

District 24J

Salem-Keizer Public Schools

In Marion & Polk Counties in the State of Oregon

Our Vision: All students graduate and are prepared for a successful life.



Annual Comprehensive Financial Report

For the fiscal year ended June 30, 2022

Financial Services Department
2450 Lancaster Drive NE Suite 220
Salem, OR 97305
503-399-3021

Salem-Keizer Public Schools is an affirmative action/equal opportunity institution.

SALEM-KEIZER SCHOOL DISTRICT 24J
Salem, Oregon

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Christy Perry
Superintendent

Prepared by:
Financial Services Department



Our Vision:

All students graduate and are prepared for a successful life.



District 24J
2450 Lancaster Drive NE • Salem, Oregon 97305

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INTRODUCTORY SECTION





CHRISTY PERRY, Superintendent
2450 Lancaster Drive NE • PO Box 12024
Salem, Oregon 97309-0024
503-399-3001

December 21, 2022

Community Members and School Board
Salem-Keizer School District No. 24J
Salem, Oregon

Dear Stakeholders:

Oregon Revised Statutes regarding Municipal Audit Law and State Financing of Public Schools require that school districts publish audited financial statements within six months of the close of each fiscal year. A Securities Exchange Commission rule requires that a district that has issued municipal bonds file annual financial statements with the Municipal Securities Exchange Repository through Electronic Municipal Market Access (EMMA). Pursuant to these requirements, Salem-Keizer School District 24J (District) hereby issues its annual comprehensive financial report for the fiscal year ended June 30, 2022. This report is presented in conformity with accounting principles generally accepted in the United States of America. The financial statements of the District were audited in accordance with auditing standards generally accepted in the United States of America by a certified public accounting firm licensed in the State of Oregon.

This report consists of District management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with accounting principles generally accepted in the United States of America. 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 of material misstatement. Management asserts that, to the best of its knowledge and belief, this financial report is complete and reliable in all material respects.

The District's financial statements have been audited by Grove, Mueller & Swank, P.C., a certified public accounting firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2022, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The Independent Auditor's Report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, federally mandated Single Audit, as required by the provisions of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements but also on the 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 Compliance Section of this report.

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

District Profile

The District is one of 19 public school districts located in Marion and Polk counties, Oregon. It is one of the top three largest of the 197 school districts in Oregon. The District provides public education programs from preschool through grade 12, as well as community transition programs for students ages 18-21. The District is required to report the number of students per school year to the state based on Average Daily Membership (ADM). ADM is the average number of full-time students enrolled in District schools and programs every day over the course of the entire school year, compared to student enrollment, which is a snapshot on a given day of the headcount of all students enrolled. The District's ADM was 38,705 in fiscal year 2021-22.

Salem-Keizer School District was organized in January of 1855 by then County Superintendent, William P. Pugh. At that time, the District consisted of a log cabin school at the southwest corner of Marion and Commercial streets. Today, the District consists of 42 elementary schools, 11 middle schools, eight high schools, four district-sponsored charter schools, and one state-sponsored charter school that is located within its boundaries. Located in Marion and Polk counties, the District serves cities within those counties, primarily Keizer and Oregon's state capital, Salem. It covers 172 square miles of Marion and Polk counties.

As of June 30, 2022, approximately 84 percent of Salem-Keizer students are considered to be economically disadvantaged. The District has 29 percent of students who speak a language other than English at home, and there are 96 different languages spoken in the District's schools.

In May 2018, voters approved general obligation bonds of \$619.7 million. The bond proceeds are being used for construction projects throughout the District.

In 2021-22, management staff included the superintendent, assistant superintendent of secondary, assistant superintendent of elementary, chief operations officer, director of community relations & communications, executive director of human resources, three directors of elementary education, director of middle school education, director of high school education, director of curriculum and instruction for elementary, director of curriculum and instruction for secondary, director of student services, director of student equity, access and advancement, director of technology and information services, director of budget and financial services, and director of strategic initiatives. The District employed 179 management staff, which included the positions

described above, as well as principals, assistant principals, athletic directors, department managers, and supervisors. It employed 2,512 licensed staff (teachers, counselors, and other licensed professionals) and 2,446 classified staff (instructional assistants, custodians, bus drivers, and support staff).

Under Oregon law, the District is considered a financially independent, special-purpose municipal corporation and is responsible for educating all children residing within the boundaries of the District. The District discharges this responsibility by building, operating, and maintaining school facilities; developing and maintaining approved educational programs and courses of study, including vocational programs and programs for handicapped students, in accordance with state standards; and carrying out programs for transportation and feeding of pupils in accordance with District, state, and federal guidelines.

The District's governing board, the Salem-Keizer School Board, is organized under Section 332 of the Oregon Revised Statutes. The Salem-Keizer School Board is elected on a district-wide basis and is the governing body of the District. It is composed of seven community members and has oversight responsibility, which includes, but is not limited to, the hiring of the superintendent, the adoption of the annual budget, and negotiations of collective bargaining agreements. There is also one student advisor appointed to the board. The board operates under a Policy Governance structure by setting overarching guidance related to student achievement and approving Executive Limitations that establish operational, ethical, and legal boundaries for District staff and decision-making. The budget committee, established by statute and composed of seven appointed volunteer members of the community and the Salem-Keizer School Board, reviews the superintendent's recommended budget and approves the annual budget, which is forwarded to the Salem-Keizer School Board for final adoption.

The financial reporting entity consists of a primary government. The District is a primary government because it has a nonpartisan elected governing body, is legally separate, and is fiscally independent of other state or local governments. Component units must be reported as part of the primary government if they meet a fiscal dependency criterion and a financial benefit or burden relationship exists as defined under the Governmental Accounting Standards Board (GASB) Statement No. 61. The District has determined that its sponsored charter schools should not be reported as component units. Operations of these schools are the responsibility of their individual boards and many of the schools no longer utilize licensed District staff for instruction. The District accounts for activity with charter schools in a separate fund within its internal service funds.

The State of Oregon requires the District to adopt an annual budget per Oregon Revised Statutes (294.305 through 294.565 inclusive). Oregon Budget Law specifies a process and format for a district's annual budget preparation and presentation. A school district is required to publish a budget using at least a "minimum chart of accounts," which includes fund, function, and object. Each year, the District follows a process to develop and adopt a budget for the following school year. The District's budget committee receives the proposed budget from the superintendent, takes public testimony, deliberates, and approves the budget with a recommendation to the school board for final adoption. The school board normally adopts the budget in early June. Once adopted, the budget represents the financial plan for the District. It contains estimates of revenues and expenditures needed to support the program offerings of the District for a single fiscal year. The budget is prepared for all funds, which include governmental funds and the fiduciary fund. The annual expenditure budget serves as the foundation for the District's financial planning and control since revenue is an estimate. Actual expenditures may not exceed the appropriated amount of the budget by function and fund. Changes to

the budget must be adopted by the school board if expenditures will adjust any one fund by 10% or less per ORS 294.471. If fund expenditures will be increased by more than 10%, a supplemental budget must be adopted per ORS 294.473.

The Oregon Department of Education provides reports of school data called the “At-A-Glance Profile”. The “At-A-Glance Profile” includes, but is not limited to, student enrollment, District and state academic goals, demographics, and outcomes. The “Start Strong” and “High School Success” sections compare to the Oregon averages. The District was slightly lower than the Oregon average for both the “On Track to Graduate” and the “On Time to Graduate” metrics. The District’s 2021-22 “At-A-Glance Profile” and reports by school can be found on the following website: <https://www.oregon.gov/ode/schools-and-districts/reportcards/reportcards/Pages/default.aspx>. The District’s “Report Cards” for previous years and for each school are available on the following website: <http://www.oregon.gov/ode/schools-and-districts/reportcards/reportcards/Pages/Report-Card-Resource-Archives.aspx>. The state assessment data is grouped by subject and can be found on the following website: https://www.oregon.gov/ode/educator-resources/assessment/Pages/Assessment-Group-Reports.aspx?utm_medium=email&utm_source=govdelivery. The state suspended the state assessments Spring of 2020 and the District opted out of the state assessments Spring of 2021 both because of issues related to the COVID-19 pandemic.

It is the District’s intent to remain centered on student achievement through implementation of its Strategic Plan. The 2022-23 Strategic Plan has five distinct components with goals to accomplish them: implement data-driven systems, leadership development, inclusive culture and community, effective operations, and improve instruction. At the core of the Strategic Plan is the goal for Equitable Student Outcomes and to live out our vision that “*All students graduate and are prepared for a successful life.*” The District’s 2022-23 Strategic Plan is on the District’s website: www.salkeiz.k12.or.us.

Economic Condition

The District is located within Marion and Polk counties. Both counties are located south of the Portland metropolitan area in the center of the Willamette Valley. The city of Salem is the capital of the state, as well as the county seat for Marion County, and is the state’s third largest city. The city of Keizer is the state’s sixteenth largest city. Marion County is the largest producer of agricultural products of all of Oregon’s counties, and Polk County has the second largest viticulture region in the state. Other industries in the counties are forest products, manufacturing, and education. There are two private universities and a community college located in Salem: Willamette University and Corban University are private liberal arts colleges, which offer bachelor and master degree programs; Chemeketa Community College is a public community college, which offers associate degrees and technical programs. Government agencies employ approximately 23 percent of the population in Salem. Major employers include the State of Oregon, the District, federal agencies, Salem Health, Marion County, Chemeketa Community College, and City of Salem.

The District receives approximately 75 percent of its General Fund revenue from state-controlled sources. The District’s largest expense is labor and associated costs, which includes the Oregon Public Employees Retirement System (PERS). Both Marion and Polk counties have tax abatements which totaled approximately \$998,000 for the District this year. The District does not expect long-term, detrimental effects from tax abatements. The average age of the school buildings is 52 years. The projected ADM for fiscal year 2022-23 is 38,210.

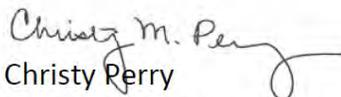
The COVID-19 pandemic has taken a massive human and economic toll on the District and greater community, and the impacts will be felt for many years to come. As an organization we have led through a pandemic, wildfires, and an ice storm. The District received substantial federal grant funding in response to COVID-19 through the Coronavirus Aid, Relief and Economic Stimulus Act (CARES or ESSER I), the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA or ESSER II) and the American Rescue Plan Act Elementary and Secondary School Emergency Relief Fund (ARP ESSER or ESSER III) which all provide targeted support for students to help offset the impact of COVID-19. It is too early to fully understand the economic impacts of COVID-19 for the District and the State.

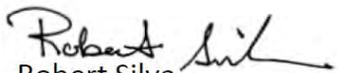
Awards and Acknowledgements

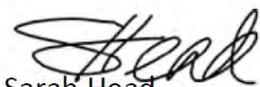
The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the Salem-Keizer School District 24J for its annual comprehensive financial report for the fiscal year ended June 30, 2021. This was the 39th consecutive year the District achieved this prestigious award. In order to be awarded a certificate of achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. Additionally, the Association of School Business Officials International (ASBO) awarded its Certificate of Excellence in Financial Reporting to the District for the 34th year.

The District thanks the entire Financial Services Department staff for their efforts and contributions to the annual comprehensive financial report and the members of the Salem-Keizer School Board for their continued support and dedication to the financial operations of the District.

Respectfully submitted,


Christy Perry
Superintendent


Robert Silva
Chief Operations Officer


Sarah Head
Director of Budget & Financial Services





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Salem-Keizer School District 24J
Oregon**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Salem-Keizer School District 24J for its annual comprehensive financial report for the fiscal year ended June 30, 2021. This was the 39th consecutive year that the District achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Salem-Keizer Public Schools District 24J

for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2021.

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'William A. Sutter'.

William A. Sutter
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis
Executive Director

Board of Directors

Each board member is elected by local voters to serve a four-year term without pay. Even though each member represents a zone in our district, the entire board works together to serve all students in Salem and Keizer.

Oswaldo F. Avila

Board Chair | Zone 1

Marty Heyen

Board Director | Zone 2

Ashley Carson Cottingham

Board Vice Chair | Zone 3

Satya Chandragiri

Board Director | Zone 4

Karina Guzmán Ortiz

Board Director | Zone 5

Danielle Bethell

Board Director | Zone 6

María Hinojos Pressey

Board Director | Zone 7

Grace Caldwell

Student Advisor to the Board

Budget Committee Members

The budget committee is a 14-member group consisting of the Salem-Keizer School Board and seven appointed volunteer community members. The committee is an advisory group established by statute to make budgetary recommendations to the school board.

Oswaldo F. Avila
Board Member

Jaqualine Bechtel
Community Member

Danielle Bethell
Board Member

Satya Chandragiri
Board Member

Ashley Carson Cottingham
Board Member

Barbara Ghio
Community Member

Lisa Harnisch
Community Member

Levi Herrera-Lopez
Community Member

Marty Heyen
Board Member

Nancy MacMorris-Adix
Community Member

Oni Marchbanks
Community Member

Lara Million
Community Member

Karina Guzmán Ortiz
Board Member

María Hinojos Pressey
Board Member





Leadership Organizational Chart

Executive Administration – Salem-Keizer Public Schools | Oregon District 24J

Board of Directors

Oswaldo F. Avila, Zone 1 | Marty Heyen, Zone 2 | Ashley Carson Cottingham, Zone 3
Satya Chandragiri, Zone 4 | Karina Guzmán Ortiz, Zone 5 | Danielle Bethell, Zone 6 | María Hinojos Pressey, Zone 7



Christy Perry
Superintendent



Sylvia McDaniel
Director of Community
Relations & Communications



Robert Silva
Chief Operations
Officer



Olga Cobb
Assistant
Superintendent



Iton Udosenata
Assistant
Superintendent



John Beight
Executive Director
Human Resources



Suzanne West
Director of
Strategic Initiatives

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT





GROVE, MUELLER & SWANK, P.C.

