 4,815,158	\$ 3,145,190	\$ 5,069,692	\$ -	\$ 9,865	\$ -
Support Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance and Social Work Services	\$ 937,277	\$ 560,945	\$ 340,189	\$ 594	\$ 35,338	\$ -	\$ 210	\$ -
2120 Guidance Services	\$ 682,751	\$ 449,671	\$ 233,080	\$ -	\$ -	\$ -	\$ -	\$ -
2130 Health Services	\$ 923,256	\$ 411,969	\$ 102,186	\$ 360,075	\$ 49,025	\$ -	\$ -	\$ -
2140 Psychological Services	\$ 928,441	\$ 450,170	\$ 228,271	\$ 250,000	\$ -	\$ -	\$ -	\$ -
2150 Speech Pathology and Audiology Services	\$ 534,931	\$ 343,808	\$ 187,640	\$ -	\$ 3,483	\$ -	\$ -	\$ -
2160 Other Student Treatment Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2190 Service Direction, Student Support Services	\$ 414,258	\$ 286,263	\$ 127,995	\$ -	\$ -	\$ -	\$ -	\$ -
2210 Improvement of Instruction Services	\$ 1,114,351	\$ 434,701	\$ 224,781	\$ 69,741	\$ 385,128	\$ -	\$ -	\$ -
2220 Educational Media Services	\$ 43,846	\$ -	\$ -	\$ -	\$ 43,846	\$ -	\$ -	\$ -
2230 Assessment & Testing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2240 Instructional Staff Development	\$ 1,466,637	\$ 860,024	\$ 444,227	\$ 116,749	\$ 17,687	\$ -	\$ 27,949	\$ -
2310 Board of Education Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2320 Executive Administration Services	\$ 835,764	\$ 397,614	\$ 160,397	\$ -	\$ 88	\$ -	\$ 277,666	\$ -
2410 Office of the Principal Services	\$ 129,371	\$ 2,041	\$ 585	\$ 4,215	\$ 122,530	\$ -	\$ -	\$ -
2490 Other Support Services - School Administration	\$ 400,029	\$ 211,211	\$ 96,900	\$ 25,461	\$ -	\$ -	\$ 66,457	\$ -
2510 Direction of Business Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2520 Fiscal Services	\$ 941,307	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 941,307	\$ -
2540 Operation and Maintenance of Plant Services	\$ 666,055	\$ 7,074	\$ 1,431	\$ -	\$ 657,550	\$ -	\$ -	\$ -
2550 Student Transportation Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2570 Internal Services	\$ 86,222	\$ -	\$ -	\$ -	\$ 43,964	\$ -	\$ 42,258	\$ -
2610 Direction of Central Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$ 340,296	\$ 39,401	\$ 12,175	\$ 50,819	\$ 237,901	\$ -	\$ -	\$ -
2630 Information Services	\$ 377,300	\$ 186,922	\$ 103,085	\$ 86,242	\$ 1,050	\$ -	\$ -	\$ -
2640 Staff Services	\$ 129,767	\$ -	\$ -	\$ 124,572	\$ 5,195	\$ -	\$ -	\$ -
2660 Technology Services	\$ 431,702	\$ 137,693	\$ 84,807	\$ 208,063	\$ 1,139	\$ -	\$ -	\$ -
2670 Records Management Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2690 Other Support Services - Central	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2700 Supplemental Retirement Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Support Services Expenditures	\$ 11,383,558	\$ 4,779,508	\$ 2,347,749	\$ 1,296,532	\$ 1,603,922	\$ -	\$ 1,355,847	\$ -
Enterprise and Community Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	\$ 8,557,109	\$ 2,407,571	\$ 1,769,574	\$ 3,713,555	\$ 609,622	\$ 48,178	\$ 8,610	\$ -
3200 Other Enterprise Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3300 Community Services	\$ 255,156	\$ 96,705	\$ 16,658	\$ 49,641	\$ 72,354	\$ -	\$ 19,799	\$ -
3500 Custody and Care of Children Services	\$ 10,717	\$ 5,052	\$ 3,006	\$ -	\$ 2,660	\$ -	\$ -	\$ -
Total Enterprise and Community Services Expenditures	\$ 8,822,983	\$ 2,509,328	\$ 1,789,237	\$ 3,763,196	\$ 684,635	\$ 48,178	\$ 28,409	\$ -
Facilities Acquisition and Construction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4120 Site Acquisition and Development Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4150 Building Acquisition, Construction, and Improvement Services	\$ 207,247	\$ -	\$ -	\$ -	\$ -	\$ 207,247	\$ -	\$ -
4180 Other Capital Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4190 Other Facilities Construction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Facilities Acquisition and Construction Expenditures	\$ 207,247	\$ -	\$ -	\$ -	\$ -	\$ 207,247	\$ -	\$ -
Other Uses Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5200 Transfers of Funds	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000
5300 Apportionment of Funds by ESD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5400 PERS UAL Bond Lump Sum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Uses Expenditures	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000
Grand Total	\$ 44,185,391	\$ 16,520,534	\$ 8,952,145	\$ 8,204,917	\$ 7,358,250	\$ 255,425	\$ 1,394,121	\$ 1,500,000

**2021 - 22 DISTRICT AUDIT EXPENDITURE SUMMARY
NORTH CLACKAMAS SCHOOL DISTRICT**

Fund: 300 Debt Service Funds

Instruction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Elementary, K-5 or K-6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1113 Elementary Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1121 Middle/Junior High Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1122 Middle/Junior High School Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1131 High School Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1132 High School Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1140 Pre-Kindergarten Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1210 Programs for the Talented and Gifted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1220 Restrictive Programs for Students with Disabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1250 Less Restrictive Programs for Students with Disabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1260 Treatment and Habilitation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1271 Remediation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1272 Title I	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1280 Alternative Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1291 English Second Language Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1292 Teen Parent Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1293 Migrant Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1294 Youth Corrections Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1299 Other Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1300 Adult/Continuing Education Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1400 Summer School Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Instruction Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Support Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance and Social Work Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2120 Guidance Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2130 Health Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2140 Psychological Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2150 Speech Pathology and Audiology Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2160 Other Student Treatment Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2190 Service Direction, Student Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2210 Improvement of Instruction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2220 Educational Media Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2230 Assessment & Testing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2240 Instructional Staff Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2310 Board of Education Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2320 Executive Administration Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2410 Office of the Principal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2490 Other Support Services - School Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2510 Direction of Business Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2520 Fiscal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2540 Operation and Maintenance of Plant Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2550 Student Transportation Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2570 Internal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2610 Direction of Central Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2630 Information Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2640 Staff Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2660 Technology Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2670 Records Management Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2690 Other Support Services - Central	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2700 Supplemental Retirement Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Support Services Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Enterprise and Community Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3200 Other Enterprise Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3300 Community Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3500 Custody and Care of Children Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Enterprise and Community Services Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Facilities Acquisition and Construction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4120 Site Acquisition and Development Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4150 Building Acquisition, Construction, and Improvement Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4180 Other Capital Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4190 Other Facilities Construction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Facilities Acquisition and Construction Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Uses Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	\$ 52,597,108	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 52,597,108	\$ -
5200 Transfers of Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5300 Apportionment of Funds by ESD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5400 PERS UAL Bond Lump Sum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Uses Expenditures	\$ 52,597,108	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 52,597,108	\$ -
Grand Total	\$ 52,597,108	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 52,597,108	\$ -

**2021 - 22 DISTRICT AUDIT EXPENDITURE SUMMARY
NORTH CLACKAMAS SCHOOL DISTRICT**

Fund: 400 Capital Projects Funds

Instruction Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Elementary, K-5 or K-6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1113 Elementary Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1121 Middle/Junior High Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1122 Middle/Junior High School Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1131 High School Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1132 High School Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1140 Pre-Kindergarten Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1210 Programs for the Talented and Gifted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1220 Restrictive Programs for Students with Disabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1250 Less Restrictive Programs for Students with Disabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1260 Treatment and Habilitation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1271 Remediation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1272 Title I	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1280 Alternative Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1291 English Second Language Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1292 Teen Parent Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1293 Migrant Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1294 Youth Corrections Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1299 Other Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1300 Adult/Continuing Education Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1400 Summer School Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Instruction Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Support Services Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance and Social Work Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2120 Guidance Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2130 Health Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2140 Psychological Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2150 Speech Pathology and Audiology Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2160 Other Student Treatment Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2190 Service Direction, Student Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2210 Improvement of Instruction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2220 Educational Media Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2230 Assessment & Testing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2240 Instructional Staff Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2310 Board of Education Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2320 Executive Administration Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2410 Office of the Principal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2490 Other Support Services - School Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2510 Direction of Business Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2520 Fiscal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2540 Operation and Maintenance of Plant Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2550 Student Transportation Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2570 Internal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2610 Direction of Central Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2630 Information Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2640 Staff Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2660 Technology Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2670 Records Management Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2690 Other Support Services - Central	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2700 Supplemental Retirement Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Support Services Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Enterprise and Community Services Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3200 Other Enterprise Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3300 Community Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3500 Custody and Care of Children Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Enterprise and Community Services Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Facilities Acquisition and Construction Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	\$ 4,729,466	\$ 247,026	\$ 115,212	\$ -	\$ -	\$ 4,367,228	\$ -	\$ -
4120 Site Acquisition and Development Services	\$ 204,403	\$ -	\$ -	\$ -	\$ -	\$ 204,403	\$ -	\$ -
4150 Building Acquisition, Construction, and Improvement Services	\$ 28,973,165	\$ -	\$ -	\$ 8,133	\$ -	\$ 28,965,032	\$ -	\$ -
4180 Other Capital Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4190 Other Facilities Construction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Total Facilities Acquisition and Construction Expenditures

\$ 33,907,033	\$ 247,026	\$ 115,212	\$ 8,133	\$ -	\$ 33,536,662	\$ -	\$ -
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Other Uses Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5200 Transfers of Funds	\$ 274,313	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 274,313
5300 Apportionment of Funds by ESD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5400 PERS UAL Bond Lump Sum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Uses Expenditures	\$ 274,313	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 274,313