Certified Public Accountants and Consultants

475 Cottage Street NE, Suite 200, Salem, OR 97301
(503) 581-7788 • FAX (503) 581-0152 • www.gms.cpa

INDEPENDENT AUDITOR'S REPORT

School Board
Salem-Keizer School District 24J
Salem, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Salem-Keizer School District 24J (the District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Salem-Keizer School District 24J, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in the notes to the financial statements, the District has implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, in the current period, which resulted in changes to the presentation of lease related activity. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (MD&A) 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 (except as mentioned in the following paragraph) because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison information presented as required supplementary information, 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, other supplementary information, and statistical section as listed in the table of contents, are presented for purposes of additional analysis and are not a required part

of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements

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

Other Information Included in the Annual Comprehensive Financial Report (ACFR)

Management is responsible for the other information included in the ACFR. The other information comprises the introductory and statistical sections but does not include the financial statements and our auditor's report thereon. Our opinions on the 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 financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the 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.

Reports on Other Legal and Regulatory Requirements

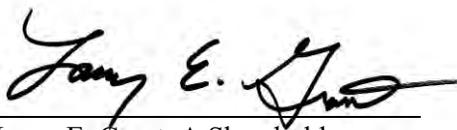
Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2022 on our consideration of Salem-Keizer School District 24J's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Other Reporting Required by Oregon Minimum Standards

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 21, 2022, on our consideration of the District's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

GROVE, MUELLER & SWANK, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

By: 
Larry E. Grant, A Shareholder
December 21, 2022



MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Salem-Keizer School District 24J, 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 present this information in conjunction with the information furnished in our Transmittal Letter which can be found in the introductory section of this report, and with the District’s financial statements, which follow.

Financial Highlights

- During the 2021-22 fiscal year the District’s total net position increased by \$87.5 million, to a deficit balance of \$28.4 million.
- The District’s governmental funds reported a combined ending fund balance of \$420.3 million at June 30, 2022, a decrease of \$175.5 million from the prior year fund balance of \$595.8 million.
- At the end of the fiscal year, the unassigned fund balance for the General Fund was \$98.8 million, or 19% of total General Fund expenditures compared to \$88.6 million and also 19% for the prior year.
- The District’s current and other assets decreased \$172.8 million during the 2021-22 fiscal year mainly from the spending of remaining proceeds of the two large debt issuances from 2020 to renovate school facilities and to build a transportation facility, purchase buses and transportation equipment.
- The District’s capital assets increased \$203.2 million during the 2021-22 fiscal year primarily due to construction of school facilities.
- The District’s total outstanding long-term debt decreased \$45.2 million during the 2021-22 fiscal year primarily due to bonded debt repaid during the year, based on the repayment schedules. Additionally, bond premiums totaling \$6.7 million were amortized during the year.
- The District’s net pension liability decreased \$237.3 million during the 2021-22 fiscal year primarily due to improved asset performance and changes in actuarial assumptions.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District’s basic financial statements, which include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The focus is both on the District as a whole (government-wide) and the major individual funds. The dual perspectives allow the reader to address relevant questions, broaden a basis for comparison, and enhance the District’s accountability. This report also contains other supplementary information in addition to the basic financial statements.

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. The accrual basis of accounting is used for the government-wide financial statements. These statements include:

- **The Statement of Net Position:** The *Statement of Net Position* presents information on all the District’s assets, deferred outflows of resources, liabilities and deferred inflows of resources as of the date on the statement with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.
- **The Statement of Activities:** The *Statement of Activities* presents information showing how the net position of the District changed over the most recent fiscal year by tracking revenues and expenses 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 compensated absences).

In the Statement of Net Position and the Statement of Activities, operations of the District may be divided into two kinds of activities:

Governmental Activities: These activities outline the main functions of the District and are principally supported through Oregon’s State School Fund, property taxes, and other intergovernmental revenues. The governmental activities of the District include instruction, both regular and special education, support services, administration, operation and maintenance of plant services, student transportation services, child nutrition services, facilities services, operation of other non-instructional services, and interest on long-term debt.

Fund Financial Statements

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 *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. The Salem-Keizer School District 24J, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the District fit into three categories: governmental funds, proprietary funds, and the fiduciary fund.

- **Governmental funds:** The *governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the Government-Wide financial statements. However, unlike the Government-Wide Financial Statements, Governmental Fund Financial Statements use the modified accrual basis of accounting and 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 District’s near-term financing decisions. Both the Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintains eleven individual governmental funds. Information is presented separately in the Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures and changes in Fund Balances for the General Fund, Grants Fund, GO Debt Service Fund, PERS Pension Debt Service Fund, and 2018 Bond Capital Projects Fund, all of which the District considers major funds. Data from the other governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the combining statements elsewhere in this report.

- **Proprietary funds:** The District maintains one type of proprietary fund: Internal Service Funds. The District uses Internal Service Funds to account for risk management, insurance, printing, copying and central stores services, and a charter school services fund to account for the cost of District sponsored charter schools. Because these internal services recorded in the Internal Service Funds benefit governmental functions, they have been included within governmental activities in the Government-Wide Financial Statements. The District maintains three individual internal service funds. All these funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.
- **Fiduciary fund:** The Fiduciary fund account for resources held for the benefit of parties outside the District. The Fiduciary fund is not reflected in the Government-Wide Financial Statements because the resources of the fund are not available to support the District’s own programs. Due to their custodial nature, the fiduciary fund does not have a measurement focus. The District has one fiduciary fund. The District uses a custodial fund to account for resources held for student activities and groups.

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 can be found immediately following the basic financial statements.

Other Information

This report presents certain required supplementary information concerning the District’s budget process. A schedule of revenues, expenditures and changes in fund balances – budget and actual has been provided for the General Fund and all major special revenue funds as required supplementary information. In addition, the required supplementary information contains information regarding the District’s pension plan and other post-employment benefits.

Other supplementary information for the other major funds and the combined nonmajor governmental funds and internal service funds and statistical information follows the required supplementary information.

Government-Wide Financial Analysis

Statement of Net Position

The Statement of Net Position presents the value of all the District’s assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between them reported as net position. Net position may serve over time as an indicator of the District’s financial position, but pension liability can cause significant changes year over year. As of June 30, 2022, District liabilities and deferred inflows exceeded assets and deferred outflows by \$28.4 million, which was an increase of \$87.5 million compared to a deficit net position of \$115.8 million as of June 30, 2021.

A portion of the District’s net position reflects its investment in capital assets net of accumulated depreciation (e.g., land, buildings, vehicles and equipment) and related outstanding debt (General Obligation Bonds and Leases) used for acquisition of some of the assets. The District uses these capital assets to provide services to students and other District residents. The capital assets acquired through this debt may not be used to liquidate these liabilities because the resources needed to repay this debt must be provided from other sources (generally property taxes) under the terms of the bond debt and lease agreements.

STATEMENT OF NET POSITION

	Governmental Activities	
	2022	2021*
Assets		
Current and Other Assets	\$ 528,106,867	\$ 700,858,259
Capital Assets	1,005,066,069	801,896,537
Net OPEB Asset - RHIA	6,439,575	8,191,813
Total Assets	1,539,612,511	1,510,946,609
Deferred Outflows of Resources	145,878,370	169,975,017
Liabilities		
Current Liabilities	185,771,737	184,401,173
Long-term Debt	990,394,178	1,035,583,924
Total OPEB Liability - RHIS	36,325,547	45,257,250
Net Pension Liability - PERS	257,260,647	494,604,136
Total Liabilities	1,469,752,109	1,759,846,483
Deferred Inflows of Resources	244,106,067	36,897,145
Net Position		
Net Investment in Capital Assets	405,097,355	380,186,383
Restricted for Special Purposes	950,455	762,372
Unrestricted	(434,415,105)	(496,770,757)
Total Net Position	\$ (28,367,295)	\$ (115,822,002)

* FY 2021 restated: see Note 13 in the Basic Financial Statements

- Capital Assets, which consist of the District’s land, buildings, building improvements, vehicles, equipment and leased assets, represent 65% of total assets. The remaining assets consist of cash, investments, receivables, prepaid items, inventories and net OPEB asset.
- Deferred Outflows of Resources represent deferred amounts on PERS pension and OPEB plans.
- The District’s largest liability is for the repayment of long-term debt, which consists of bonds payable, financed purchases, leases, and unamortized bond premiums, and represents 67% of total liabilities. Net Pension Liability – PERS represents 18% of total liabilities.
- Deferred Inflows of Resources mainly represents the differences between projected and actual investment earnings of the District’s pension and OPEB plans. See note 1N of the Notes to the Basic Financial Statements.

Statement of Activities

The District’s Change in Net Position on the Statement of Activities for fiscal year 2021-22 was an increase of \$87.5 million. This increase includes pension expense of (\$16.1) million and OPEB expense of \$4.2 million.

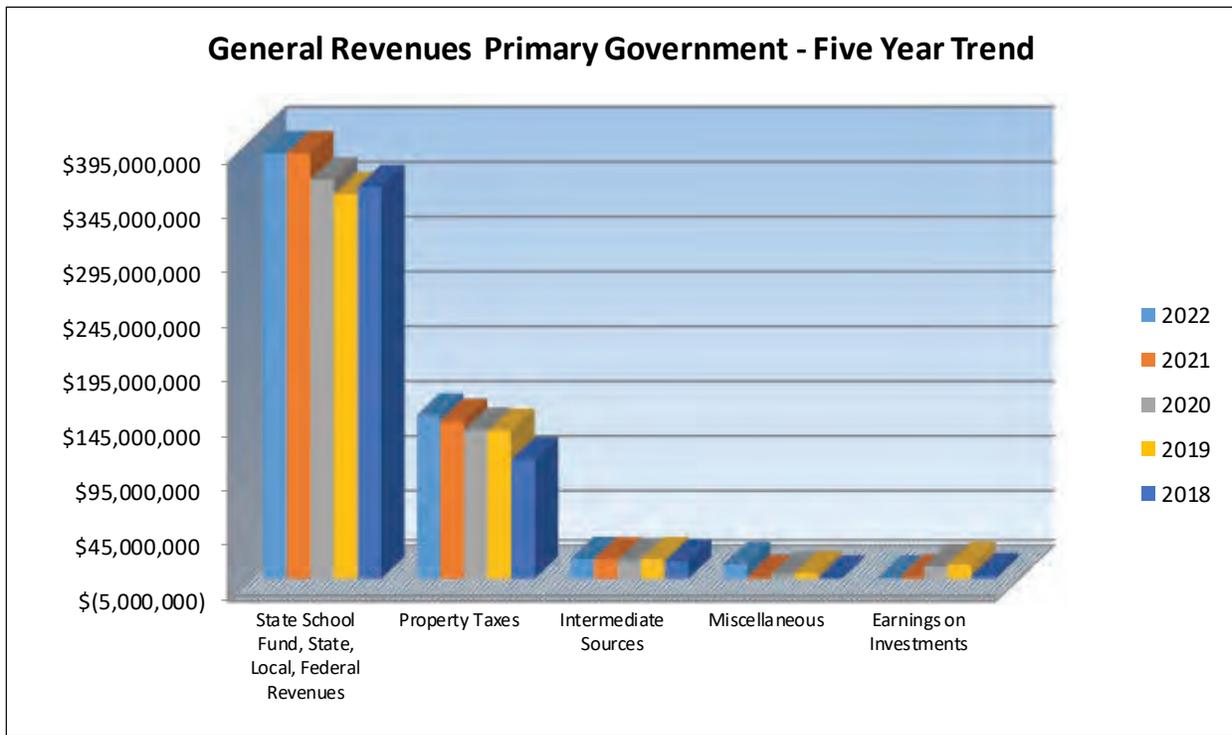
CHANGES IN NET POSITION

	Governmental Activities	
	2022	2021
Revenues:		
Program Revenues:		
Charges for Services	\$ 26,334,288	\$ 18,752,563
Operating Grants and Contributions	131,911,910	84,573,738
Capital Grants and Contributions	23,881,582	15,125,100
General Revenues:		
Property Taxes	149,225,687	143,967,137
Revenue from Intermediate Sources	18,180,639	17,720,109
State School Fund - General Support	378,106,583	371,745,116
Other State and Local Sources	7,948,989	13,324,904
Federal Forest Fees - General Support	198,256	6,682
Unrestricted State and Local Sources	2,179,782	3,082,050
Gain on Sale of Capital Assets	141,719	1,265,018
Earnings on Investments	919,645	1,901,891
Miscellaneous	13,238,694	331,903
Total Revenues	752,267,774	671,796,211
Expenses:		
Instructional Services	374,254,812	382,302,838
Support Services	227,115,121	219,933,248
Community Services	17,220,806	3,372,167
Food Services	148,724	8,556,429
Facilities Services	4,988,379	10,317,947
Interest on Long-term Debt	41,085,225	42,452,111
Total Expenses	664,813,067	666,934,740
Change in Net Position	87,454,707	4,861,471
Net Position, Beginning of Year	(115,822,002)	(120,683,473)
Net Position, End of Year	\$ (28,367,295)	\$ (115,822,002)