Grand Total

\$ 34,181,346	\$ 247,026	\$ 115,212	\$ 8,133	\$ -	\$ 33,536,662	\$ -	\$ 274,313
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**2021 - 22 DISTRICT AUDIT EXPENDITURE SUMMARY
NORTH CLACKAMAS SCHOOL DISTRICT**

Fund: 500 Enterprise Service Funds

Instruction Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Elementary, K-5 or K-6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1113 Elementary Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1121 Middle/Junior High Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1122 Middle/Junior High School Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1131 High School Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1132 High School Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1140 Pre-Kindergarten Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1210 Programs for the Talented and Gifted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1220 Restrictive Programs for Students with Disabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1250 Less Restrictive Programs for Students with Disabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1260 Treatment and Habilitation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1271 Remediation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1272 Title I	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1280 Alternative Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1291 English Second Language Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1292 Teen Parent Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1293 Migrant Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1294 Youth Corrections Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1299 Other Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1300 Adult/Continuing Education Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1400 Summer School Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Instruction Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Support Services Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance and Social Work Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2120 Guidance Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2130 Health Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2140 Psychological Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2150 Speech Pathology and Audiology Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2160 Other Student Treatment Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2190 Service Direction, Student Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2210 Improvement of Instruction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2220 Educational Media Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2230 Assessment & Testing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2240 Instructional Staff Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2310 Board of Education Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2320 Executive Administration Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2410 Office of the Principal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2490 Other Support Services - School Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2510 Direction of Business Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2520 Fiscal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2540 Operation and Maintenance of Plant Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2550 Student Transportation Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2570 Internal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2610 Direction of Central Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2630 Information Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2640 Staff Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2660 Technology Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2670 Records Management Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2690 Other Support Services - Central	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2700 Supplemental Retirement Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Support Services Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Enterprise and Community Services Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3200 Other Enterprise Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3300 Community Services	\$ 288,313	\$ 184,401	\$ 101,242	\$ 2,109	\$ 341	\$ -	\$ 220	\$ -
3500 Custody and Care of Children Services	\$ 1,296,578	\$ 774,566	\$ 452,506	\$ 2,666	\$ 34,870	\$ -	\$ 31,970	\$ -
Total Enterprise and Community Services Expenditures	\$ 1,584,891	\$ 958,967	\$ 553,748	\$ 4,775	\$ 35,211	\$ -	\$ 32,190	\$ -

Facilities Acquisition and Construction Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4120 Site Acquisition and Development Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4150 Building Acquisition, Construction, and Improvement Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4180 Other Capital Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4190 Other Facilities Construction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Facilities Acquisition and Construction Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Other Uses Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5200 Transfers of Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5300 Apportionment of Funds by ESD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5400 PERS UAL Bond Lump Sum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Uses Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grand Total	\$ 1,584,891	\$ 958,967	\$ 553,748	\$ 4,775	\$ 35,211	\$ -	\$ 32,190	\$ -

**2021 - 22 DISTRICT AUDIT EXPENDITURE SUMMARY
NORTH CLACKAMAS SCHOOL DISTRICT**

Fund: 600 Internal Service Funds

Instruction Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Elementary, K-5 or K-6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1113 Elementary Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1121 Middle/Junior High Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1122 Middle/Junior High School Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1131 High School Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1132 High School Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1140 Pre-Kindergarten Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1210 Programs for the Talented and Gifted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1220 Restrictive Programs for Students with Disabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1250 Less Restrictive Programs for Students with Disabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1260 Treatment and Habilitation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1271 Remediation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1272 Title I	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1280 Alternative Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1291 English Second Language Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1292 Teen Parent Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1293 Migrant Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1294 Youth Corrections Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1299 Other Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1300 Adult/Continuing Education Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1400 Summer School Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Instruction Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Support Services Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance and Social Work Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2120 Guidance Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2130 Health Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2140 Psychological Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2150 Speech Pathology and Audiology Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2160 Other Student Treatment Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2190 Service Direction, Student Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2210 Improvement of Instruction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2220 Educational Media Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2230 Assessment & Testing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2240 Instructional Staff Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2310 Board of Education Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2320 Executive Administration Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2410 Office of the Principal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2490 Other Support Services - School Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2510 Direction of Business Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2520 Fiscal Services	\$ 44,726,442	\$ 404,535	\$ 2,750,807	\$ 39,264,094	\$ 10,237	\$ -	\$ 2,296,769	\$ -
2540 Operation and Maintenance of Plant Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2550 Student Transportation Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2570 Internal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2610 Direction of Central Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2630 Information Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2640 Staff Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2660 Technology Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2670 Records Management Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2690 Other Support Services - Central	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2700 Supplemental Retirement Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Support Services Expenditures	\$ 44,726,442	\$ 404,535	\$ 2,750,807	\$ 39,264,094	\$ 10,237	\$ -	\$ 2,296,769	\$ -

Enterprise and Community Services Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3200 Other Enterprise Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3300 Community Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3500 Custody and Care of Children Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Enterprise and Community Services Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Facilities Acquisition and Construction Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4120 Site Acquisition and Development Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4150 Building Acquisition, Construction, and Improvement Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4180 Other Capital Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4190 Other Facilities Construction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Facilities Acquisition and Construction Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Other Uses Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5200 Transfers of Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5300 Apportionment of Funds by ESD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5400 PERS UAL Bond Lump Sum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Uses Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Grand Total

\$ 44,726,442	\$ 404,535	\$ 2,750,807	\$ 39,264,094	\$ 10,237	\$ -	\$ 2,296,769	\$ -
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**2021 - 22 DISTRICT AUDIT EXPENDITURE SUMMARY
NORTH CLACKAMAS SCHOOL DISTRICT**

Fund: 700 Trust and Agency Funds

Instruction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Elementary, K-5 or K-6	\$ 47,820	\$ 30,943	\$ 16,877					\$ -
1113 Elementary Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1121 Middle/Junior High Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1122 Middle/Junior High School Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1131 High School Programs	\$ 4,005,902	\$ 2,418,438	\$ 1,342,912	\$ -	\$ 854	\$ -	\$ 243,698	\$ -
1132 High School Extracurricular	\$ 6,730	\$ 5,177	\$ 1,553	\$ -	\$ -	\$ -	\$ -	\$ -
1140 Pre-Kindergarten Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1210 Programs for the Talented and Gifted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1220 Restrictive Programs for Students with Disabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1250 Less Restrictive Programs for Students with Disabilities	\$ 108,086	\$ 60,780	\$ 47,306	\$ -	\$ -	\$ -	\$ -	\$ -
1260 Treatment and Habilitation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1271 Remediation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1272 Title I	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1280 Alternative Education	\$ 4,693,572	\$ 94,368	\$ 52,644	\$ 2,115,406	\$ -	\$ -	\$ 2,431,153	\$ -
1291 English Second Language Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1292 Teen Parent Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1293 Migrant Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1294 Youth Corrections Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1299 Other Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1300 Adult/Continuing Education Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1400 Summer School Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Instruction Expenditures	\$ 8,862,110	\$ 2,609,706	\$ 1,461,293	\$ 2,115,406	\$ 854	\$ -	\$ 2,674,851	\$ -
Support Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance and Social Work Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2120 Guidance Services	\$ 561,978	\$ 358,613	\$ 203,366	\$ -	\$ -	\$ -	\$ -	\$ -
2130 Health Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2140 Psychological Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2150 Speech Pathology and Audiology Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2160 Other Student Treatment Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2190 Service Direction, Student Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2210 Improvement of Instruction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2220 Educational Media Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2230 Assessment & Testing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2240 Instructional Staff Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2310 Board of Education Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2320 Executive Administration Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2410 Office of the Principal Services	\$ 1,076,975	\$ 718,571	\$ 358,404	\$ -	\$ -	\$ -	\$ -	\$ -
2490 Other Support Services - School Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2510 Direction of Business Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2520 Fiscal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2540 Operation and Maintenance of Plant Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2550 Student Transportation Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2570 Internal Services	\$ 4,002	\$ -	\$ -	\$ 4,002	\$ -	\$ -	\$ -	\$ -
2610 Direction of Central Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2630 Information Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2640 Staff Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2660 Technology Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2670 Records Management Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2690 Other Support Services - Central	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2700 Supplemental Retirement Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Support Services Expenditures	\$ 1,642,955	\$ 1,077,184	\$ 561,769	\$ 4,002	\$ -	\$ -	\$ -	\$ -
Enterprise and Community Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3200 Other Enterprise Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3300 Community Services	\$ 2,490	\$ -	\$ -	\$ -	\$ 2,490	\$ -	\$ -	\$ -
3500 Custody and Care of Children Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Enterprise and Community Services Expenditures	\$ 2,490	\$ -	\$ -	\$ -	\$ 2,490	\$ -	\$ -	\$ -
Facilities Acquisition and Construction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4120 Site Acquisition and Development Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4150 Building Acquisition, Construction, and Improvement Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4180 Other Capital Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4190 Other Facilities Construction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Facilities Acquisition and Construction Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Uses Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5200 Transfers of Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5300 Apportionment of Funds by ESD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5400 PERS UAL Bond Lump Sum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Uses Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grand Total	\$ 10,507,555	\$ 3,686,890	\$ 2,023,062	\$ 2,119,408	\$ 3,344	\$ -	\$ 2,674,851	\$ -

STATISTICAL SECTION

NORTH CLACKAMAS SCHOOL DISTRICT 12

NET POSITION BY COMPONENT

Last Ten Fiscal Years

(accrual basis of accounting)

Government-Wide Activities:

	2021-22	2020-21	2019-20 (5)	2018-19
Governmental Activities:				
Net investment in capital assets	\$ 109,124,464	136,942,719	140,429,621	\$ 134,005,255
Restricted	21,044,427	13,635,691	13,890,941	15,219,073
Unrestricted	<u>(134,172,757)</u>	<u>(169,938,999)</u>	<u>(174,679,980)</u>	<u>(170,984,770)</u>
	(4,003,866)	(19,360,589)	(20,359,418)	(21,760,442)
Business-Type Activities:				
Unrestricted	<u>643,618</u>	<u>849,695</u>	<u>1,026,581</u>	<u>936,100</u>
Net Position/Net Assets (1)	(1) \$ <u>(3,360,248)</u>	<u>(18,510,894)</u>	<u>(19,332,837)</u>	\$ <u>(20,824,342)</u>

(1) The District Implemented GASB 65 beginning in FY 2012-13. As a result, Net Assets is presented for years prior to 2013, and Net Position is presented for 2013 and subsequent years.

(2) as restated for GASB 68

(3) as restated for GASB 75

(4) As of June 30, 2017 the District began reporting its building rental and daycare activities as business-type activities. Prior to this date, these activities were reported as part of the governmental activities.

(5) As restated to update Hoodview Property valuation

Source: North Clackamas School District 12 Financial Records.

<u>2017-18</u>	<u>2016-17 (4)</u>	<u>2015-16 (3)</u>	<u>2014-15 (2)</u>	<u>2013-14</u>	<u>2012-13</u>
\$ 107,588,556	\$ 77,648,768	\$ 62,543,176	\$ 51,288,143	\$ 81,726,027	\$ 76,044,983
11,689,071	7,310,418	8,320,737	8,634,146	12,650,009	13,639,570
<u>(135,253,106)</u>	<u>(89,447,817)</u>	<u>(59,616,903)</u>	<u>(35,441,604)</u>	<u>(14,795,128)</u>	<u>(24,485,940)</u>
(15,975,479)	(4,488,631)	11,247,010	24,480,685	79,580,908	65,198,613
<u>680,857</u>	<u>611,821</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u><u>\$ (15,294,622)</u></u>	<u><u>\$ (3,876,810)</u></u>	<u><u>\$ 11,247,010</u></u>	<u><u>\$ 24,480,685</u></u>	<u><u>\$ 79,580,908</u></u>	<u><u>\$ 65,198,613</u></u>

NORTH CLACKAMAS SCHOOL DISTRICT 12

CHANGES IN NET POSITION

Last Ten Fiscal Years

(accrual basis of accounting)

Government-wide Activities:

Expenses :

	2021-22	2020-21	2019-20	2018-19
Governmental Activities:				
Instruction	\$ 147,866,228	\$ 154,283,439	\$ 146,943,286	\$ 132,657,492
Support Services	102,759,697	94,783,488	88,837,948	83,499,714
Community Services	9,055,416	5,513,149	7,968,476	7,488,328
Facilities Acquisition		-	133,921	45,728
Interest on Long-Term Debt	34,678,658	34,701,078	38,960,178	36,799,077
Total Governmental Activities	294,359,999	289,281,154	282,843,809	260,490,339

Business-Type Activities:

Community services	1,584,891	187,771	1,468,173	1,645,386
Total Primary Government Expenses	295,944,890	289,468,925	284,311,982	262,135,725

Program Revenues:

Governmental Activities:

Charges for Services:				
Instruction	-	-	17,450	9,700
Support Services	375,311	53,161	220,226	250,573
Community Services	853,527	32,002	2,109,852	2,762,484
Operating Grants and Contributions:				
Instruction	18,724,188	15,220,439	9,989,548	5,967,325
Support Services	11,397,941	7,737,182	3,338,832	3,443,039
Community Services	9,354,738	5,560,273	3,087,298	3,719,118
Capital Grants and Contributions:				
Facilities Acquisitions		457,000	2,236,884	2,559,838
Total Governmental Activities	40,705,705	29,060,057	21,000,090	18,712,077

Business-Type Activities:

Community services	-	-	1,382,253	1,620,015
Total Primary Government Program Revenues	40,705,705	29,060,057	22,382,343	20,332,092

Net (Expense) Revenue

Governmental Activities	(253,654,294)	(260,221,097)	(261,843,719)	(241,778,262)
Business-type Activities	(1,584,891)	(187,771)	(85,920)	(25,371)
Total Primary Government Net Expense	(255,239,185)	(260,408,868)	(261,929,639)	(241,803,633)

General Revenues:

Property taxes levied for general purposes	132,251,551	125,570,498	122,504,630	98,794,631
State and local revenue	131,550,904	131,125,328	127,742,121	124,687,709
Grants and contributions not restricted to specific programs			-	161,791
Earnings on investments	(34,298)	2,359,290	7,335,969	10,281,409
Miscellaneous	3,592,847	2,164,810	1,305,294	2,067,759
Transfers			-	-
Gain on Sale of Land & Building			-	-
Total governmental activities program revenues	267,361,004	261,219,926	258,888,014	235,993,299

Business-Type Activities:

Charges for services	1,378,814	10,885	176,401	280,614
Transfers			-	-
Total business-type activities program revenues	1,378,814	10,885	176,401	280,614

Total Primary Government General Revenues

	268,739,818	261,230,811	259,064,415	236,273,913
Change in Net Position/Net Assets				
Governmental Activities	13,706,710	998,829	(2,955,705)	(5,784,963)
Business-type Activities	(206,077)	(176,886)	90,481	255,243
Change in Net Position/Net Assets (1)	\$ 13,500,633	\$ 821,943	\$ (2,865,224)	\$ (5,529,720)

(1) The District Implemented GASB 65 beginning in FY 2012-13. As a result, Net Assets is presented for years prior to 2013, and Net Position is presented for 2013 and subsequent years.

(2) As of June 30, 2017 the District began reporting its building rental and daycare activities as business-type activities. Prior to this date, these activities were reported as part of the governmental activities.

Source: North Clackamas School District 12 Financial Records

2017-18	2016-17 (2)	2015-16	2014-15	2013-14	2012-13
\$ 127,294,344	\$ 115,762,194	\$ 120,334,860	\$ 88,536,583	\$ 89,985,900	\$ 88,105,152
82,167,282	81,342,891	80,168,806	60,239,218	61,044,734	63,209,065
7,302,319	6,818,190	8,934,749	6,979,575	7,190,201	7,218,830
5,512,468	1,194,324	-	-	-	-
33,514,358	23,052,479	17,857,584	16,980,221	19,793,619	19,810,902
255,790,771	228,170,078	227,295,999	172,735,597	178,014,454	178,343,949
1,599,552	1,679,237	-	-	-	-
257,390,323	229,849,315	227,295,999	172,735,597	178,014,454	178,343,949
9,095	-	41,770	35,000	37,389	27,252
4,478,824	528,128	416,146	637,252	712,708	726,855
2,357,395	2,294,005	3,753,467	3,726,095	3,652,036	3,429,123
4,583,630	4,475,865	5,004,032	8,655,613	4,345,540	3,750,886
2,570,005	7,163,361	2,599,750	922,356	3,310,556	2,593,080
3,847,419	4,359,542	3,873,075	3,573,367	3,625,379	3,925,657
3,036,326					
20,882,694	18,820,901	15,688,240	17,549,683	15,683,608	14,452,853
1,329,818	1,289,432	-	-	-	5,565
22,212,512	20,110,333	15,688,240	17,549,683	15,683,608	14,458,418
(234,908,077)	(209,349,177)	(211,607,759)	(155,185,914)	(162,330,846)	(163,891,096)
(269,734)	(389,805)	-	-	-	5,565
(235,177,811)	(209,738,982)	(211,607,759)	(155,185,914)	(162,330,846)	(163,885,531)
95,094,337	90,933,080	86,403,267	76,912,439	74,987,438	70,032,440
118,976,449	105,379,013	108,840,908	104,258,957	99,525,479	92,963,688
18,127	32,899	97,719	85,319	85,457	90,745
3,787,674	1,722,729	447,228	357,362	325,201	308,279
1,443,029	2,266,372	2,584,962	2,382,982	1,789,566	2,293,771
25,000	25,000	-	-	-	-
2,034,747	-	-	-	-	-
221,379,363	200,359,093	198,374,084	183,997,059	176,713,141	165,688,923
363,770	328,654	-	-	-	-
(25,000)	(25,000)	-	-	-	-
338,770	303,654	-	-	-	-
221,718,133	200,662,747	198,374,084	183,997,059	176,713,141	165,688,923
(13,528,714)	(8,990,084)	(13,233,675)	28,811,145	14,382,295	1,797,827
69,036	(86,151)	-	-	-	5,565
\$ (13,459,678)	\$ (9,076,235)	\$ (13,233,675)	\$ 28,811,145	\$ 14,382,295	\$ 1,803,392

NORTH CLACKAMAS SCHOOL DISTRICT 12

FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Fiscal Years

(modified accrual basis of accounting)

	2021-22	2020-21	2019-20	2018-19	2017-18
General Fund (1)					
Non-spendable	\$ -	\$ -	\$ -	\$ -	\$ 10,415
Assigned	2,584,919				
Unassigned	44,760,388	46,990,398	23,554,298	19,505,654	16,912,838
Unreserved			-	-	-
Total General Fund	<u>\$ 47,345,307</u>	<u>\$ 46,990,398</u>	<u>\$ 23,554,298</u>	<u>\$ 19,505,654</u>	<u>\$ 16,923,253</u>
All Other Governmental Funds(1)					
Nonspendable--Inventory	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted for:					
Future Capital Projects	29,449,808	61,864,188	164,323,241	280,129,774	278,931,333
Special Grants and Services	12,011,185	7,489,008	6,108,852	6,578,499	5,372,766
Debt Service	9,033,242	6,146,683	7,782,089	8,640,574	6,316,305
Committed to:					
Community Projects and Classes (3)	-	-	-	-	-
Unreserved, reported in:					
Scholarship fund (3)	-	-	-	-	-
Total all other governmental funds	<u>\$ 50,494,235</u>	<u>\$ 75,499,879</u>	<u>\$ 178,214,182</u>	<u>\$ 295,348,847</u>	<u>\$ 290,620,404</u>

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

(2) Assigned/Reserved for capital expenditures fluctuate from years when bonds are sold in anticipation of capital construction to years where capital expenditures are made.