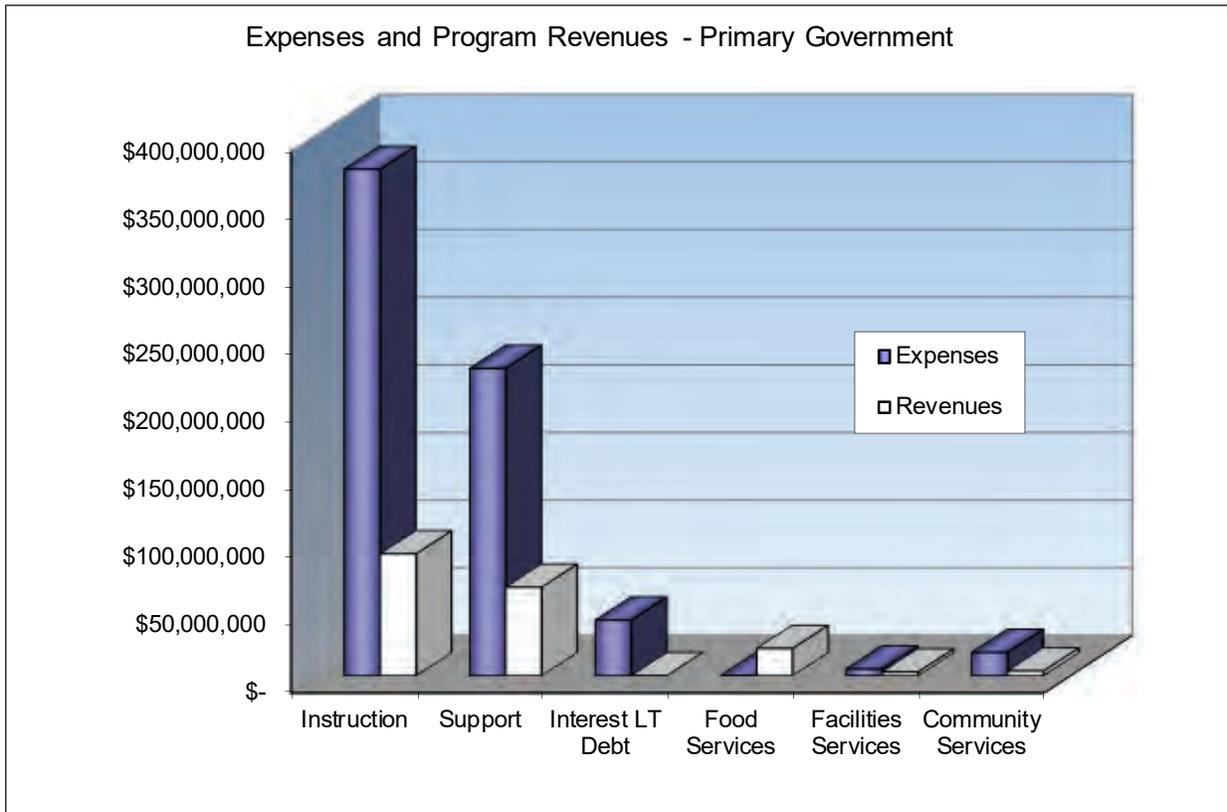
Other key elements of the change in the District’s net position for the year ended June 30, 2022 are as follows:

- Revenue from Operating Grants and Contributions increased by \$47.3 million for fiscal year 2021-22 related to the influx of grant funding relating to the COVID-19 pandemic.
- Miscellaneous revenue increased by \$12.9 million for fiscal year 2021-22. The increase was mainly from the new Emergency Connectivity Fund reimbursements for qualifying purchases.
- Expenses for Community Services increased by \$13.8 million. The increase was related to the increase in food service expenditures because students were back in schools upon the return to in-person learning.

The following chart shows General Revenues by Source for the Primary Government over five years.



The following chart compares expenses of the Primary Government with associated revenues for the current fiscal year.



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 near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District’s financing requirements. In particular, 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 the end of June 30, 2022, the District’s governmental funds reported combined ending fund balances of \$420.3 million, a decrease of \$175.5 million in comparison with the prior year. This decrease was mainly from the net outflows of cash on hand of \$173.6 million during the 2021-22 fiscal year for construction projects funded by debt issuances from 2020-21. The District had \$98.8 million of unassigned balance as of June 30, 2022.

General Fund

The General Fund is the primary operating fund of the District, and the majority of its revenue comes from state funding distributed through the State School Fund (SSF) by the Oregon Department of Education (ODE). The State of Oregon is the largest source of revenue for public education in Oregon. The Oregon Legislature allocates money to the State School Fund primarily from the State General Fund and lottery revenue. School Districts get 95.5% of the State School Fund dollars available less local revenue. Local revenues include tax offsets, local property taxes for school operations (specifically excludes taxes for voter approved general obligation bonds), common school fund, county school fund, federal forest, and state timber revenues.

SSF funding is distributed to Oregon school districts pursuant to a formula, the objective of which is to provide equal funding for all school districts. The SSF grant provides to each school district a general-purpose grant, a transportation grant, a high cost disability grant, a facilities’ grant, and a network of quality teaching and learning grant, less local revenues. Other grants deducted from the SSF grant are much smaller and generally relate to a specific District activity or condition. Details of these may be found under “State School Fund: School District and ESD payment statements” on the Oregon Department of Education website.

The general-purpose grant is determined by a distribution formula, which incorporates a system of weights connected to the student count. The student count begins with average daily membership (ADM). This becomes resident ADM (ADM_r). The ADM_r count is then adjusted to reflect the differences in the cost of educating students requiring more extensive educational services, such as English as a second language, special education, pregnant and parenting, impoverished, and students attending a remote small school. The total of all students is multiplied by a statewide target grant of \$4,500. In addition to a state derived funding ratio, a factor of \$25 per year per student that a district’s average teacher experience exceeds the state average is added to (or subtracted from, if below the State average) this calculation to arrive at the state general purpose grant.

The transportation grant is 70% of approved transportation costs. Approved costs are those attributable to transporting students from home to school (if over 1 mile from elementary school or 1.5 miles from secondary school), between schools, on field trips, and for other reasons in special cases.

The facility grant is distributed on a first-come, first-served basis to districts in the first year a new school facility is put into use. The facility grant is based on 8% of the total construction costs of a new school building excluding land but including the addition of new structures to existing school buildings and pre-manufactured buildings, if the new structures are used for instructing students.

The high cost disabilities grant is equal to the approved costs of a resident pupil with disabilities for whom the approved costs to the school district of providing special education and related services exceed \$30,000. Other state grants are deducted from the formula. These grants include amounts for talented and gifted students, speech pathology, virtual school funding, long-term care and state schools, a small high school grant, network of quality teaching and learning funding, a local option equalization grant, and an amount for pediatric and nursing facilities. These amounts are approved by the state legislature and are subject to change every year.

As of June 30, 2022, unassigned fund balance in the General Fund was \$98.8 million compared to \$88.6 million as of June 30, 2021. Another \$10.7 million of the fund balance is committed for the new Gaffin transportation facility construction project. In fiscal year 2021-22, the District collected higher revenue than 2020-21 from both state and local funding sources. The General Fund continued to experience high vacancy rates for transportation and instructional staff budgeted positions. The District budgeted to spend a significant amount of the unassigned fund balance in the fiscal year 2022-23 Budget, so this fund balance is expected to decline. The School Board has set a targeted annual fund balance of seven to twelve percent (7% to 12%) of the annual operating revenues.

Grants Fund

The Grants Fund represents funding received from state and federal agencies for the purpose of expanding educational opportunities as well as targeted support related to COVID-19 relief. Use of resources in this fund is restricted by federal and state statutes, state administrative rules, and the provisions of each individual grant. Per the terms of the grants, the District incurs expenditures for the grant programs and is reimbursed for the expenses primarily from the Oregon Department of Education as the fiduciary agency receiving the funds from the federal government and the state, or from other agencies that issued the grants. For fiscal year 2021-22, the District received \$113.0 million in funding compared to the prior year of \$84.9 million. The 2021-22 increase in spending and revenue on various reimbursable grants was primarily caused by issues related to the COVID-19 pandemic.

GO Debt Service Fund

The GO Debt Service Fund has a total fund balance of \$0.9 million, all of which is restricted for the payment of debt service. The net decrease in fund balance during the current year was \$1.4 million from the principal and interest payments made in the 2021-22 fiscal year.

PERS Pension Debt Service Fund

The PERS Pension Debt Service Fund has a total fund balance of \$30.8 million. The fund was set up in fiscal year 2002-03 to account for the payment of principal and interest on long-term pension bonds. The major source of revenue for the fund is charges to other funds. The District maintained the fund balance in anticipation of the future debt payments while sustaining a large increase in the percentage of payroll contributions for the Oregon Public Employees Retirement Plan (PERS). In addition, the fund balance may be utilized to mitigate payroll contributions in future periods to PERS based on the expectation that rates will rise significantly over the next three biennia.

2018 Bond Capital Projects Fund

The 2018 Bond Capital Projects Fund has a total fund balance of \$212.3 million, all of which is restricted for construction-related expenditures. This fund balance was from the GO bonds issued in July 2018 and July 2020. Capital outlay expenditures in this fund totaled \$167.7 million for the fiscal year 2021-22 from the construction work funded by these bond dollars.

Other Nonmajor Governmental Funds

Other Nonmajor Governmental Funds include the Fee Based Programs Fund, Food Services Fund, Energy Efficiency Fund, Asset Replacement Fund, Special Capital Projects Fund, and the Preventative & Deferred Maintenance Fund. The total fund balance for the Other Nonmajor Governmental Funds was \$64.9 million as of June 30, 2022, an increase of \$5.7 million from the prior year. The Asset Replacement Fund included \$21.0 million in committed fund balance from the unspent portion of Full Faith and Credit Obligations issued in 2021 to purchase buses and transportation equipment. Expenditures in the Other Nonmajor Governmental Funds were \$24.1 million for fiscal year 2021-22 compared to \$14.1 million the prior year when services were scaled back within the Fee Based Programs Fund and the Food Services Fund related to the COVID-19 pandemic.

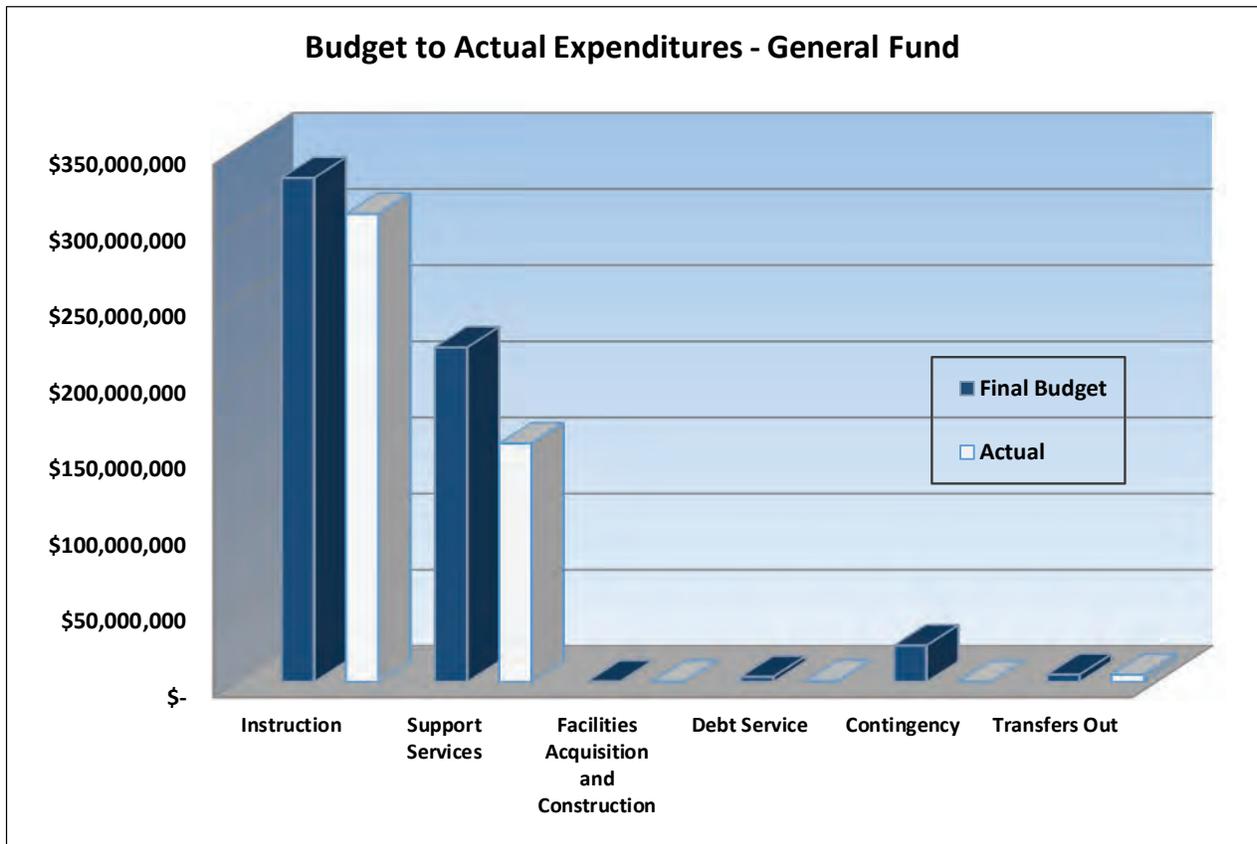
General Fund Budgetary Highlights

All General Fund expenditures were within budgeted appropriations. The following table and chart show the budgeted expenditures to actual expenditures for the General Fund for fiscal year 2021-22.

The District amended the original budget for fiscal year 2021-22 through a supplemental budget process. State Sources of resources were adjusted to reflect the approved State School Fund revenue resulting in a decrease of \$3.3 million in expected revenue. Federal Sources of resources and Instruction requirements were increased by \$21.0 million to allow for the new Emergency Connectivity Fund expenditures and reimbursement revenue. The remaining requirement changes in the amended budget reflect the implementation of increases for cost-of-living adjustment, health insurance contribution and the payroll costs associated with these changes.

General Fund			Variances	
	Expenditures & Transfers Out	Final Budget	Actual	Dollars
Instruction	\$ 356,007,259	\$ 325,065,418	\$ 30,941,841	8.7%
Support Services	229,475,806	198,549,175	30,926,631	13.5%
Enterprise and Community Services	100,000	505	99,495	99.5%
Facilities Acquisition and Construction	234,681	124,698	109,983	46.9%
Debt Service	-	-	-	#DIV/0!
Contingency	19,795,944	-	19,795,944	100.0%
Transfers Out	3,020,001	2,935,844	84,157	2.8%
Total	\$ 608,633,691	\$ 526,675,640	\$ 81,958,051	13.5%

The District’s improvements in recruiting and implementation of position control are expected to lead to more detailed budgeting, thus closing the gap between budget and actual in future years. Contingency is used for transfers of appropriations to functions, as needed. The unusually high variances in General Fund expenditures were related to the high level of vacant, budgeted positions in the General Fund.



Capital Assets

The District’s investment in capital assets includes land, buildings and improvements, vehicles and equipment, and construction in progress. As of June 30, 2022, the District had invested \$1.0 billion in capital assets and lease assets, net of accumulated depreciation and amortization, respectively, as shown in the following table:

	2022	2021
Land and Construction In Progress	\$ 255,135,556	\$ 367,536,914
Lease Assets, net	2,667,301	2,860,167
Buildings and Improvements, net	705,041,716	400,133,804
Vehicles and Equipment, net	42,221,496	31,365,652
Total	\$ 1,005,066,069	\$ 801,896,537

During fiscal year 2021-22, the District’s investment in net capital assets and lease assets increased by \$203.2 million. The major capital asset events for the year were the various bond construction projects which increased Buildings and Improvements by \$304.9 million offset by a decrease in Construction in Progress by \$114.8 million as projects were completed. Also, the district received a donation of both land and buildings valued at \$20.0 million for the Career Technical Education Center during fiscal year 2021-22.

Additional information on the District’s capital assets can be found in Note 1L and Note 5 in the Notes to the Basic Financial Statements of this report.

Long-Term Debt

At the end of the current fiscal year, the District had total long-term debt, including leases and financed purchases, outstanding of \$990.4 million versus \$1.036 billion at the end of fiscal year 2020-21. The decrease in long-term debt was from the payment of scheduled principal. This debt outstanding as of June 30, 2022, includes Full Faith and Credit Obligations of \$60.4 million, general obligation bonds of \$671.4 million, pension bonds of \$153.8 million and \$100.1 million of unamortized premiums on General Obligation bonds.

State statute ORS 328.245 limits the amount of general obligation debt a school district may issue up to 7.95% of its real market value. The current debt limitation for the District is \$3.1 billion which is significantly in excess of the District’s outstanding general obligation debt of \$671.4 million. Additional information on the District’s long-term debt can be found in Note 1T and Note 6 in the Notes to the Basic Financial Statements of this report.

Economic Factors in Current and Next Year’s Budget

The most significant economic factor for the District is the funding level from the State of Oregon’s State School Fund. State funding is the largest source of funding for school districts. While it is increasing, the rate of increase does not match the rate that pension and other costs are increasing. The District is optimistic that state funding for education will continue to increase given the Governor’s emphasis on educational outcomes.

The State School Fund (SSF) for the 2021-23 biennium is \$9.3 billion, 3.3% higher than the 2019-21 biennium of \$9.0 billion. Average Daily Membership (ADM) is the state calculation of enrolled students based on days of attendance and is utilized in the state funding formula (ADMw) for school districts modified by factors such as poverty levels, special education students and other items.

Since ADM is based on enrollment, the data is available sooner than ADMw. The District receives their SSF allocation based on Extended ADMw which is the greater of the current or prior year’s ADMw number. The annual ADMw figures are finalized by the Oregon Department of Education the following spring. The ADMw for 2021-22 was 50,310 and the most recent estimated ADMw figure for 2022-23 was 48,755. The District’s ADM decreased by 305 in fiscal year 2021-22, and a decrease of 495 is estimated for fiscal year 2022-23.

<u>Year Ended</u>	<u>ADM</u>	<u>ADMw</u>
2013	39,664	48,567
2014	39,974	49,133
2015	40,181	50,242
2016	40,799	52,557
2017	41,178	53,054
2018	41,416	52,629
2019	41,255	52,340
2020	41,085	52,120
2021	39,010	49,724
2022	38,705 **	50,310 **
2023	38,210 *	48,755 *
2024	37,715 *	n/a
2025	37,221 *	n/a
2026	36,726 *	n/a
2027	36,232 *	n/a

Source: Salem-Keizer Public Schools.

* Projected

** Pending certification by Oregon Department of Education

Requests for Information

This financial report is designed to present the user (community members, taxpayers, investors, and creditors) with a general overview of the District’s finances and to demonstrate our accountability. Questions concerning any of the information provided in this report, or requests for additional information, should be addressed to Financial Services, 2450 Lancaster Dr. NE, Suite 220, Salem, OR 97305.

BASIC FINANCIAL STATEMENTS
GOVERNMENT-WIDE FINANCIAL STATEMENTS

SALEM-KEIZER SCHOOL DISTRICT 24J
STATEMENT OF NET POSITION
JUNE 30, 2022

	Governmental Activities
ASSETS	
Pooled Cash and Investments	\$ 474,853,076
Accounts Receivable	
Property Taxes	5,403,011
Other Receivables	45,058,296
Prepaid Items	1,628,256
Inventories	1,164,228
Capital Assets, Not Being Depreciated	255,135,556
Capital Assets, Net of Accumulated Amortization and Depreciation	749,930,513
Net OPEB Asset - RHIA	6,439,575
TOTAL ASSETS	1,539,612,511
DEFERRED OUTFLOWS OF RESOURCES	
OPEB Deferred Outflows - RHIA	2,803,638
OPEB Deferred Outflows - RHIS	6,846,120
Pension Deferred Outflows - PERS	136,228,612
TOTAL DEFERRED OUTFLOWS OF RESOURCES	145,878,370
LIABILITIES	
Accounts Payable	29,318,115
Accrued Salaries and Benefits	34,894,849
Accrued Interest Payable	105,328,841
Accrued Compensated Absences Payable	3,591,973
Accrued Claims Losses	1,659,954
Unearned Revenue	10,978,005
Due within One Year	
Bonds Payable	46,003,642
Lease Liability	1,211,793
Financed Purchase	667,155
Due in More than One Year	
Bonds Payable	939,725,890
Lease Liability	1,409,456
Financed Purchase	1,376,242
Total OPEB Liability - RHIS	36,325,547
Net Pension Liability - PERS	257,260,647
TOTAL LIABILITIES	1,469,752,109
DEFERRED INFLOWS OF RESOURCES:	
OPEB Deferred Inflows - RHIA	2,614,113
OPEB Deferred Inflows - RHIS	11,309,458
Pension Deferred Inflows - PERS	227,697,518
Lease Related Deferred Inflows	2,484,978
TOTAL DEFERRED INFLOWS OF RESOURCES	244,106,067
NET POSITION	
Net Investment in Capital Assets	405,097,355
Restricted for Special Purposes	950,455
Unrestricted	(434,415,105)
TOTAL NET POSITION	\$ (28,367,295)

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

SALEM-KEIZER SCHOOL DISTRICT 24J
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

<u>Functions/Programs</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>	
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>		<u>Capital Grants and Contributions</u>
Governmental Activities:					
Instructional Services	\$ 374,254,812	\$ 9,218,031	\$ 60,873,412	\$ 20,000,000	\$ (284,163,369)
Support Services:					
Student Transportation Services	21,800,485	-	-	1,087,423	(20,713,062)
Other Support Services	205,314,636	17,000,636	47,316,790	-	(140,997,210)
Community Services	17,220,806	4,910	3,627,191	-	(13,588,705)
Food Services	148,724	110,711	20,094,517	-	20,056,504
Facilities Services	4,988,379	-	-	2,794,159	(2,194,220)
Interest on Long-term Debt	41,085,225	-	-	-	(41,085,225)
Total Governmental Activities	<u>\$ 664,813,067</u>	<u>\$ 26,334,288</u>	<u>\$ 131,911,910</u>	<u>\$ 23,881,582</u>	(482,685,287)
General Revenues:					
Property Taxes Levied for General Purposes					92,160,299
Property Taxes Levied for Debt Service					57,065,388
Revenue from Intermediate Sources					18,180,639
State School Fund (SSF) - General Support					378,106,583
SSF - Unrestricted High Cost Disability Grant					3,334,207
Common School Fund					4,614,782
Federal Forest Fees - General Support					198,256
Unrestricted State and Local Sources					2,179,782
Gain on Sale of Capital Assets					141,719
Earnings on Investments					919,645
Miscellaneous					13,238,694
Total General Revenues					<u>570,139,994</u>
CHANGE IN NET POSITION					87,454,707
Net Position, June 30, 2021					<u>(115,822,002)</u>
Net Position, June 30, 2022					<u>\$ (28,367,295)</u>

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



BASIC FINANCIAL STATEMENTS
FUND FINANCIAL STATEMENTS

SALEM-KEIZER SCHOOL DISTRICT 24J
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2022

	<u>General Fund</u>	<u>Grants Fund</u>	<u>GO Debt Service Fund</u>
ASSETS			
Pooled Cash and Investments	\$ 121,677,320	\$ -	\$ 460,793
Property Tax Receivable	3,455,749	-	1,947,262
Accounts and Other Receivables	19,890,147	21,102,231	-
Lease Receivable	2,526,649	-	-
Prepaid Items	119,838	1,469,990	-
Inventories	346,769	-	-
Due from Other Funds	6,582,998	-	-
Total Assets	<u>\$ 154,599,470</u>	<u>\$ 22,572,221</u>	<u>\$ 2,408,055</u>
LIABILITIES			
Accounts Payable	\$ 6,798,713	\$ 1,615,089	\$ -
Accrued Payroll	12,579,245	2,213,718	-
Payroll Taxes and Withholding Payable	20,065,932	-	-
Due to Other Funds	-	6,582,998	-
Unearned Revenue	34,585	10,690,426	-
Total Liabilities	<u>39,478,475</u>	<u>21,102,231</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Property Taxes	2,681,557	-	1,505,406
Unavailable Revenue - Leases	2,484,978	-	-
Total Deferred Inflows of Resources	<u>5,166,535</u>	<u>-</u>	<u>1,505,406</u>
FUND BALANCES			
Nonspendable for Inventories and Prepaids	466,607	1,469,990	-
Restricted for:			
Debt Service	-	-	902,649
Capital Projects	-	-	-
Special Purposes	-	-	-
Committed	10,693,822	-	-
Assigned	-	-	-
Unassigned	98,794,031	-	-
Total Fund Balances	<u>109,954,460</u>	<u>1,469,990</u>	<u>902,649</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 154,599,470</u>	<u>\$ 22,572,221</u>	<u>\$ 2,408,055</u>

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

PERS Pension Debt Service Fund	2018 Bond Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 30,805,730	\$ 229,870,100	\$ 65,518,525	\$ 448,332,468
-	-	-	5,403,011
-	-	1,443,277	42,435,655
-	-	-	2,526,649
-	-	-	1,589,828
-	-	-	346,769
-	-	-	6,582,998
<u>\$ 30,805,730</u>	<u>\$ 229,870,100</u>	<u>\$ 66,961,802</u>	<u>\$ 507,217,378</u>
\$ -	\$ 17,523,708	\$ 1,819,906	\$ 27,757,416
-	6,985	11,492	14,811,440
-	-	-	20,065,932
-	-	-	6,582,998
-	-	252,994	10,978,005
-	<u>17,530,693</u>	<u>2,084,392</u>	<u>80,195,791</u>
-	-	-	4,186,963
-	-	-	2,484,978
-	-	-	<u>6,671,941</u>
-	-	-	1,936,597
-	-	-	902,649
-	212,339,407	-	212,339,407
-	-	950,455	950,455
3,000,000	-	41,084,484	54,778,306
27,805,730	-	22,842,471	50,648,201
-	-	-	98,794,031
<u>30,805,730</u>	<u>212,339,407</u>	<u>64,877,410</u>	<u>420,349,646</u>
<u>\$ 30,805,730</u>	<u>\$ 229,870,100</u>	<u>\$ 66,961,802</u>	<u>\$ 507,217,378</u>



SALEM-KEIZER SCHOOL DISTRICT 24J
RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO STATEMENT OF NET POSITION
JUNE 30, 2022

TOTAL GOVERNMENTAL FUND BALANCES		\$ 420,349,646
Capital assets are not financial resources and therefore are not reported in the governmental funds:		
Non-depreciable Assets	\$ 255,135,556	
Depreciable Assets	1,007,429,501	
Accumulated Depreciation	<u>(258,590,630)</u>	1,003,974,427
Lessee related prepaid items are not financial resources and therefore are not reported in the governmental funds.		
		7,700
Long-term pension/OPEB assets/liabilities and related deferred inflows/outflows of resources not payable in the current year are not reported as governmental fund liabilities. These consist of:		
OPEB Deferred Outflows - RHIA	2,776,987	
OPEB Deferred Outflows - RHIS	6,781,040	
Pension Deferred Outflows - PERS	134,933,610	
Net OPEB Asset - RHIA	6,378,360	
Net Pension Liability - PERS	(254,815,104)	
OPEB Deferred Inflows - RHIA	(2,589,263)	
OPEB Deferred Inflows - RHIS	(11,201,949)	
Pension Deferred Inflows - PERS	(225,533,005)	
Total OPEB Liability - RHIS	<u>(35,980,233)</u>	(379,249,557)
Deferred inflows of resources related to property taxes and miscellaneous revenues that will be collected after year-end, but are not available soon enough to pay for the current period's expenditures are deferred in the funds.		
		4,186,963
Internal service funds are used by the District to charge the costs of district services and insurance costs to the individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.		
		21,561,832
Long-term liabilities not payable in the current year are not reported as governmental fund liabilities. Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due. These liabilities consist of:		
Accrued Interest Payable	(105,328,841)	
Bonds Payable	(885,595,848)	
Premium on Bonds Payable	(100,133,684)	
Leases Payable	(2,614,444)	
Financed Purchase	(2,043,397)	
Compensated Absences Payable	<u>(3,482,092)</u>	(1,099,198,306)
NET POSITION OF GOVERNMENTAL ACTIVITIES		<u><u>\$ (28,367,295)</u></u>