(3) Beginning in FY 2016-17, the District began reporting community projects and classes separately from governmental funds as a business-type activity, and scholarships as a fiduciary activity

Source: North Clackamas School District 12 Financial Records

2016-17	2015-16	2014-15	2013-14	2012-13
\$ 13,781	\$ -	\$ -	\$ -	\$ -
17,220,582	21,358,910	17,423,780	11,437,858	6,719,640
-	-	-	-	-
<u>\$ 17,234,363</u>	<u>\$ 21,358,910</u>	<u>\$ 17,423,780</u>	<u>\$ 11,437,858</u>	<u>\$ 6,719,640</u>
\$ -	\$ -	\$ -	\$ -	\$ 44,012
352,219,143	4,299,161	6,201,821	6,424,943	6,692,229
2,624,563	963,242	1,045,298	1,989,165	2,442,343
4,685,855	3,058,334	1,387,027	4,235,901	4,504,998
-	697,972	708,133	643,584	422,879
-	86,934	10,215	(212,990)	(179,060)
<u>\$ 359,529,561</u>	<u>\$ 9,105,643</u>	<u>\$ 9,352,494</u>	<u>\$ 13,080,603</u>	<u>\$ 13,927,401</u>

NORTH CLACKAMAS SCHOOL DISTRICT 12
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2021-22	2020-21	2019-20	2018-19
Revenues				
Property and Other Taxes	\$ 131,197,642	\$ 125,404,419	\$ 122,019,780	\$ 101,773,965
Federal Sources	22,470,312	18,241,697	11,070,355	9,999,783
State and Local Sources	148,875,913	137,562,379	133,059,422	130,603,281
Earnings from Investments	(88,130)	2,318,240	7,205,789	10,087,786
Services Provided Other Funds	19,297,390	14,601,183	14,689,792	13,930,249
Construction Excise Tax	2,328,854	2,185,683	1,980,357	1,104,639
Miscellaneous	946,258	1,073,416	815,941	849,075
Total Revenues	325,028,239	301,387,017	290,841,436	268,348,778
Expenditures				
Current:				
Instruction	153,321,039	134,508,070	133,391,795	120,408,142
Support Services	101,176,277	82,958,553	83,710,486	77,441,964
Enterprise and Community Services	8,774,805	4,920,299	7,252,413	6,917,791
Facilities Acquisition and Construction	370,372	110,766,705	137,901,643	138,385,660
Capital Outlay	33,989,387	115,499	3,330,284	2,013,234
Debt Service		-		
Principal	26,589,451	24,652,770	15,852,383	18,627,092
Interest	26,007,656	26,011,608	34,976,613	26,933,367
Bond Issue Costs	-	787,308		-
Total Expenditures	350,228,987	384,720,812	416,415,617	390,727,250
Excess (Deficit) of Revenues over expenditures	(25,200,748)	(83,333,795)	(125,574,181)	(122,378,472)
Other Financing Sources (Uses)				
Loan Receipts	-	-	2,524,219	1,852,380
Loan Receipts Transportation	-	-	11,036,100	-
Bond Proceeds	-	-	-	110,357,000
Premium on Bonds Issued	-	-	-	16,086,546
Refunding Bond Proceeds	-	139,415,000	-	-
Payment to Refunded Bond Escrow Agent	-	(138,616,157)	-	-
Proceeds from Sale of Land & Buildings	-	-	-	-
Sale of Fixed Assets	-	4,256,750	-	13,500
Transfers In	5,693,742	3,628,315	5,645,688	6,014,476
Transfers Out	(6,793,742)	(4,628,315)	(6,717,837)	(4,634,476)
Total Other Financing Sources (Uses)	(1,100,000)	4,055,593	12,488,170	129,689,426
Net Change in Fund Balance	\$ (26,300,748)	(79,278,202)	\$ (113,086,011)	\$ 7,310,954
Debt service as a percentage of noncapital expenditures	17.0%	19.0%	18.5%	18.2%

Source: North Clackamas School District 12 Financial Records

2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
\$ 94,528,096	\$ 90,697,057	\$ 86,073,312	\$ 76,991,060	\$ 75,000,304	\$ 70,044,656
10,112,364	10,260,995	10,411,736	10,349,203	9,808,736	10,071,002
127,147,943	110,078,291	114,321,843	111,707,975	105,485,808	97,441,849
3,655,652	1,642,404	390,270	297,809	288,953	263,225
13,171,221	12,398,145	11,721,466	11,504,872	10,518,956	9,658,840
690,927	1,562,492	1,608,377	862,460	1,349,704	1,194,902
514,345	491,932	476,080	786,594	506,117	683,934
249,820,548	227,131,316	225,003,084	212,499,973	202,958,578	189,358,408
114,707,938	103,719,850	101,392,874	96,694,998	91,931,053	87,116,336
74,745,191	70,249,596	67,492,189	65,776,749	62,364,289	62,499,661
6,663,571	6,220,100	7,950,848	7,322,208	7,345,626	7,137,812
82,119,850	-	277,383	408,575	293,776	3,116,704
2,473,660	10,359,390	5,176,367	3,153,155	295,999	24,173
	43,872,873	38,969,339	37,443,699	36,166,415	34,511,701
14,569,522					
29,232,580					
-	-	209,421	-	-	-
324,512,312	234,421,809	221,468,421	210,799,384	198,397,158	194,406,387
(74,691,764)	(7,290,493)	3,534,663	1,700,589	4,561,420	(5,047,979)
2,394,649	3,269,781	900,000	1,157,224	-	1,665,122
-	-	-	-	-	-
-	322,642,626	-	248,370	-	-
-	30,870,341	-	-	-	-
-	-	26,914,637	-	-	-
-	-	(27,169,921)	(248,370)	-	-
2,003,772	-	-	-	-	-
26,100	45,135	8,900	-	-	-
3,939,476	3,923,315	7,292,601	3,491,179	5,180,269	5,601,029
(4,934,476)	(4,898,315)	(7,792,601)	(4,091,179)	(5,870,269)	(7,135,529)
3,429,521	355,852,883	153,616	557,224	(690,000)	130,622
\$ (71,262,243)	348,562,390	\$ 3,688,279	\$ 2,257,813	\$ 3,871,420	\$ (4,917,357)
17.8%	18.7%	18.0%	18.1%	18.3%	18.0%

NORTH CLACKAMAS SCHOOL DISTRICT 12

TAXABLE PROPERTY VALUES

Last Ten Fiscal Years

FISCAL YEAR	PROPERTY VALUE ASSESSED VALUATION (1)							TOTAL DIRECT TAX RATE (2)
	REAL PROPERTY VALUE	MANUFACTURED STRUCTURE VALUE	PERSONAL PROPERTY VALUE	PUBLIC UTILITY VALUE	TOTAL ASSESSED VALUE	LESS URBAN RENEWAL EXCESS	TOTAL NET ASSESSED VALUE	
2021-22	\$ 15,545,942,293	\$ 67,143,782	\$ 477,449,550	\$ 338,553,900	\$ 16,429,089,525	\$ 474,058,070	\$ 15,955,031,455	\$ 8.8787
2020-21	14,915,024,254	61,315,362	475,890,661	336,738,100	15,788,968,377	382,536,534	15,406,431,843	8.8787
2019-20	14,214,530,917	56,278,148	450,098,519	311,191,300	15,032,098,884	288,101,801	14,743,997,083	8.8787
2018-19	13,605,552,058	52,928,753	436,718,547	308,307,100	14,403,506,458	262,585,368	14,140,921,090	7.2378
2017-18	13,010,696,977	46,907,172	404,550,509	330,344,902	13,792,499,560	230,816,822	13,561,682,738	7.2243
2016-17	12,390,038,747	40,982,087	388,101,856	316,827,200	13,135,949,890	199,481,457	12,936,468,433	7.2314
2015-16	11,833,617,732	36,549,547	345,606,884	301,905,200	12,517,679,363	169,607,486	12,348,071,877	7.2410
2014-15	11,281,017,275	33,806,713	333,735,815	282,543,528	11,931,103,331	141,751,946	11,789,351,385	6.8154
2013-14	10,764,664,764	32,197,759	328,781,413	262,114,974	11,387,758,910	119,971,829	11,267,787,081	7.0852

(1) Assessed value is limited to 3 percent annual increases.

(2) Per \$1,000 of assessed value.

Source: Clackamas County Department of Assessment and Taxation

NORTH CLACKAMAS SCHOOL DISTRICT 12

LARGEST TAXPAYERS

Current and Nine Years Ago

NORTH CLACKAMAS SCHOOL DISTRICT

Year Ended June 30, 2022

TAXPAYER	BUSINESS	R A N K	TAX PAID BY TAXPAYER	ASSESSED VALUATION	PERCENT OF ASSESSED VALUATION	
General Growth Properties	Town Center Mall	1	\$ 5,154,001	\$ 292,157,387	1.83	%
Fred Meyer Stores	Supermarket	3	3,097,702	178,011,911	1.12	
PCC Structurals Inc	Manufacturing/Aerospace	2	4,122,158	242,144,176	1.52	
Portland General Electric	Electrical Utility	4	2,074,748	128,154,000	0.80	
Kaiser Foundation Hospital	Healthcare	5	1,208,295	72,733,804	0.46	
ROIC Oregon LLC	Property Management	7	1,304,495	70,391,114	0.44	
Blount Inc	Manufacturing	10	1,039,337	54,537,062	0.00	
Northwest Natural Gas Co	Natural Gas Utility	6	1,195,354	72,696,000	0.46	
CH Realty III/Clackamas LLC	Multi Family Residential	8	1,299,037	70,391,114	0.44	
Marvin Poer	Property Tax Advisor					
Lincoln Advisory Group	Property Management	9	1,151,521	60,265,413	0.38	
Comcast Corporation	Communications Utility					
Clackamas Baking Company						
Portland Industrial Owner LLC	Distribution Center					
SUB TOTAL				\$ 1,241,481,981	7.78	%
ALL OTHER TAXPAYERS				\$ 14,713,549,474	92.22	%
TOTAL				\$ 15,955,031,455	100.00	%