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

SALEM-KEIZER SCHOOL DISTRICT 24J
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	General Fund	Grants Fund	GO Debt Service Fund
Revenues			
Taxes	\$ 92,090,676	\$ -	\$ 56,936,528
Charges for Services Provided to Other Funds	-	-	-
Local Sources	18,039,526	-	-
Earnings (loss) on Investments	(57,775)	-	6,143
Intergovernmental Revenues:			
Intermediate Sources	19,496,963	585,866	102,010
State Sources	385,929,101	50,764,884	-
Federal Sources	198,256	61,600,736	-
Total Revenues	515,696,747	112,951,486	57,044,681
Expenditures			
Current:			
Instruction	324,924,645	57,122,010	-
Support Services	176,997,876	45,078,894	-
Enterprise and Community Services	505	3,639,159	-
Facilities Acquisition and Construction	32,751	-	-
Debt Service:			
Principal	279,820	-	19,899,790
Interest	5,932	-	38,518,760
Capital Outlay	22,706,441	5,641,433	-
Total Expenditures	524,947,970	111,481,496	58,418,550
Excess (deficiency) of revenues over (under) expenditures	(9,251,223)	1,469,990	(1,373,869)
Other Financing Sources and Uses:			
Lease Financing	922,422	-	-
Sale of Capital Assets	22,557	-	-
Transfers In	-	-	-
Transfers Out	(2,935,844)	-	-
Total Other Financing Sources and Uses	(1,990,865)	-	-
Net Change in Fund Balance	(11,242,088)	1,469,990	(1,373,869)
Fund Balances, July 1, 2021	121,196,548	-	2,276,518
Fund Balances, June 30, 2022	\$ 109,954,460	\$ 1,469,990	\$ 902,649

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

PERS Pension Debt Service Fund	2018 Bond Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 149,027,204
29,273,832	-	-	29,273,832
-	331,683	5,576,506	23,947,715
155,884	579,432	106,822	790,506
-	-	70,000	20,254,839
-	-	1,395,339	438,089,324
-	-	19,774,633	81,573,625
<u>29,429,716</u>	<u>911,115</u>	<u>26,923,300</u>	<u>742,957,045</u>
-	-	2,931,158	384,977,813
-	-	1,357,792	223,434,562
-	-	13,877,661	17,517,325
-	6,611,423	96,490	6,740,664
17,450,000	-	653,557	38,283,167
8,719,822	-	56,113	47,300,627
-	167,724,952	5,169,145	201,241,971
<u>26,169,822</u>	<u>174,336,375</u>	<u>24,141,916</u>	<u>919,496,129</u>
<u>3,259,894</u>	<u>(173,425,260)</u>	<u>2,781,384</u>	<u>(176,539,084)</u>
-	-	-	922,422
-	119,162	-	141,719
-	-	4,031,916	4,031,916
-	-	(1,096,072)	(4,031,916)
-	119,162	2,935,844	1,064,141
<u>3,259,894</u>	<u>(173,306,098)</u>	<u>5,717,228</u>	<u>(175,474,943)</u>
<u>27,545,836</u>	<u>385,645,505</u>	<u>59,160,182</u>	<u>595,824,589</u>
<u>\$ 30,805,730</u>	<u>\$ 212,339,407</u>	<u>\$ 64,877,410</u>	<u>\$ 420,349,646</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
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 CHANGES IN FUND BALANCES \$ (175,474,943)

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. In the current period these amounts are:

Additions to Capital Assets	\$ 220,158,456	
Less Current Year Depreciation Expense	(16,784,759)	
Additions to Lease Assets	3,724,857	
Less Current Year Lease Amortization Expense	<u>(1,067,298)</u>	206,031,256

Lessee related prepaid items are not financial resources and therefore are not reported in the governmental funds. 7,700

Long-term debt proceeds are reported as other financing sources in governmental funds. In the Statement of Net Position, however, issuing long-term debt increases liabilities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the Statement of Net Position. This is the amount by which repayment exceed proceeds:

Bond Debt Principal Repaid	38,283,347	
Accrued Interest on Bonds	(452,079)	
Lease Financing	(3,724,857)	
Lease Principal Repaid	1,110,413	
Accrued Interest on Leases	<u>(3,676)</u>	35,213,148

In the governmental funds amortization is not recognized for bond premiums. 6,667,481

Governmental Funds report pension contributions as expenditures. In the Statement of Activities, the cost of pension benefits earned net of employer contributions is reported as pension expense.

Net Change in Pension Liability/Asset	234,852,332	
Net Change in Deferred Outflows of Resources	(24,075,160)	
Net Change in Deferred Inflows of Resources	<u>(194,984,475)</u>	15,792,697

Property taxes that do not meet the measurable and available criteria are not recognized as revenue in the current year in the governmental funds. In the Statement of Activities property taxes are recognized as revenue when levied. 198,483

Internal service funds are used by the District to charge the costs of printing services and insurance premiums and claims to the individual funds. The change in net position of the internal service funds is reported with governmental activities. 2,012,427

Compensated absences are recognized as an expenditure in the governmental funds when they are paid. In the Statement of Activities compensated absences are recognized as expenditures when earned. 36,817

Governmental Funds report OPEB contributions as expenditures. In the Statement of Activities, the cost of OPEB benefits earned net of employer contributions is reported as OPEB expense.

Net Change in OPEB Liability/Asset	7,093,609	
Net Change in Deferred Outflows of Resources	288,321	
Net Change in Deferred Inflows of Resources	<u>(10,412,289)</u>	<u>(3,030,359)</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 87,454,707

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

SALEM-KEIZER SCHOOL DISTRICT 24J
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2022

	Governmental Activities - Internal Service Funds
ASSETS	
Current Assets	
Cash, Cash Equivalents and Investments	\$ 26,520,608
Receivables	95,992
Prepaid Items	30,728
Inventories	817,459
Total Current Assets	27,464,787
Lease Assets, Net	9,742
Capital Assets, Net of Accumulated Depreciation	1,081,900
Net OPEB Asset - RHIA	61,215
Total Noncurrent Assets	1,152,857
TOTAL ASSETS	28,617,644
DEFERRED OUTFLOWS OF RESOURCES	
OPEB Deferred Outflows - RHIA	26,651
OPEB Deferred Outflows - RHIS	65,080
Pension Deferred Outflows - PERS	1,295,002
Total Deferred Outflows of Resources	1,386,733
LIABILITIES	
Current Liabilities	
Accounts Payable	1,560,699
Accrued Salaries & Benefits	17,477
Accrued Claims Liability	1,659,954
Accrued Compensated Absences	109,881
Lease Liability	6,805
Total Current Liabilities	3,354,816
Noncurrent Liabilities	
Net Pension Liability - PERS	2,445,543
Total OPEB Liability - RHIS	345,314
Total Noncurrent Liabilities	2,790,857
TOTAL LIABILITIES	6,145,673
DEFERRED INFLOWS OF RESOURCES	
OPEB Deferred Inflows - RHIA	24,850
OPEB Deferred Inflows - RHIS	107,509
Pension Deferred Inflows - PERS	2,164,513
Total Deferred Inflows of Resources	2,296,872
NET POSITION	
Investment in Capital Assets	1,091,642
Unrestricted	20,470,190
TOTAL NET POSITION	\$ 21,561,832

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

SALEM-KEIZER SCHOOL DISTRICT 24J
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2022

	Governmental Activities - Internal Service Funds
Operating Revenues	
State Sources	\$ 31,784
Charges for Services	18,083,256
Total Operating Revenues	18,115,040
Operating Expenses	
Salaries	3,083,481
Employee Benefits	1,741,679
Purchased Services	6,610,311
Supplies and Materials	4,621,110
Depreciation	127,181
Amortization	47,990
Total Operating Expenses	16,231,752
Total Operating Income	1,883,288
Nonoperating Revenues	
Earnings on Investments	129,139
Change in Net Position	2,012,427
Net Position, July 1, 2021	19,549,405
Net Position, June 30, 2022	\$ 21,561,832

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

SALEM-KEIZER SCHOOL DISTRICT 24J
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2022

	Governmental Activities - Internal Service Funds
Cash Flows from Operating Activities	
Receipts for Services Provided	\$ 18,473,094
Payments to Employees for Services	(5,123,012)
Payments to Suppliers for Goods and Services	(11,121,489)
Payments for Claims	(916,255)
	<u>1,312,338</u>
Cash Provided (Used) by Operating Activities	
Cash Flows from Capital and Related Financing Activities	
Purchases of Capital Assets	(115,882)
Payments on Leases	(50,927)
	<u>(166,809)</u>
Cash Provided (Used) by Capital and Related Financing Activities	
Cash Flows from Investing Activities	
Interest Received	129,139
	<u>129,139</u>
Increase (Decrease) in Cash, Cash Equivalents and Investments	<u>1,274,668</u>
Cash, Cash Equivalents and Investments at Beginning of Year	<u>25,245,940</u>
Cash, Cash Equivalents and Investments at End of Year	<u><u>\$ 26,520,608</u></u>
Reconciliation of Operating Loss to Cash Flows from Operating Activities	
Operating Income	\$ 1,883,288
Adjustments to Reconcile Operating Income to Cash Provided (Used) by Operating Activities	
Depreciation Expense	127,181
Amortization of Lease Related Deferred Inflows	47,990
RHIA OPEB Expense Adjustment	(1,434)
Pension Expense Adjustment	(326,542)
RHIS OPEB Expense Adjustment	15,595
Change in Assets and Liabilities:	
Change in Receivables	374,647
Change in Prepaid Items	(16,593)
Change in Inventories	(161,298)
Change in Accounts Payable	139,633
Change in Accrued Salaries & Benefits	3,723
Change in Accrued Claims Liability	(784,658)
Change in Accrued Compensated Absences	10,806
	<u>(570,950)</u>
Total Adjustments	
Cash Provided (Used) for Operating Activities	<u><u>\$ 1,312,338</u></u>

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

SALEM-KEIZER SCHOOL DISTRICT 24J
STATEMENT OF NET POSITION
FIDUCIARY FUND
JUNE 30, 2022

	<u>Custodial Fund</u>
ASSETS	
Cash and Cash Equivalents	\$ 140,536
TOTAL ASSETS	<u>140,536</u>
LIABILITIES	
Accounts Payable	<u>1,721</u>
TOTAL LIABILITIES	1,721
NET POSITION	
Restricted for Other Groups	<u>138,815</u>
TOTAL FIDUCIARY NET POSITION	<u>\$ 138,815</u>

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

SALEM-KEIZER SCHOOL DISTRICT 24J
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUND
YEAR ENDED JUNE 30, 2022

	<u>Custodial Fund</u>
Additions	
Contributions and Miscellaneous Revenues	\$ 36,872
Deductions	
Consumable Supplies	<u>38,680</u>
Change in Net Position	(1,808)
Net Position, July 1, 2021	<u>140,623</u>
Net Position, June 30, 2022	<u><u>\$ 138,815</u></u>

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

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies

This summary of significant accounting policies of Salem-Keizer School District 24J (the District) is presented to assist in understanding the School District's financial statements. The following is a summary of the more significant policies:

A. Financial Reporting Entity

The District is a municipal corporation governed by a separately elected seven-member School Board. Administrative officials are approved by the Board. The daily functioning of the District is under the supervision of the Superintendent. As required by generally accepted accounting principles, all activities of the District have been included in the basic financial statements.

The District qualifies as a primary government since it has a separately elected governing body, is a legally separate entity, and is fiscally independent. There are various governmental agencies and special districts within the District's boundaries. The District is not financially accountable for these entities.

The District has granted charter to four public charter schools; Howard Street Charter School, Jane Goodall Environmental Middle School, Optimum Learning Environments Charter School and Valley Inquiry Charter School. These public charter schools are legally separate, tax-exempt organizations governed by their own school boards. Their financial statements may be requested by contacting their administrative offices.

B. Government-Wide and Fund Financial Statements

The Statement of Net Position and the Statement of Activities display information about the School District as a whole. These statements include the governmental financial activities of the overall District (primary government), except fiduciary activities. For the most part, the effect of interfund activity has been removed from these statements to minimize the double counting of internal activities, except for interfund services. Net position is reported as restricted when constraints placed on net position are either externally restricted, imposed by creditors (such as through grantors, contributors or laws) or through constitutional provisions or enabling resolutions. Governmental activities are financed primarily through property taxes, intergovernmental revenues, and charges for services. They are reported separately from business type activities, which rely to a significant extent on charges for support.

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 that are not classified as program revenues, including property taxes and state support, are presented as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and the fiduciary fund. The fiduciary fund is excluded from the government-wide financial statements. Major individual governmental funds include the General Fund, Grants Fund, GO Debt Service Fund, PERS Pension Debt Service Fund and the 2018 Bond Capital Projects Fund. Other Nonmajor Governmental Funds are reported as a separate column in the fund financial statements.