CLACKAMAS COUNTY

Year Ended June 30, 2022

TAXPAYER	BUSINESS	R A N K	TAX PAID BY TAXPAYER	ASSESSED VALUATION	PERCENT OF ASSESSED VALUATION	
Portland General Electric	Electrical Utility	1	\$ 14,440,152	\$ 1,036,476,706	1.78	%
General Growth Properties	Town Center Mall	3	5,154,001	292,157,387	0.50	
Fred Meyer Stores Inc	Supermarkets	2	5,420,356	306,509,759	0.53	
Shorenstein Properties LLC	Property Management	6	4,247,576	233,876,457	0.40	
Northwest Natural Gas Co	Natural Gas Utility	4	4,194,241	264,754,100	0.45	
PCC Structurals Inc	Manufacturing/Aerospace	5	4,122,158	242,144,176	0.42	
Comcast Corp	Utility	7	1,576,543	92,622,000	0.16	
Meadows Road LLC	Commercial Leasing	10	1,396,035	76,385,959	0.13	
ROIC Oregon LLC	Property Management	8	1,697,754	91,431,574	0.16	
Blount Inc	Chainsaws/Machinery					
Clackamas Baking Plant	Baked Goods					
Xerox Corporation	Copiers/Office Supply					
Lumen Technologies (Centurylink)	Telecommunications	9	1,372,852	84,418,000	0.15	
SUB TOTAL				\$ 2,720,776,118	4.67	%
ALL OTHER TAXPAYERS				\$ 55,489,790,235	95.33	%
TOTAL				\$ 58,210,566,353	100.00	%

Source: Clackamas County Department of Assessment and Taxation

Year Ended June 30, 2013					
R A N K	TAX PAID BY TAXPAYER		ASSESSED VALUATION	PERCENT OF ASSESSED VALUATION	
1	\$	3,294,627	\$	411,763,915	3.65 %
3		1,682,218		102,095,512	0.91
6		1,174,972		574,394,726	5.10
7		811,845		104,224,270	0.92
5		1,179,196		75,919,228	0.67
8		806,379		174,232,000	1.55
10		418,493		52,819,624	0.47
4		1,335,991		172,033,400	1.53
2		1,866,004		119,105,510	1.06
9		791,294		46,197,963	0.41
	\$	13,361,019	\$	1,832,786,148	16.27 %
			\$	9,435,000,933	83.73 %
			\$	11,267,787,081	100.00 %

Year Ended June 30, 2013					
R A N K	TAX PAID BY TAXPAYER		ASSESSED VALUATION	PERCENT OF ASSESSED VALUATION	
1	\$	8,034,136	\$	574,394,726	1.25 %
3		3,294,627		411,763,915	0.90
5		2,907,004		280,241,542	0.61
2		4,120,048		254,867,466	0.56
6		2,628,860		174,232,000	0.38
8		1,682,218		102,095,512	0.22
4		3,065,805		172,033,400	0.37
10		1,179,196		75,919,228	0.17
7		1,866,004		119,105,510	0.26
9		1,571,005		87,672,754	0.19
				0.00	
	\$	30,348,903	\$	2,252,326,053	4.91 %
			\$	43,652,986,615	95.09
			\$	45,905,312,668	100.00 %

NORTH CLACKAMAS SCHOOL DISTRICT 12
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years

	Dollars per \$1,000 True Cash Value									
	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
DIRECT:										
North Clackamas School District Permanent Rate	4.87	4.87	4.87	\$ 4.87	\$ 4.87	\$ 4.87	\$ 4.87	\$ 4.87	\$ 4.87	\$ 4.87
North Clackamas School District Bond Rate	2.29	2.19	2.19	2.37	2.35	2.36	2.37	1.95	2.22	2.25
North Clackamas School District Local Option Levy	1.63	1.63	1.63	-	-	-	-	-	-	-
Weighted Average Direct Rate (1)	\$ 8.79	\$ 8.69	\$ 8.69	\$ 7.24	\$ 7.22	\$ 7.23	\$ 7.24	\$ 6.82	\$ 7.09	\$ 7.12
Overlapping:										
City of Gladstone	5.81	5.81	5.81	5.81	5.81	5.81	5.81	5.81	5.81	5.81
City of Happy Valley	2.59	2.05	2.05	2.59	2.05	2.05	2.05	2.05	2.05	2.05
City of Milwaukie	4.51	4.51	4.51	4.56	4.63	4.66	4.28	4.27	4.07	4.07
City of Portland	8.37	8.37	8.37	8.20	7.88	7.73	7.76	7.89	7.98	7.81
Clackamas City ESD	0.37	0.37	0.37	0.37	0.37	0.37	0.37	0.37	0.37	0.37
Clackamas Community College	0.72	0.74	0.74	0.74	0.75	0.74	0.75	0.71	0.71	0.72
Clackamas County City	2.65	2.65	2.65	2.65	2.65	2.65	2.65	2.65	N/A	N/A
Clackamas County Enhanced Law	0.72	0.72	0.72	0.72	0.72	0.72	0.72	0.72	N/A	N/A
Clackamas County Library	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	N/A	N/A
Clackamas County Public Safety Radio	0.10	0.10	0.10	0.10	0.10	-	-	N/A	N/A	N/A
Clackamas County RFPD 1	2.48	2.49	2.51	2.49	2.51	2.49	2.50	2.46	2.46	2.47
Clackamas County Rural	3.22	3.22	3.22	3.22	3.22	3.22	3.22	3.22	3.22	3.22
Clackamas County Soil Conservation	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	N/A	N/A
Clackamas County Vector Control	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	N/A	N/A
County Extension + 4H	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	N/A	N/A
Metro	0.57	0.66	0.66	0.47	0.41	0.40	0.39	0.46	0.47	0.40
North Clackamas Parks & Rec District	0.54	0.54	0.54	0.54	0.54	0.54	0.54	0.54	0.54	0.54
Port of Portland	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07
Subtotal Overlapping:	33.25	32.82	32.84	33.07	32.24	31.99	31.63	31.75	27.75	27.53
Total (2)	\$ 42.04	\$ 41.51	\$ 41.53	\$ 40.31	\$ 39.46	\$ 39.22	\$ 38.87	\$ 38.56	\$ 34.84	\$ 34.65

Permanent tax rates are determined by the State of Oregon Constitution and State Statutes. Existing districts cannot increase their permanent rate authority. Rates for bond debt service are set based on each year's requirements.

(1) This is a weighted average rate as limited by ballot measure 5. Actual rates may vary by tax codes and lots because of differing compression.

(2) Numbers in totals do not reflect the actual tax rate for any one property, but are the results of the potential combination of taxing units within District boundaries.

N/A Not Available

Source: Clackamas County Department of Assessment and Taxation.

NORTH CLACKAMAS SCHOOL DISTRICT 12
PROPERTY TAX LEVIES AND COLLECTION
Last Ten Fiscal Years

FISCAL YEAR	TOTAL TAX LEVY FOR FISCAL YEAR				COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	
	GENERAL FUND	DEBT SERVICE	LOCAL OPTION	TOTAL LEVY	AMOUNT	PERCENT OF LEVY		AMOUNT	PERCENT OF LEVY
2021-22	\$ 76,676,185	\$ 37,827,305	\$ 22,088,084	\$ 136,591,574	\$ 133,874,111	98.01%	\$ -	\$ 133,874,111	98.01%
2020-21	74,022,605	34,930,832	20,040,598	128,994,036	127,036,385	98.48%	1,003,742	128,040,127	99.26%
2019-20	70,911,638	35,866,101	19,160,466	125,938,204	123,924,288	98.40%	1,489,479	125,413,767	99.58%
2018-19	67,999,160	34,454,468	-	102,453,628	100,964,729	98.55%	1,382,595	102,347,323	99.90%
2017-18	65,159,777	32,551,405	-	97,711,182	95,765,906	98.01%	1,904,214	97,670,120	99.96%
2016-17	62,104,006	31,187,276	-	93,291,282	91,509,369	98.09%	1,755,274	93,264,643	99.97%
2015-16	59,069,176	29,539,574	-	88,608,750	86,668,218	97.81%	1,920,541	88,588,759	99.98%
2014-15	55,663,451	23,109,625	-	78,773,076	76,937,663	97.67%	1,818,139	78,755,802	99.98%
2013-14	51,360,022	25,128,043	-	76,488,065	74,568,215	97.49%	1,906,048	76,474,263	99.98%
2012-13	47,868,010	24,014,870	-	71,882,880	69,755,147	97.04%	2,111,622	71,866,769	99.98%
2011-12	47,775,661	28,226,948	-	76,002,609	73,517,324	96.73%	2,472,032	75,989,356	99.98%

Source: Clackamas County Department of Assessment and Taxation.

(1) Tax collections include discounts, interest and other adjustments.

NORTH CLACKAMAS SCHOOL DISTRICT 12

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

NET GENERAL BONDED DEBT						
FISCAL YEAR	GENERAL OBLIGATION BONDS	LESS AMOUNT AVAILABLE FOR REPAYMENT	NET UNAMORTIZED PREMIUM/ACCREDITED INTEREST	NET GENERAL OBLIGATION BONDS OUTSTANDING	PER CAPITA (3)	AS PERCENTAGE OF ACTUAL TAXABLE VALUE (1)
2022	\$ 581,938,968	\$ (577,332)	\$ 99,301,148	\$ 680,662,784	5,346	4.27%
2021	601,173,968	(1,940,665)	94,733,094	693,966,397	5,467	4.50%
2020	597,138,968	(3,568,539)	90,165,041	683,735,470	5,430	4.64%
2019	608,665,968	(5,678,690)	85,596,988	688,584,266	5,469	4.87%
2018	524,050,119	(4,042,500)	53,138,338	573,145,957	4,613	4.23%
2017	525,436,999	(2,965,036)	56,510,359	578,982,322	4,713	4.48%
2016	219,350,000	(1,840,060)	27,999,897	245,509,837	1,998	1.99%
2015	237,705,000	(668,690)	26,576,278	263,612,588	2,181	2.24%
2014	234,831,141	(3,880,022)	9,478,724	240,429,843	2,021	2.13%
2013	246,501,142	(4,117,267)	10,005,320	252,389,195	2,158	2.71%

OTHER GOVERNMENTAL ACTIVITIES DEBT				TOTAL DEBT		
FISCAL YEAR	PENSION OBLIGATION BONDS (4)	NOTES PAYABLE	FULL FATH AND CREDIT OBLIGATIONS	TOTAL DISTRICT (2)	PER CAPITA (3)	AS PERCENTAGE OF ACTUAL TAXABLE VALUE (1)
2022	\$ 65,399,446.00	\$ 5,393,304	\$ 10,415,859	\$ 762,448,725	5,989	4.78%
2021	70,900,323	8,249,304	10,730,451	785,787,140	\$ 6,191	5.10%
2020	76,052,401	9,754,346	11,036,100	784,146,856	6,228	5.32%
2019	78,806,448	8,801,462	-	781,870,866	6,210	5.53%
2018	81,556,733	8,579,468	-	667,324,658	5,371	4.92%
2017	84,303,790	8,028,261	-	674,279,409	5,489	5.21%
2016	87,039,339	8,564,916	-	342,954,152	2,792	2.78%
2015	89,753,315	9,315,831	-	363,350,424	3,006	3.08%
2014	92,440,452	10,143,555	-	346,893,872	2,916	3.08%
2013	94,983,239	12,030,404	-	363,520,105	3,109	3.90%

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

(1) Source: Clackamas County Department of Assessment and Taxation. The total estimated actual value of taxable property cannot be reasonably estimated.

(2) Includes net general bonded debt and other governmental activities debt, excluding amounts available for repayment.

(3) Per capita is calculated using the Census Bureau Small Area Income & Poverty Estimates (SAIPE)

(4) Limited Tax Pension Bonds are not included in the General Bonded Debt schedule above since they are not repaid directly with property tax dollars.

N/A Not Available

NORTH CLACKAMAS SCHOOL DISTRICT 12

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

(dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2022

Real Market Value	\$ 26,644,520,437
Debt Limit (7.95% of Real Market Value) (1)	2,118,239,375
Amount of Debt Applicable to Debt Limit	581,938,968
Legal Debt Margin	<u>\$ 1,536,300,407</u>

FISCAL YEAR	M5 REAL MARKET VALUE (2)	DEBT LIMIT	TOTAL NET DEBT APPLICABLE TO LIMIT	LEGAL DEBT MARGIN	TOTAL NET DEBT APPLICABLE TO LIMIT AS A PERCENTAGE OF DEBT LIMIT
2022	\$ 26,644,520,437	2,118,239,375	581,938,968	\$ 1,536,300,407	27.47 %
2021	24,498,315,554	1,947,616,087	601,173,968	1,346,442,119	30.87
2020	23,213,196,612	1,845,449,131	597,138,968	1,248,310,163	32.36
2019	21,789,745,360	1,732,284,756	608,665,968	1,123,618,788	35.14
2018	20,011,769,671	1,590,935,689	524,050,119	1,066,885,570	32.94
2017	18,067,735,406	1,436,384,965	525,436,999	910,947,966	36.58
2016	15,778,515,366	1,254,391,972	219,350,000	1,035,041,972	17.49
2015	14,167,881,531	1,126,346,582	237,705,000	888,641,582	21.10
2014	12,767,620,456	1,015,025,826	234,831,141	780,194,685	23.14
2013	12,033,892,426	956,694,448	246,501,142	710,193,306	25.77

(1) ORS 328.245 establishes a parameter of bonded indebtedness for school districts. Aggregates are governed by real market values within the District based on the following:

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

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

Allowable Percentage of Real Market Value:

^A Kindergarten through eighth grade, 9 x .0055	4.95%
^B Ninth through twelfth, 4 x .0075	3.00%
Allowable Percentage	<u>7.95%</u>

(2) Source: Measure 5 Real Market Value from Clackamas County Department of Assessment and Taxation

NORTH CLACKAMAS SCHOOL DISTRICT 12JT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
June 30, 2022

<u>OVERLAPPING GOVERNMENT</u>	<u>NET (2) DIRECT DEBT</u>	<u>PERCENT WITHIN SCHOOL DISTRICT(3)</u>	<u>OVERLAPPING DEBT</u>
City of Gladstone	\$ 8,159,712	5.39%	\$ 439,629
City of Milwaukie	36,022,535	99.30%	35,770,521
City of Portland	738,727,223	0.04%	312,686
Clackamas Community College	152,578,536	39.37%	60,062,846
Clackamas County	115,525,000	29.03%	33,542,222
Clackamas Cty ESD	21,902,000	30.42%	6,662,435
Clackamas Cty RFPD 1	36,339,520	62.92%	22,865,262
Clackamas Soil Conservation	5,785,000	29.03%	1,679,652
Metro	897,955,000	7.03%	63,149,583
Port of Portland	45,725,000	6.56%	2,997,685
Oak Lodge Water Services District	4,892,130	79.34%	3,881,592
SUBTOTAL OVERLAPPING DEBT	<u>\$ 2,063,611,656</u>		<u>\$ 231,364,113</u>
DIRECT DISTRICT DEBT			<u>762,448,725</u>
TOTAL DIRECT AND OVERLAPPING DEBT			<u><u>\$ 993,812,838</u></u>

(1) Source: Debt Management Division, State of Oregon.

(2) Net direct debt includes all tax-supported bonds. Self-supporting bonds are excluded.

(3) The percentage of overlapping debt is estimated using taxable assessed property values.

Applicable percentages were estimated by determining the portion of the overlapping district's taxable assessed value that is within the school district's boundaries and dividing it by the overlapping district's total taxable assessed value.

These percentages are calculated by the State of Oregon Municipal Debt Advisory Commission.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the District. This process recognizes that, when considering the District's ability to issue and repay long-term debt the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

NORTH CLACKAMAS SCHOOL DISTRICT 12

Debt Ratios

June 30, 2022

		2022
Total Real Market Value (M5)	\$	26,644,520,437
Assessed Value	\$	16,429,089,525
Estimated Population		126,934

Debt Information

Net Direct Debt (1)

District Direct Debt (2)	\$	762,448,725
Overlapping Direct Debt		231,364,113
Total Direct Debt and Overlapping Debt	\$	993,812,838

Bonded Debt Ratio

District Direct Debt to Real Market Value		2.86%
Total Direct Debt to Real Market Value		3.73%
Per Capita RMV	\$	209,908
Per Capita District Direct Debt	\$	6,007
Per Capita Total Direct Debt and Overlapping Debt	\$	7,829

(1) Net Direct Debt is Gross Direct Debt less self-supporting limited and unlimited tax supported debt.

(2) Includes Bonds Net of Refunded Bonds

Sources: Clackamas County Department of Assessment and Taxation, Debt Management Division,
Office of the State Treasurer, North Clackamas School District #12 Audited Financial Reports for the Fiscal Year

Census Bureau Small Area Income & Poverty Estimates (SAIPE)

NORTH CLACKAMAS SCHOOL DISTRICT 12

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Calendar Years

Clackamas County

YEAR	POPULATION	PERSONAL INCOME (in thousands)	PER CAPITA PERSONAL INCOME	UNEMPLOYMENT RATE (2)	
2022	423,805	(1) \$ 30,303,725	71,504	3.7	%
2021	422,537	(1) \$ 28,064,485	66,419	3.2	
2020	425,316	27,556,649	64,791	6.4	
2019	418,087	25,806,838	61,726	3.7	
2018	416,075	24,770,193	59,533	3.7	
2017	412,672	23,029,574	55,806	3.7	
2016	407,258	20,977,045	51,379	4.2	
2015	401,515	19,901,153	49,565	4.7	
2014	394,504	18,724,587	47,464	5.7	
2013	388,111	17,863,812	46,028	6.5	
2012	383,389	17,811,472	46,458	7.6	
2011	379,670	16,659,841	43,880	8.4	

(1) Estimated

(2) As of October of relevant year.

N/A - Data not available at time of printing.

Sources:

Population, personal income and per capita information: US Department of Commerce, Bureau of Economic Analysis and NCSD population estimates.

Unemployment rate information: US Department of Labor, Bureau of Labor Statistics. Not seasonally adjusted. (FRED)

NORTH CLACKAMAS SCHOOL DISTRICT 12
PRINCIPAL EMPLOYERS FOR THE PORTLAND METRO AREA
Current Year and Nine Years Ago

Employer	2022			2013		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Ten Largest Employers						
Intel Corporation	21,000	1	1.69 %	16,700	3	1.64 %
Providence Health & Services	21,000	2	1.69	14,132	4	1.39
Oregon Health & Science University	18,048	3	1.45	14,106	5	1.39
Kaiser Permanente	11,163	6	0.90	9,896	7	0.97
Nike Inc.	13,964	4	1.12			
Legacy Health System	13,120	5	1.06	9,835	8	0.97
City of Portland	6,635	9	0.53	9,318	9	0.92
Fred Meyer Stores	9,525	7	0.77	10,176	6	1.00
Portland Public Schools	6,847	8	0.55			
Multnomah County	5,096	9	0.41			
Regence BlueCross BlueShield of Oregon				9,200	10	0.90
Beaverton School District	5,646	10	0.45			
State of Oregon				23,100	1	2.27
U.S. Government				17,800	2	1.75
Subtotal of Ten Largest Employers	132,044		10.62	134,263		13.20
All Other Employers	1,235,700		89.38	882,881		86.80
Total Portland MSA Employment (1) (2)	<u>1,241,677</u>		<u>100.00 %</u>	<u>1,017,144</u>		<u>100.00 %</u>

(1) Portland-Vancouver-Hillsboro MSA includes Clackamas, Columbia, Multnomah, Washington, and Yamhill Counties in the State of Oregon and Clark and Skamania Counties in the State of Washington.