C. Measurement Focus and Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

Government-Wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds financial statements. 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. For the accrual basis of accounting, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is

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recognized in the fiscal year in which all eligibility requirements have been satisfied. Under terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted assets available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs and then to general resources.

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Financial Statements

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 susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt and claims and judgments, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in the governmental funds, and proceeds from general long-term debt and acquisitions under leases are reported as other financing sources.

The accounts of the School District are organized on the fund basis, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenue and expenditures as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The financial statements provide information about the District's funds including those of a fiduciary nature. The District presents separate financial statements for governmental funds, proprietary funds, and the fiduciary fund. All proprietary funds are combined in the statements in that there are no nonmajor proprietary funds. Major individual governmental funds are reported in separate columns in the fund financial statements with nonmajor funds being combined into a single column regardless of fund type.

The District reports the following major governmental funds:

General Fund – This is the District's primary operating fund and accounts for all revenues and expenditures except those required to be accounted for in another fund. Principal revenue sources are an apportionment from the State of Oregon and property taxes.

Grants Fund – This special revenue fund accounts for funds reserved for resources and expenditures from Federal and State grants.

GO Debt Service Fund – This fund accounts for the payment of principal and interest on general obligation bonded debt. Principal revenue source is property taxes. This fund did not qualify as a major fund this year, but the District has continued to include it in this category for community interest.

PERS Pension Debt Service Fund – This fund accounts for the payment of principal and interest on pension bonds. Principal revenue sources are charges to other funds and earnings from investments. This fund did not qualify as a major fund this year, but the District has continued to include it in this category for community interest.

2018 Bond Capital Projects Fund – This fund accounts for capital outlay expenditures relating to the acquisition, construction and renovation of school facilities. Principal funding sources are proceeds from the sale of general obligation bonds and earnings from temporary investments.

Nonmajor governmental funds include:

Special Revenue Funds – These funds account for the proceeds of specific revenue sources (other than trusts for individuals, private organizations, or other governments, or for major capital projects) that are restricted, committed or assigned to expenditures for specific purposes. Special Revenue Funds of the district consist of the Fee Based Programs Fund, Food Services Fund, Energy Efficiency Fund and the Asset Replacement Fund.

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Capital Projects Funds – These funds account for the proceeds of specific revenue sources that are restricted or committed to deferred maintenance or to specific capital projects designated by the District.

The District reports the following proprietary funds:

Internal Service Funds – These account for insurance, printing, the central stores operation, minor building modification services, and services to charter schools. These are services provided to other departments of the District on a cost reimbursement basis.

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 Internal Service Funds are charges to other funds for insurance or goods or services. Operating expenses for the Internal Service Funds include self-insurance, salaries and benefits, supplies, materials and administrative expenses. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses in the Internal Service Funds.

The District reports the following fiduciary fund:

Fiduciary Fund – The School District's fiduciary fund includes one custodial fund. The custodial fund of the School District accounts for activities administered by the District on behalf of others controlled directly by parent and student groups. The School District's custodial fund applies the accrual basis of accounting but does not have a measurement focus.

D. Use of Estimates

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

E. Budget and Budgetary Accounting

A budget is prepared and legally adopted for each governmental fund type, and proprietary fund type, on the modified accrual basis of accounting. The budgetary basis of accounting is the same as accounting principles generally accepted in the United States of America for the governmental fund types. The exception is capital outlay expenditures, including items below the District's capitalization level and long-term financing acquisitions, which are budgeted by major function in 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. Expenditures may exceed budgeted expenses at lower detail levels than functions. Unexpected additional resources may be added to the budget through the use of a supplemental budget and an appropriation resolution.

Supplemental budgets less than 10% of a fund's original budget may be adopted by the Board at a regular meeting. A supplemental budget greater than 10% of a fund's original budget requires hearings before the public, publication in newspaper and approval by the Board. Budgets may be modified by the use of appropriation transfers between the levels of control (major function levels) with Board approval. Appropriations lapse at the end of each fiscal year. Oregon law prohibits expenditures in excess of board approved appropriations. The board approves appropriations for each fund by major function.

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F. Cash, Cash Equivalents and Investments

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

The District's investments consist of time certificates of deposit, banker's acceptances, commercial paper, U.S. Government Agency securities, and the State of Oregon Treasurer's Local Government Investment Pool (LGIP). Time certificates of deposit are stated at cost, which approximates fair value. Banker's acceptances, commercial paper and U.S. Government Agency securities are stated at amortized cost, which approximates fair value. The LGIP is stated at cost, which approximates fair value. Fair value of the LGIP is the same as the District's value in the pool shares.

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

G. Property Taxes Receivable

Property taxes are levied and become a lien on July 1. Collection dates are November 15, February 15, and May 15 following the lien date. Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

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

H. Lease Receivable

Lease receivables are recognized at the net present value of the lease payments at a borrowing rate either explicitly described in the agreement, implicitly determined by the District or the incremental borrowing rate at the time of the lease agreement, reduced by principal payments received.

I. 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. The District pursues the collection of debt to the full extent allowed by Oregon State statute. As of June 30, 2022, no allowance for bad debt was considered necessary.

J. Grants

Grant revenues are recognized as eligible expenditures are incurred. Grants receivables are recorded to reflect unreimbursed funds due from grantor agencies. Grants received prior to the eligibility of expenditures are recorded as unearned revenue.

K. Inventories and Prepaid Items

Inventories of supplies, materials and food in the governmental funds are stated at cost (average cost). Inventoried items are charged to expenditures of the user department at the time of withdrawal from inventory (consumption method). Commodity inventories are not recorded as title to them is not considered to pass to the District until they are consumed.

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General Fund inventory consist of transportation parts and fuel. Internal Service Fund inventory consists of warehouse fund inventory primarily of expendable supplies and equipment held at the central warehouse for issuance to district schools, other school district locations or to other school districts.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Prepaid items are recorded as expenditures using the consumption method.

L. Capital Assets

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

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

- Land improvements – 15 to 75 years
- Buildings and improvements – 15 to 75 years
- Equipment and Vehicles – 5 to 20 years

M. Lease Assets

Lease assets are assets the District leases for a term of more than one year. The value of lease assets is determined by the net present value of the leases at a borrowing rate either explicitly described in the agreement, implicitly determined by the District or the incremental borrowing rate at the time of the lease agreement, amortized over the term of the lease agreement.

N. Deferred Outflows/Inflows of Resources

Deferred outflows of resources represent a consumption of net assets that applies to future periods. Deferred inflows of resources represent an acquisition of net assets that applies to future periods. Deferred outflows of resources increase net position, like assets, and deferred inflows of resources decrease net position, as do liabilities.

Deferred outflows on debt refunding result when the net carrying value of refunded debt exceeds its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The pension and OPEB deferred outflows relate to employee contributions subsequent to the PERS measurement date and the net difference between projected and actual pension and OPEB plan activity. Pension and OPEB deferred inflows reflect the net difference between projected and actual pension plan activity. The government-wide statement of net position reports deferred inflows of resources for pension, OPEB and leases.

O. Retirement Plans

Substantially all District employees are participants in the State of Oregon Public Employees Retirement System generally referred to as PERS. It is a cost-sharing multiple-employer defined benefit pension plan. PERS is administered by the Public Employees Retirement Board as required by Oregon Revised Statutes (ORS) chapters 238 and 238A. The financial reporting information pertaining to the District's participation in PERS was prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. The Net Position and additions and deductions from the Net Position relating to the District's pension obligation were calculated based on an actuarial study completed by PERS. A copy of the study may be obtained on the following website:

http://www.oregon.gov/PERS/EMP/Pages/section/er_general_information/gasb-68.aspx

The 2003 Oregon Legislature passed PERS reform legislation and essentially created a new retirement plan for employees hired on or after August 29, 2003. These employees became members of the Oregon Public Service

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Retirement Plan (OPSRP). OPSRP is a hybrid retirement plan with two components: The Pension Program (defined benefit plan) and the Individual Account Program (defined contribution; established and maintained as a tax-qualified governmental defined contribution plan). OPSRP is administered by PERS.

The District also offers its employees a tax deferred annuity plan established pursuant to Section 403(b) of the Internal Revenue Code, and a deferred compensation plan established pursuant to Section 457(b) of the Internal Revenue Code. For the year ended June 30, 2022 there were 1,152 employees participating in the plan. The only contribution made by the District is for one administrator position. Employees are immediately vested in their own contributions and any earnings on those contributions, but the contribution made by the District is subject to a service commitment. For the year ended June 30, 2022 the District contributed \$35,000.

P. Other Post-Employment Benefits

As a member of Oregon Public Employees Retirement System (PERS), the District contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees which are administered by PERS. RHIA is a cost-sharing multiple-employer defined benefit plan. Contributions to PERS for RHIA are made on a current basis as required by the plan and are charged as expenses.

The District offers continued medical coverage for eligible retirees, their spouses and dependents until they are eligible for Medicare. The retiree must pay the entire premium in exchange for this coverage. The premium itself does not represent the full cost of coverage because the retirees are expected to generate higher medical claims and therefore higher medical premiums for the District. OPEB liabilities are generally liquidated by the General Fund.

Q. Lease Liability

Lease liability represents the net present value of the expected lease payments over the term of the lease at a borrowing rate either explicitly described in the agreement, implicitly determined by the District or the incremental borrowing rate at the time of the lease agreement, reduced by payments made. In the government-wide financial statements, lease liability is reported as part of liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of the lease payments is reported as other financing sources and capital outlay at the inception of the lease and payments are recorded as debt service expenditures.

R. Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused 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.

It is the District's policy to permit employees to accumulate earned, but unused vacation pay benefits; however, unused benefits must be used or forfeited within one fiscal year of the fiscal year earned. All unused vacation pay is accrued when earned in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignation and retirements. Compensated absences have been and will be paid from general revenues from the District's General Fund and are expected to be paid within the next twelve months.

S. Self-Insurance – Accrued Claims Losses – Current

The Risk Management Fund - Internal Service accounts for the costs incurred for workers' compensation claims, general liability claims, unemployment claims, and property and fire losses. The District currently provides for estimated losses to be incurred from pending claims and for claims incurred, but not reported (IBNR). IBNR claims are claims that are incurred through the end of the fiscal year but not reported until after that date. These liabilities are based on actuarial valuations or District estimates.

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

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- General Liability self-insured retention (SIR) is \$1,000,000 per occurrence. Insured limits are \$10,000,000 per occurrence, \$10,000,000 combined annual aggregate.
- Property liability SIR is \$500,000 per occurrence. Insured limits are \$250,000,000 per occurrence, \$250,000,000 combined annual aggregate.
- Workers' compensation SIR is \$650,000 per occurrence. Insured limits are \$1,000,000 for employer's liability and statutory for workers' compensation.
- Cyber policy limit is \$2,000,000 with a \$150,000 deductible.
- Crime policy limit is \$750,000 with a \$5,000 deductible.

T. Long-Term Obligations

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 as net of the applicable bond premium or discount. Issuance costs are expensed in the year issued.

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

U. Net Position

In the government-wide financial statements, net position consist of assets invested in capital assets (net of related debt), restricted and unrestricted net position. The restricted net position is restricted by state statute for debt service, for a voters' measure, and for other state funding restricted for certain useage. Long-term debt is reported as a liability in the Statement of Net Position.

V. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Fund balances of the governmental funds are reported separately within classifications based on a hierarchy of the constraints placed on the use of those resources. The classifications are based on the relative strength of the constraints that control how the specific amounts can be spent. The classifications are as follows:

- **Nonspendable** fund balance includes amounts that are not in a spendable form or are legally or contractually required to be maintained intact.
- **Restricted** fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers constitutionally, or through enabling legislation. Effectively, restrictions may be changed or lifted only with the consent of resource providers. The restrictions are constraints placed on the use of the resources, externally imposed by creditors, grantors, contributors, laws and regulations of the state, federal government, or other governments or may be imposed by law through constitutional provisions or enabling legislation.
- **Committed** fund balance includes amounts that can be used only for the specific purpose determined by a formal action of the government's highest level of decision-making authority, the District's School Board through a School Board Resolution. The committed amounts cannot be used for any other purpose unless the School Board removes or changes the specified use by passing another resolution to uncommit the amounts or utilize them for another purpose.
- **Assigned** fund balance comprises amounts intended to be used by the District for specific purposes, but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the amount that is not restricted or committed.

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- **Unassigned** fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. Positive unassigned amounts will be reported only in the General Fund. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

If an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, and unassigned) amounts are available, the District applies restricted resources first if applicable. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

The General Fund reports inventory and prepaid items as nonspendable fund balance. The Grants Fund reports prepaid items as nonspendable fund balance.

The GO Debt Service Fund has a restricted fund balance dedicated to the debt service of the General Obligation Bonds of the District. The balance is restricted due to provisions of the District’s General Obligation Bonds, voter approved legislation, and state law. Nonmajor governmental funds have restricted balances that are required to be utilized for specific purposes such as energy efficient and other capital projects and the state facilities grant.

The nonmajor governmental funds, the Asset Replacement Fund, the Special Capital Projects Fund and the Preventative & Deferred Maintenance Fund also have committed and assigned fund balances. The District set up a PERS Pension Debt Service Fund to accumulate funds to service the debt of its PERS pension bonds. These funds are classified as assigned or committed.

The remaining fund balance in the Governmental Funds is unassigned General Fund balance.

W. New Accounting Standards

For the fiscal year ended June 30, 2022, the District implement the following new accounting standards:

- GASB Statement No. 87, Leases. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments.
- GASB Statement No. 98, The Annual Comprehensive Financial Report. This Statement establishes the term annual comprehensive financial report and its acronym ACFR.

The District will implement new GASB pronouncements no later than the required fiscal year. Information about these pronouncements may be found on the Governmental Accounting Standards’ Board website: www.gasb.org/.

Note 2: Pooled Cash and Investments

The District maintains an internal cash and investments pool that is available for use by all funds. Each fund type’s portion of the pool is displayed in the basic financial statements as Pooled Cash and Investments.

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

Petty Cash	\$ 20,161
Cash on Deposit with Financial Institutions	9,791,052
Investments	465,182,399
Total Cash and Investments	<u>\$ 474,993,612</u>
Statement of Net Position	
Cash and Investments	\$ 474,853,076
Statement of Fiduciary Assets and Liabilities	
Cash and Cash Equivalents - Custodial Fund	140,536
Total Cash and Investments	<u>\$ 474,993,612</u>

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The Public Funds Collateralization Program (PFCP) of the State of Oregon is a shared liability structure for participating bank depositories, better protecting public funds though still not guaranteeing that all funds are 100% protected. A bank depository is required to pledge collateral valued at least 10% of their quarter-end public fund deposits if they are well capitalized, or 110% of their quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110% by the Office of the State Treasurer. In the event of a bank failure, the entire pool of collateral pledged by all qualified Oregon public funds bank depositories is available to repay deposits of public funds of government entities. At June 30, 2022, bank balances of \$250,000 were insured by FDIC insurance. At June 30, 2022, the net carrying amount of the District's balance was \$9,791,052 and the bank balance was \$14,072,579.

Custodial Credit Risk – Deposits

This is the risk that in the event of a bank failure, the District's deposits may not be returned. The Federal Depository Insurance Corporation (FDIC) provides insurance for the District's deposits with financial institutions up to \$250,000 each for the aggregate of all demand deposits and the aggregate of all time deposits at each institution. As of June 30, 2022, \$13,822,579 of the District's bank balances were exposed to custodial credit risk as they were not covered by federal depository insurance; however, deposits in excess of FDIC coverage with institutions participating in the Oregon Public Funds Collateralization Program are collateralized with securities held in the name of the institution. As required and authorized by Oregon Revised Statutes, Chapter 295, all deposits not covered by Federal Depository Insurance Corporation (FDIC) insurance are covered by the Public Funds Collateralization Program (PFCP) of the State of Oregon.

Investments

As of June 30, 2022, the District held the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value Amount</u>	<u>Weighted Average Maturity in Years</u>	<u>% of Investment Portfolio</u>
State of Oregon Treasurer's Local Government Investment Pool	\$ 111,757,735	0.003	24.0%
Federal Agency Coupon Securities, Maturing through October 16, 2023	346,409,034	3.101	74.5%
Corporate Notes Maturing through September 23, 2022	5,007,950	0.236	1.1%
Municipal Notes Maturing through August 15, 2022	2,007,680	0.128	0.4%
Total	<u>\$ 465,182,399</u>	<u>2.313</u>	<u>100.0%</u>

As a means of limiting the District to fair value losses in case of rising interest rates, the District's investment policy limits investments as follows:

<u>Investment Type</u>	<u>Maximum % of Portfolio</u>	<u>Maximum length to maturity</u>
U.S. Treasury Securities	100%	1.5 yrs, 3 yrs for Capital Projects Funds
U.S Agency Securities	100%	1.5 yrs, 3 yrs for Capital Projects Funds
State and Local Government Obligations (OR, WA, ID, CA)	25%	1.5 yrs, 3 yrs for Capital Projects Funds
Commercial/Corporate Paper Securities	35%	18 months
Bankers' Acceptances	25%	18 months
Repurchase Agreement	25%	90 days
Time Deposits, Certificates of Deposits, Savings - Commercial Banks & Credit Unions	25%	18 months
Deposit Open Accounts - Commercial Banks and Credit Unions	10%	N/A
Local Government Investment Pool	Statutory Limit	N/A

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With the exception of pass-through funds, the maximum amount of pooled investments to be placed in the Local Government Investment Pool (LGIP) is limited by Oregon Statute and increases annually in proportion to the U.S. City Average Consumer Price Index. The limit can be temporarily exceeded for ten business days and does not apply either to pass-through funds or to funds invested on behalf of another governmental unit.

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All investments above, except for the investment in the LGIP and the bank time certificates of deposit are evidenced by securities and perfected in the name of the District. All other District investment securities are held in safekeeping by U.S. Bank in the District's account name.

The District's policy, which adheres to State of Oregon law, is to limit its investments to the following: Issuers within Oregon must be rated A (bonds) or A-2/P-2 (commercial paper) or better by Standard and Poor's, Moody's Investors Service or any other nationally recognized statistical rating organization. With certain exceptions, Issuers not in Oregon must be rated AA/Aa (bonds) or A-1/P-1 (commercial paper) or better.

The Oregon State Treasurer maintains the Oregon Short Term Fund, of which the LGIP is a part. Participation by local governments is voluntary. The State of Oregon investment policies are governed by statute and the Oregon Investment Council. In accordance with Oregon Statutes, funds are invested as a prudent investor would do, exercising reasonable care, skill and caution. The LGIP was created to offer a short-term investment alternative to Oregon local governments. The investments are regulated by the Oregon Short Term Board and approved by the Oregon Investment Council (ORS 294.805 to 294.895). Separate financial statements for the Oregon Short Term Fund are available from the Oregon State Treasurer.

The District's investments include the LGIP, including LGIP balances held with the County Treasurer. Investments are stated at cost which approximates fair value of the pool shares. The Oregon State Treasury administers the LGIP. The pool 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 funds. The LGIP is commingled with the State's short-term funds. In seeking to best serve local governments of Oregon, the Oregon legislature established the Oregon Short Term Fund Board. The purpose of the Board is to advise the Oregon State Treasury in the management and investment options of the LGIP.

The District's policy for investing in individual issuers varies depending on the type of investments. U.S. treasury and agency securities do not have restrictions regarding concentration with any one issuer. No more than 10% of the total portfolio at settlement date may be invested in a single issuer of bankers' acceptances. Investments in commercial paper or corporate indebtedness with any one issuer may not exceed 5% of the total portfolio at settlement date. Certificates of Deposit of commercial banks shall not represent more than 15% of the total portfolio at settlement date with any one financial institution, and 10% for banks and credit unions. In addition, the combination of Banker's Acceptance, Corporate Indebtedness, Deposit Open Accounts, and Certificates of Deposit with any one financial institution or entity shall not exceed 33% of the total portfolio at settlement date.

The District investment objective is foremost to preserve capital and protect investment principal; to conform with federal, state, and other legal requirements; to maintain sufficient liquidity to meet operating requirements; to diversify to avoid unreasonable risks regarding security instruments or individual institutions; and to attain a reasonable rate of return.

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At June 30, 2022, the District's investments were rated as follows:

<u>Investment Type</u>	<u>Total</u>	<u>Aaa</u>	<u>Aa1</u>	<u>A1/A2</u>	<u>Not Rated</u>
State of Oregon Treasurer's LGIP	\$ 111,757,735	\$ -	\$ -	\$ -	\$ 111,757,735
Federal Agency Coupon Securities					
Maturing through October 16, 2023	346,409,034	295,806,933	-	-	50,602,101
Corporate Notes					
Maturing through September 23, 2022	5,007,950	-	-	5,007,950	-
Municipal Notes					
Maturing through August 15, 2022	2,007,680	-	2,007,680	-	-
	<u>\$ 465,182,399</u>	<u>\$ 295,806,933</u>	<u>\$ 2,007,680</u>	<u>\$ 5,007,950</u>	<u>\$ 162,359,836</u>

The District categorizes its fair value measurements using the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of an asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments in U.S. Treasury securities, U.S. Agency securities, state and local government obligations, corporate securities and money market securities are valued using pricing models maximizing the use of observable inputs for similar securities (Level 2 inputs).

Note 3: Receivables

Receivables for the District are comprised of the following as of June 30, 2022:

Governmental Funds

Property Tax Receivable	\$ 5,403,011
Grants Receivable	18,631,798
Lease Receivable	2,526,649
Other Receivables	23,803,857
	<u>50,365,315</u>

Internal Service Funds

Receivables	95,992
	<u>95,992</u>

Total Receivables

	<u>\$ 50,461,307</u>
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Lease Receivable

Lease receivable activity for the year is as follows:

<u>Governmental Activities</u>	<u>Outstanding July 1, 2021*</u>	<u>Increases</u>	<u>Decreases</u>	<u>Outstanding June 30, 2022</u>
Building Leases	\$ 35,827	\$ -	\$ 2,654	\$ 33,173
Cell Tower Leases	2,335,895	-	79,760	2,256,135
Parking Lot Leases	255,922	-	18,581	237,341
Total	<u>\$ 2,627,644</u>	<u>\$ -</u>	<u>\$ 100,995</u>	<u>\$ 2,526,649</u>

* FY 2021 restated: see Note 13 in the Basic Financial Statements

Building Leases

The District entered into a lease contract as lessor with The Early Learning Center, Inc. for the use of a portion of North Salem High School located at 765 14th Street NE, Salem, Oregon. On July 1, 2021, there were 108 months on the lease. The lessee is required to make monthly payments of \$250. The lease has an interest rate of 1.0950%. The lessee has one extension option for 60 months.

SALEM-KEIZER SCHOOL DISTRICT 24J
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Cell Tower Leases

The District entered into leases as lessor with Verizon Wireless and with American Towers, LLC for the use of its properties. On July 1, 2021, the number of months on the leases ranged from 193 to 250 months. The lessees are required to make monthly payments ranging from \$1,369 to \$1,987. The leases have interest rates ranging from 1.3940% to 1.5510%. The lessees have three extension options, each for 60 months.

Parking Lot Leases

The District entered into a lease as lessor with State Investments, LLC for the use of a portion of the property located at 3625 Fairview Industrial Drive SE, Salem, Oregon. On July 1, 2021, there were 155 months on the lease. The lessee is required to make monthly payments of \$1,792. The lease has an interest rate of 1.2920%. The lessee has two extension options, each for 60 months.

Deferred inflows of resources activity related to leases for the year is as follows:

Governmental Activities	Outstanding July 1, 2021*	Increases	Decreases	Outstanding June 30, 2022
Building Leases	\$ 35,827	\$ -	\$ 3,981	\$ 31,846
Cell Tower Leases	2,335,895	-	118,872	2,217,023
Parking Lot Leases	255,922	-	19,813	236,109
Total	<u>\$ 2,627,644</u>	<u>\$ -</u>	<u>\$ 142,666</u>	<u>\$ 2,484,978</u>

* FY 2021 restated: see Note 13 in the Basic Financial Statements

Future lease receivable maturities are as follows:

Fiscal Year Ending	Governmental Activities			
	June 30,	Principal	Interest	Total
2023	\$ 102,029	\$ 36,926	\$ 138,955	
2024	106,483	35,408	141,891	
2025	111,071	33,823	144,894	
2026	115,794	32,171	147,965	
2027	120,660	30,448	151,108	
2028-2032	669,663	123,931	793,594	
2033-2037	723,058	71,855	794,913	
2038-2042	577,891	20,469	598,360	
Total	<u>\$ 2,526,649</u>	<u>\$ 385,031</u>	<u>\$ 2,911,680</u>	

Note 4: Prepaid Items

A summary of changes in prepaid items for the year ended June 30, 2022 is as follows:

	Balance July 1, 2021	Additions	Reductions	Balance June 30, 2022
Postage	\$ 14,135	\$ 16,593	\$ -	\$ 30,728
Lease Deposit	-	7,700	-	7,700
Software	-	1,589,828	-	1,589,828
Total Prepaid Items	<u>\$ 14,135</u>	<u>\$ 1,614,121</u>	<u>\$ -</u>	<u>\$ 1,628,256</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

Note 5: Capital Assets

Capital assets activity for the year is as follows:

Governmental Activities	Balance			Balance
	July 1, 2021*	Additions	Deletions	June 30, 2022
Capital Assets not Depreciated:				
Land	\$ 36,615,655	\$ 2,407,524	\$ -	\$ 39,023,179
Construction in Progress	330,921,259	132,351,644	(247,160,526)	216,112,377
<i>Total Capital Assets not Depreciated</i>	<u>367,536,914</u>	<u>134,759,168</u>	<u>(247,160,526)</u>	<u>255,135,556</u>
Capital Assets Amortized and Depreciated:				
Right-To-Use Leased Land	10,269	-	-	10,269
Right-To-Use Leased Buildings and Improvements	921,601	880,392	-	1,801,993
Right-To-Use Leased Equipment	1,928,297	42,030	-	1,970,327
Land Improvements	40,010,492	14,840,046	-	54,850,538
Buildings and Improvements	557,118,005	302,165,004	(1,445,616)	857,837,393
Equipment	44,689,667	10,201,437	(25,345)	54,865,759
Vehicles	34,709,405	6,552,723	(2,110,830)	39,151,298
<i>Total Capital Assets Amortized and Depreciated</i>	<u>679,387,736</u>	<u>334,681,632</u>	<u>(3,581,791)</u>	<u>1,010,487,577</u>
Less Accumulated Amortization for:				
Right-To-Use Leased Land	-	(989)	-	(989)
Right-To-Use Leased Buildings and Improvements	-	(190,314)	-	(190,314)
Right-To-Use Leased Equipment	-	(923,985)	-	(923,985)
<i>Total Accumulated Amortization</i>	<u>-</u>	<u>(1,115,288)</u>	<u>-</u>	<u>(1,115,288)</u>
Less Accumulated Depreciation for:				
Land Improvements	(9,998,164)	(1,179,204)	-	(11,177,368)
Buildings and Improvements	(186,996,529)	(9,894,255)	421,937	(196,468,847)
Equipment	(23,646,730)	(3,778,194)	4,435	(27,420,489)
Vehicles	(24,386,690)	(2,060,287)	2,071,905	(24,375,072)
<i>Total Accumulated Depreciation</i>	<u>(245,028,113)</u>	<u>(16,911,940)</u>	<u>2,498,277</u>	<u>(259,441,776)</u>
<i>Total Capital Assets Amortized and Depreciated, Net</i>	<u>434,359,623</u>	<u>316,654,404</u>	<u>(1,083,514)</u>	<u>749,930,513</u>
<i>Total Capital Assets, Net</i>	<u>\$ 801,896,537</u>	<u>\$ 451,413,572</u>	<u>\$ (248,244,040)</u>	<u>\$ 1,005,066,069</u>