(2) Measured at December of the relevant fiscal year, nonfarm labor, not seasonally adjusted.

Sources:

Portland Business Journal, Portland Metro Area's Largest Employers 2021-22

US Dept. of Labor, Bureau of Labor Statistics

NORTH CLACKAMAS SCHOOL DISTRICT 12

OPERATING STATISTICS

Last Ten Fiscal Years

FISCAL YEAR	STUDENT ENROLLMENT(1)	AVERAGE DAILY MEMBERSHIP(2)	TEACHING FTE	STUDENT-TEACHING STAFF RATIO
2021-2022	16,440	20,001	1021.3	16.1
2020-2021	16,458	19,719	972.9	16.9
2019-2020	17,200	20,481	971.8	17.7
2018-2019	17,316	20,431	948.6	18.3
2017-2018	17,219	20,480	939.6	18.3
2016-2017	17,321	20,684	937.3	18.5
2015-2016	17,250	20,672	884.4	19.5
2014-2015	17,199	19,745	841.4	20.4
2013-2014	17,185	19,700	785.3	21.9
2012-2013	17,044	19,644	780.0	21.9

FISCAL YEAR	NUMBER OF TYPE A LUNCHES SERVED (4)			NUMBER OF BREAKFASTS SERVED		
	PAID	FREE	REDUCED PRICE	PAID	FREE	REDUCED PRICE
2021-2022	-	1,362,703	-	-	354,081	-
2020-2021	-	707,899	-	-	707,261	-
2019-2020	355,275	404,149	82,422	60,586	207,524	28,118
2018-2019	497,884	522,893	134,501	69,180	224,593	45,548
2017-2018	456,057	559,342	114,435	64,009	252,827	49,278
2016-2017	438,007	643,671	142,533	52,916	266,558	46,914
2015-2016	458,755	645,111	140,172	57,414	265,364	44,970
2014-2015	426,601	648,923	113,433	50,839	244,557	34,884
2013-2014	396,840	678,311	120,794	39,494	271,555	37,265
2012-2013	401,027	709,000	120,300	40,236	279,846	37,954
2011-2012	467,704	765,052	124,806	49,109	296,456	40,430

(1) Oct 1st Enrollment in North Clackamas School District locations only.

(2) Average Daily Membership (ADMw) includes all resident students regardless of where they attend (including charter schools, schools outside the district, and schools for special needs students operated by other agencies and education service districts).

In 2015-16, The Oregon Department of Education provided full funding for kindergarten students.

Most recent year presented is projected.

(3) Full-time equivalent of 8 hour day. Includes all licensed staff (i.e., teachers, counselors, special education, librarians, etc.).

(4) Due to the Coronavirus Pandemic, the Department of Agriculture issued a directive that all meals were free in the 20-21 and 21-22 school years.

Sources: Enrollment and Attendance Records, Oregon Department of Education,
North Clackamas School District Human Resources Department, School Nutrition Department

NORTH CLACKAMAS SCHOOL DISTRICT 12

FULL TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE

Last Ten Fiscal Years

	2021-22 (1) BUDGETED	2020-21 ACTUAL	2019-20 ACTUAL	2018-19 ACTUAL	2017-18 ACTUAL	2016-17 ACTUAL	2015-16 ACTUAL	2014-15 ACTUAL	2013-14 ACTUAL	2012-13 ACTUAL
Licensed - General Fund	918.38	896	902.08	871.21	861.04	862.69	824.00	762.96	723.38	720.35
Licensed - Other Funds	102.89	76.87	85.67	77.41	78.51	74.61	60.40	78.39	61.91	59.65
Total Licensed - FTE	1021.27	972.87	987.75	948.62	939.55	937.30	884.40	841.35	785.29	780.00
Classified - General Fund	736.91	703.15	696.08	688.54	676.04	639.01	626.10	613.18	595.25	591.03
Classified - Other Funds	162.08	96.38	156.41	160.27	161.93	148.99	165.46	171.16	164.26	189.97
Total Classified - FTE	898.99	799.53	852.49	848.81	837.97	788.00	791.56	784.34	759.51	781.00
Administrative - General Fund	89.05	90.85	86.25	74.35	75.35	73.35	71.85	68.35	67.35	70.25
Administrative - Other Funds	12.12	11.75	9.25	13.60	8.85	8.85	9.85	9.85	8.85	11.75
Total Administrative - FTE	101.17	102.60	95.50	87.95	84.20	82.20	81.70	78.20	76.20	82.00
Total - General Fund	1744.34	1690.00	1684.41	1634.10	1612.43	1575.05	1521.95	1444.49	1385.98	1381.63
Total - Other Funds	277.09	185.00	251.33	251.28	249.29	232.45	235.71	259.40	235.02	261.37
Grand Total All Staff - FTE	2021.43	1875.00	1935.74	1885.38	1861.72	1807.50	1757.66	1703.89	1621.00	1643.00

(1) North Clackamas School District Budgeted Numbers 2021-22

Source: North Clackamas School District Human Resource/Fiscal Service Departments

NORTH CLACKAMAS SCHOOL DISTRICT 12

Capital Asset Information

As of June 30, 2022

	YEAR OF ORIGINAL CONSTRUCTION	SQUARE FOOTAGE	PRACTICAL CAPACITY	ENROLLMENT 2021-22	% OF CAPACITY	AVERAGE AGE OF BUILDING
HIGH SCHOOLS						
Clackamas	2002	269,160	2114	1,364	64.52%	20
Adrienne C. Nelson	2010	228,348	2080	999	48.03%	12
New Urban/New Urban Annex	2021	55,428	375	66	17.60%	1
Milwaukie	2020	226,030	1920	763	39.74%	0
Rex Putnam	1963	216,693	1728	1,003	58.04%	58
Sabin Center	1967	94,904				54
Schellenberg Center	1968	67,803				53
Land Lab and Forestry Center	1970	4,878				51
High School Subtotal		1,163,244	8,217	4,195	45.59%	31
MIDDLE SCHOOLS						
Alder Creek	1957	157,378	907	809	89.20%	64
Happy Valley	2009	142,772	750	1,006	134.13%	12
Rock Creek	2010	110,112	750	835	111.33%	11
Rowe	1963	107,880	957	703	73.46%	58
Middle School Subtotal		518,142	3,364	3,353	102.03%	36
ELEMENTARY SCHOOLS						
Ardenwald	2009	64,300	560	370	66.07%	12
Beatrice Morrow Cannady	2019	65,377	500	430	86.00%	2
Bilquist	1960	60,736	504	329	65.28%	61
Campbell	1956	40,287	423	0	0.00%	65
Happy Valley	2008	60,512	550	452	82.18%	13
Lewelling	1963	58,868	473	283	59.83%	58
Linwood/Sojourner	1968	79,406	498	369	74.10%	53
Milwaukie El Puente	1916	58,862	573	403	70.33%	105
Mount Scott	1989	58,648	532	344	64.66%	32
Oak Grove	1963	54,556	476	263	55.25%	58
Oregon Trail	1993	64,807	588	442	75.17%	28
Riverside	1955	46,910	507	316	62.33%	66
Scouters Mountain	2009	61,884	550	462	84.00%	12
Spring Mountain	2000	58,053	598	385	64.38%	21
Sunnyside	1949	69,280	598	426	71.24%	72
Verne Duncan	2009	60,474	644	418	64.91%	12
View Acres	1964	53,191	560	355	63.39%	57
Whitcomb	1958	61,372	476	372	78.15%	63
Elementary Schools Subtotal		1,077,523	9,610	6,419	65.96%	44
North Clackamas School District Virtual School				758		
School Subtotals		2,758,909				
Transportation (SE 102nd Ave)	2018	24,302				
Technology	1967	11,192				
Facility Operations	1916	15,021				
Transportation (Alder Creek)	1955, 1959	13,220				
Administration Building	1988	26,254				
Support Subtotals		89,989				
District Totals		2,848,898		14,725		

Source: North Clackamas Facilities Department

INDEPENDENT AUDITORS' REPORT REQUIRED
BY OREGON STATE REGULATIONS



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Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the North Clackamas School District as of and for the year ended June 30, 2022, and have issued our report thereon dated December 30, 2022. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards.

Compliance

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

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

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

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

1. In the Capital Projects Fund, expenditures for transfers out were overspent by \$274,313.
2. In the Private Purpose Trust Fund, expenditures for Community Services exceeded appropriations by \$2,490.

OAR 162-10-0230 Internal Control

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

We noted matters involving the internal control structure and its operation that we consider to be significant deficiencies under standards established by the American Institute of Certified Public Accountants, which are noted in the schedule of findings and questioned costs on page 111.

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

A handwritten signature in dark ink, appearing to read "Ken Allen", with a stylized, flowing script.

Kenneth Allen, CPA
PAULY, ROGERS AND CO., P.C.

GRANT COMPLIANCE SECTION

North Clackamas School District
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ending June 30, 2022

Federal Grantor/Pass-through Grantor/Program Title	Grant Period	Federal AL Number	Pass Through Entity #	Expenditures	Passed-Through to Subrecipients
<u>U.S. Department of Education</u>					
Passed through Oregon State Department of Education					
Title I Grants to Local Education Agencies	7/1/21-9/30/22	84.010	58320	\$ 466,594	\$ -
Title I Grants to Local Education Agencies	7/1/21-9/30/22	84.010	67029	\$ 1,674,990	\$ -
Title I Grants to Local Education Agencies	7/1/21-9/30/22	84.010	60409	\$ 34,035	\$ -
Title I Grants to Local Education Agencies	7/1/21-9/30/22	84.010	54334	\$ 46,434	\$ -
Title I Grants to Local Education Agencies	7/1/21-9/30/22	84.010	65132	\$ 157,696	\$ -
Total Title I Grants to Local Education Agencies				\$ 2,379,749	\$ -
Student Support and Academic Enrichment	7/1/21-9/30/22	84.424	66818	\$ 167,013	\$ -
Total Student Support and Academic Enrichment				\$ 167,013	\$ -
Supporting Effective Instruction State Grants	7/1/19-9/30/21	84.367	58812	\$ 301,642	\$ -
Total Supporting Effective Instruction State Grants				\$ 301,642	\$ -
English Language Acquisition State Grants	7/1/19-9/30/21	84.365	58491	\$ 56,493	\$ -
English Language Acquisition State Grants	7/1/21-9/30/22	84.365	67152	\$ 201,213	\$ -
Total English Language Acquisition State Grants				\$ 257,706	\$ -
Special Education Grants to States	7/1/20-9/30/22	84.027	60708	\$ 2,569,648	\$ -
Special Education Grants to States	7/1/20-9/30/21	84.027	56706	\$ 30,383	\$ -
Total Special Education Grants to States				\$ 2,600,031	\$ -
21st Century Community Learning Centers	7/1/19-9/30/21	84.287	61157	\$ 411,550	\$ -
21st Century Community Learning Centers	7/1/21-9/30/23	84.287	68794	\$ 168,578	\$ -
Total 21st Century Community Learning Centers				\$ 580,128	\$ -
Education Stabilization Fund - ESSER I (COVID-19)	3/13/20 to 9/30/22	84.425	57867	\$ 7,672	\$ -
Education Stabilization Fund - ESSER II (COVID-19)	3/13/20 to 9/30/23	84.425	64637	\$ 525,718	\$ 315,472
Education Stabilization Fund - ESSER III (COVID-19)	3/13/20 to 9/30/24	84.425	64942	\$ 6,803,895	\$ -
Total Education Stabilization Fund				\$ 7,337,285	\$ 315,472
Passed Through G5					
Indian Education - Special Programs for Indian Children	7/1/21-6/30/22	84.299	S060A202668	\$ 38,753	\$ -
Total Indian Education - Special Programs for Indian Children				\$ 38,753	\$ -
Passed Through Clackamas Education Service District					
Career & Technical Education - Basic Grants to States	7/1/21-6/30/22	84.048	n/a	\$ 32,271	\$ -
Total Career & Technical Education - Basic Grants to States				\$ 32,271	\$ -
Migrant Education State Grant Program	7/1/21-6/30/22	84.011	n/a	\$ 3,056	\$ -
Total Migrant Education State Grant Program				\$ 3,056	\$ -
<u>Total US Dept of Education</u>				\$ 13,697,634	\$ 315,472

U.S. Department of Health & Human Services

Passed through Oregon Department of Health and Human Services

Child Care & Development Block Grant	7/1/21 - 6/30/22	93.575	n/a	\$	45,540	\$	-
Total Child Care & Development Block Grant				\$	45,540	\$	-

Total US Dept of Health & Human Services

\$	45,540	\$	-
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U.S. Department of Agriculture

Passed through Oregon State Department of Education

Child Nutrition Cluster:

School Breakfast Program	7/1/21-6/30/22	10.553		\$	903,739	\$	-
Commodities (noncash)	7/1/21-6/30/22	10.555		\$	518,685	\$	-
National School Lunch Program	7/1/21-9/30/22	10.555		\$	6,089,577	\$	-
National School Lunch Program (COVID-19)	7/1/21-6/30/22	10.555		\$	360,990		
National School Lunch Program Supply Chain Assistance	7/1/21-9/30/22	10.555		\$	304,293	\$	-
Summer Food Program	7/1/20-9/30/21	10.559		\$	170,744	\$	-
Fresh Fruit and Vegetable Program - Lewelling	10/1/21-9/30/22	10.582	69613	\$	20,160	\$	-
Fresh Fruit and Vegetable Program - Linwood	10/1/21-9/30/22	10.582	69614	\$	20,671	\$	-
Fresh Fruit and Vegetable Program - Whitcomb	10/1/21-9/30/22	10.582	69615	\$	21,609	\$	-
Total Child Nutrition Cluster				\$	8,410,468	\$	-

Child and Adult Care Food Program	7/1/21-6/30/22	10.558		\$	231,954	\$	-
Child and Adult Care Food Program (COVID-19)	7/1/21-6/30/22	10.558		\$	20,863		
Total Child and Adult Care Food Program				\$	252,817	\$	-

Pandemic EBT Administrative Grants (COVID-19)	7/1/21-6/30/22	10.649		\$	5,814	\$	-
Total Pandemic EBT Administrative Grants (COVID-19)				\$	5,814	\$	-

Total US Department of Agriculture

\$	8,669,099	\$	-
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Total Federal Awards

\$	22,412,273	\$	315,472
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Reconciliation to Federal Revenue Reported in the Financial Statements:

Federal Revenue, Not Grant - Federal Forest Fees	\$	58,709
Miscellaneous Prior Year Adjustments	\$	(670)

Total Federal Revenue Reported in the Financial Statements	\$	22,470,312
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December 30, 2022

To the Board of Education
North Clackamas School District
Clackamas County, Oregon

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of North Clackamas School District as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated December 30, 2022.

Report on Internal Control over Financial Reporting

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

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

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements are free from material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

Entity's Response to Findings

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

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 internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink, appearing to read "Ken Allen", is positioned above the printed name.

Kenneth Allen, CPA
PAULY, ROGERS AND CO., P.C.



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December 30, 2022

To the Board of Education
North Clackamas School District
Clackamas County, Oregon

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited North Clackamas School District's 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 each of the major federal programs for the year ended June 30, 2022. The major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, North Clackamas School 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 Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of North Clackamas School 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 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 its federal programs.

Auditors' 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 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 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 compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of 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 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 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 Auditors' 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 control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in blue ink, appearing to read "Ken Allen", is positioned above the printed name.

Kenneth Allen, CPA
PAULY, ROGERS AND CO., P.C.

NORTH CLACKAMAS SCHOOL DISTRICT
CLACKAMAS COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2022

SECTION I – SUMMARY OF AUDITORS’ RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

☐ yes ☒ no

Significant deficiency(s) identified that are not considered
to be material weaknesses?

☒ yes ☐ none reported

Noncompliance material to financial statements noted?

☐ yes ☒ no

Any GAGAS audit findings disclosed that are required to be reported
reported in accordance with section 515(d)(2) of the Uniform Guidance?

☒ yes ☐ no

FEDERAL AWARDS

Internal control over major programs:

Material weakness(es) identified?

☐ yes ☒ no

Significant deficiency(s) identified that are not considered
to be material weaknesses?

☐ yes ☒ none reported

Type of auditors' report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in
accordance with section 200.516(a) of the Uniform Guidance?

☐ yes ☒ no

IDENTIFICATION OF MAJOR PROGRAMS

AL NUMBER

NAME OF FEDERAL PROGRAM CLUSTER

84.425 Education Stabilization Fund
84.010 Title I Grants to LEAs
84.027 Special Education Grants to States (IDEA, Part B)

10.553, 10.555,

10.559, 10.582 Child Nutrition Cluster

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

Auditee qualified as low-risk auditee?

☒ yes ☐ no

NORTH CLACKAMAS SCHOOL DISTRICT
CLACKAMAS COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2022

SECTION II – FINANCIAL STATEMENT FINDINGS

FS-2022-1 SIGNIFICANT DEFICIENCY

CRITERIA: Payroll liabilities should be reconciled to the amounts actually paid in subsequent months, and no costs should be accrued that are not actually due and payable to an outside entity.

CONDITION: The District incorrectly accrued PERS costs in the General Fund in the four fiscal years prior to 2021-2022 which led to an overstatement of liabilities and understatement of fund balance as of June 30, 2021 in excess of \$2.5 million.

CAUSE: In an effort to set aside a reserve for future PERS obligations, in the four fiscal years prior to 2021-2022, the District accrued additional PERS costs in the General Fund that were not actually due and payable, thereby inflating the liability account and reducing unreserved fund balance.

EFFECT: The effect is that payroll liabilities and ending fund balance were incorrectly stated.

RECOMMENDATION: We recommend that the District end its practice of accruing costs that are not actually due and payable to outside entities. In addition, on a monthly basis the District should reconcile all payroll liabilities to their subsequent payments to ensure all accrued balances are clearing out and no liabilities are being inflated.

VIEWES OF RESPONSIBLE OFFICIALS: The District agrees with the finding and will end the practice of accruing additional costs that are not due and payable to outside entities. Going forward, the District will also make sure that all payroll liabilities are reconciled and reported in accordance with generally accepted accounting principles.

FS-2022-2 SIGNIFICANT DEFICIENCY

CRITERIA: Cash and Investment balances per the general ledger should be accurately reconciled to the statement balances at the end of every month.

CONDITION: In the prior year, when one of the District's long term investments matured, the District did not remove the fair market value adjustment balance that had been on the books from prior periods.

CAUSE: The finance department was not aware that the fair market value adjustment remained on the books.

EFFECT: The balance carried over to the District's overall cash and investment balances as of June 30, 2021. Therefore, cash and investments at June 30, 2021 were overstated by \$934,906. The balance was in the Capital Projects Fund so the Capital Projects Fund's beginning fund balance, as well as government-wide beginning net position, were overstated as of July 1, 2021. A prior period adjustment was necessary to correct the beginning balances.

RECOMMENDATION: At the end of every month, the District should verify that its reconciled cash account balances match the total of all cash and investment related balances in the general Ledger.

SECTION II – FINANCIAL STATEMENT FINDINGS

FS-2022-2 SIGNIFICANT DEFICIENCY

VIEWS OF RESPONSIBLE OFFICIALS: The District agrees with the finding and will verify all balances at the end of every month in the future.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL EXPENDITURES

1. BASIS OF PRESENTATION

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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



North Clackamas Schools

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