* FY 2021 restated: see Note 13 in the Basic Financial Statements

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

<i>Program</i>	
Instructional Services	\$ 10,733,122
Support Services:	
Student Transportation Services	587,367
Other Support Services	6,556,464
Community Services	90,972
Food Services	8,513
Facilities Services	50,790
Total Amortization and Depreciation Expense - Governmental Activities	<u>\$ 18,027,228</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Note 6: Long-Term Debt
Bonds Payable

Changes in bonds outstanding are as follows:

Issue Date	Original Issue	Outstanding July 1, 2021	Amortized and Paid Premium	Matured and Redeemed	Outstanding June 30, 2022	Amounts Due in One Year
Full Faith & Credit						
October 22, 2020	\$ 60,392,940	\$ 60,392,940	\$ -	\$ -	\$ 60,392,940	\$ 5,525,324
General Obligation						
March 16, 2009	178,715,189	93,310,352	-	12,006,865	81,303,487	11,606,478
July 25, 2018	383,230,000	361,570,000	-	6,585,000	354,985,000	7,770,000
July 7, 2020	236,467,346	236,467,346	-	1,307,925	235,159,421	1,646,840
	<u>798,412,535</u>	<u>691,347,698</u>	-	<u>19,899,790</u>	<u>671,447,908</u>	<u>21,023,318</u>
Pension						
October 31, 2002	106,974,763	77,765,000	-	8,670,000	69,095,000	9,790,000
February 19, 2004	88,815,000	57,130,000	-	6,370,000	50,760,000	7,190,000
January 29, 2015	50,145,000	36,310,000	-	2,410,000	33,900,000	2,475,000
	<u>245,934,763</u>	<u>171,205,000</u>	-	<u>17,450,000</u>	<u>153,755,000</u>	<u>19,455,000</u>
Total Bonds		<u>922,945,638</u>	-	<u>37,349,790</u>	<u>885,595,848</u>	<u>46,003,642</u>
Unamortized Premium on GO Bond						
March 16, 2009		2,636,640	292,960	-	2,343,680	-
July 25, 2018		55,820,596	3,108,340	-	52,712,256	-
July 7, 2020		48,343,929	3,266,181	-	45,077,748	-
Total Unamortized Premium on GO		<u>106,801,165</u>	<u>6,667,481</u>	-	<u>100,133,684</u>	-
Total Bonds and Unamortized Premiums		<u>\$ 1,029,746,803</u>	<u>\$ 6,667,481</u>	<u>\$ 37,349,790</u>	<u>\$ 985,729,532</u>	<u>\$ 46,003,642</u>

Full Faith & Credit obligation bonds - issued October 2020, due in annual installments of \$984,041 to \$5,525,324, plus interest paid semi-annually at 0.44% to 3.00% through 2045.	\$ 60,392,940
General obligation bonds - issued March 2009, due in annual installments of \$1,189,388 to \$12,517,987, plus interest paid semi-annually at 4.01% to 5.84% through 2030.	81,303,487
General obligation bonds - issued July 2018, due in annual installments of \$3,955,000 to \$38,755,000, plus interest paid semi-annually at 4.00% to 5.00% through 2039.	354,985,000
General obligation bonds - issued July 2020, due in annual installments of \$1,307,925 to \$29,928,637, plus interest paid semi-annually at 2.59% to 5.00% through 2040.	235,159,421
PERS bonds - issued October 2002, due in annual installments of \$2,336,508 to \$15,225,000, plus interest paid semi-annually at 2.06% to 6.10% through 2028.	69,095,000
PERS bonds - issued February 2004, due in annual installments of \$3,135,000 to \$11,190,000, plus interest paid semi-annually at 3.67% to 5.53% through 2028.	50,760,000
PERS bonds - issued in January 2015, due in annual installments of \$2,125,000 to \$3,475,000 plus interest paid semi-annually at 0.35% to 3.82% through 2034.	33,900,000
Unamortized Premium on GO Bond	
March 16, 2009	2,343,680
July 25, 2018	52,712,256
July 7, 2020	45,077,748
	<u>\$ 985,729,532</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Full Faith and Credit Obligation Debt

In October 2020, the District issued Full Faith and Credit Obligations of \$60,392,940 to construct a new transportation facility and replace the aging school bus fleet. The Full Faith and Credit Obligations are direct obligations and pledge the full faith and credit of the District. This borrowing is liquidated through the General Fund and the Asset Replacement Fund.

General Obligation Debt

As of June 30, 2022, the District had outstanding general obligation bonds and PERS pension bonds related to governmental activities totaling \$825,202,908. The District also had outstanding direct borrowings for contracts reported as financed purchases of the underlying assets related to governmental activities totaling \$2,043,397 as of June 30, 2022. The District pledged its full faith and credit within the limitations of Sections 11 and 11b of Article XI of the Oregon Constitution for all General Obligation bonds, pension bonds and leases. The District had no lines of credit. As of June 30, 2022, the District had no assets pledged as collateral for debt, no terms specified in debt agreements related to significant (1) events of defaults with finance-related consequences, (2) termination events with finance-related consequences, and (3) subjective accelerations clauses.

In March 2009, the District issued general obligation bonds for \$178,715,189 to construct four new schools and renovate existing facilities. In December 2009, the District issued general obligation bonds for \$31,760,000 to construct and renovate existing facilities. These issues were to fulfill the \$242,100,000 authorization approved by voters in November of 2008. The \$4,813 difference between the bonds issued and the authorization represents the bonding denominations sold.

The March 2009 bonds sold at a premium of \$6,248,840. The June 2011 bonds sold at a premium of \$3,763,732. The premiums are recognized as a reduction of future interest expense and are being amortized using the straight-line method over the life of the bonds.

In May 2018, voters approved \$619,700,000 in bonds to renovate and build additional classrooms and common areas, upgrade technology, overhaul HVAC systems and provide additional security and seismic updates throughout the District. The District issued general obligation bonds of \$383,230,000 in July 2018 and \$236,467,346 in July 2020.

The July 2018 and July 2020 bonds sold at premiums of \$64,964,296 and \$51,547,470, respectively. The premiums are recognized as a reduction of future interest expense and are being amortized using the straight-line method over the lives of the 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.

Pension Bonds

The District participated as one of twenty Oregon school districts and education service districts in issuing limited tax pension bonds in 2002 and 2004. The proceeds were used to finance a portion of the estimated unfunded actuarial liability of each participating district with the Oregon Public Employees Retirement System (PERS). The Oregon School Boards Association (OSBA) sponsored this pooled limited tax pension bond program. OSBA does not have a financial obligation in connection with the bonds issued under the program. Except for the payment of its pension bond payments and additional charges when due, each participating district has no obligation or liability to any other participating districts' pension bonds or liabilities to PERS. The District records the amounts deposited with PERS as a prepayment on its actuarial obligation, and accounts for the payment of principal, interest and the amortization of the prepayment as pension expense over the life of the bonds. The District anticipates that the total costs of financing the District's actuarial obligation in this way will result in savings to the District when compared to paying for such costs in additional contribution rates to PERS.

The District issued \$106,974,763 Limited Tax Pension Obligation, Series 2002 and \$88,815,000 Limited Tax Pension Obligation, Series 2004 (Federally Taxable). The Limited Tax Pension Obligations are payable annually through June 2028. Interest on the current coupon bonds is payable semiannually at rates ranging from 2.06% to 6.10%.

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
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In 2015, the District issued \$50,145,000 Full Faith and Credit Pension Bonds, Series 2015 (Federally Taxable). The proceeds were used to finance the District's estimated unfunded actuarial liability with PERS at the time of the issuance of the bonds. The Pension Obligations are payable annually through June 2034. Interest on the current coupon bonds is payable semi-annually at rates ranging from 0.35% to 3.82%.

The October 31, 2002 bond issue outstanding is callable for the current interest obligation due June 30, 2028 with mandatory prepayment in part, pro rata on or after June 30, 2024 at par plus accrued interest.

The general obligation bonds will be paid from property tax revenues from the GO Debt Service Fund. Pension bonds will be paid from revenues in the PERS Pension Debt Service Fund generated by charges to other funds.

Future maturities are as follows:

Fiscal Year Ending				
June 30,	Principal	Interest	Total	
2023	\$ 46,003,642	\$ 47,154,250	\$ 93,157,892	
2024	49,340,624	46,898,581	96,239,205	
2025	52,869,426	46,505,502	99,374,928	
2026	56,606,919	45,946,782	102,553,701	
2027	60,664,389	45,190,851	105,855,240	
2028-2032	205,857,950	173,664,128	379,522,078	
2033-2037	256,829,076	66,393,834	323,222,910	
2038-2042	154,382,895	42,536,547	196,919,442	
2043-2045	3,040,927	3,106,407	6,147,334	
Total	<u>\$ 885,595,848</u>	<u>\$ 517,396,882</u>	<u>\$ 1,402,992,730</u>	

Other Long-Term Liabilities

Financed Purchases

Financed purchase activity for the year is as follows:

Outstanding			Outstanding	Amount Due
July 1, 2021	Increases	Decreases	June 30, 2022	In One Year
\$ 2,976,954	\$ -	\$ 933,557	\$ 2,043,397	\$ 667,155

The District's financed purchases are for bus replacements and are being paid from reimbursement from the state under a transportation grant from the Asset Replacement Fund and from General Fund revenues. Cost of financed purchase assets at June 30, 2022 totaled \$6,479,944 and had a book value net of accumulated depreciation of \$1,943,983. Depreciation expense on assets under financed purchases for the year ended June 30, 2022 was \$647,995.

Future minimum payments for financed purchases are as follows:

Fiscal Year Ending			
June 30,	Principal	Interest	Total
2023	\$ 667,155	\$ 42,515	\$ 709,670
2024	681,036	28,634	709,670
2025	695,206	14,464	709,670
Total	<u>\$ 2,043,397</u>	<u>\$ 85,613</u>	<u>\$ 2,129,010</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Lease Liability

The District leases land, buildings and improvements and equipment, primarily copiers and Chromebooks, under lease agreements with various entities. Changes in leases payable are as follows:

Governmental Activities	Outstanding July 1, 2021*	Increases	Decreases	Outstanding June 30, 2022
Leased Land	\$ 10,269	\$ -	\$ 815	\$ 9,454
Leased Buildings and Improvements	921,601	880,392	183,762	1,618,231
Leased Equipment	1,928,297	42,030	976,763	993,564
Total	<u>\$ 2,860,167</u>	<u>\$ 922,422</u>	<u>\$ 1,161,340</u>	<u>\$ 2,621,249</u>

Current Portion \$ 1,211,793

Noncurrent Portion \$ 1,409,456

* FY 2021 restated: see Note 13 in the Basic Financial Statements

Land

The District entered into a ground lease agreement as lessee with Keizer Clear Lake United Methodist Church for access and parking located at 7920 Wheatland Road N, Keizer, Oregon. On July 1, 2021, there were 124 months on the lease. The lessee is required to make an annual payment of \$855. The lease has an interest rate of 1.17%. The lessee has nine extension options, each for 12 months.

Buildings and Improvements

The District entered into multiple building agreements as lessee with various entities for use of building spaces. The agreements range from 14 to 120 months on the leases with interest rates between 0.185% and 2.157%. Lease payments range from \$2,109 to \$14,370 per month. Extension option periods range from one to eight with months per extension period between six and 60.

Equipment

The District entered into a master lease agreement as lessee with Ricoh USA, Inc. for the use of its copier machines. The agreements range from 13 to 36 months on the leases with interest rates between 0.185% and 2.015%. Lease payments range from \$37 to \$932 per month.

The District entered into a master lease agreement as lessee with Insight Investments, LLC for Chromebooks. On July 1, 2021, there were 25 months on the lease. The lessee is required to make an annual payment of \$764,935. The lease has an interest rate of 0.218%.

Future minimum lease payments are as follows:

Fiscal Year Ending	Governmental Activities		
	Principal	Interest	Total
June 30,			
2023	\$ 1,211,793	\$ 26,824	\$ 1,238,617
2024	316,555	20,420	336,975
2025	256,959	15,790	272,749
2026	264,426	11,049	275,475
2027	275,771	6,095	281,866
2028-2032	295,745	6,008	301,753
Total	<u>\$ 2,621,249</u>	<u>\$ 86,186</u>	<u>\$ 2,707,435</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
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Compensated Absences

Compensated absences activity for the year is as follows:

Governmental Activities:

Outstanding July 1, 2021	Increases	Decreases	Outstanding June 30, 2022	Amounts Due In One Year
\$ 3,617,984	\$ 6,231,123	\$ 6,257,134	\$ 3,591,973	\$ 3,591,973

The General Fund is the primary fund in which the compensated absences liability is liquidated. All compensated absences are considered current since they are to be used within twelve months per the collective bargaining agreements.

Note 7: Pension Plan

Oregon Public Employees Retirement System (PERS)

General Information about the Pension Plan

The Oregon Public Employees Retirement System (OPERS) is a cost-sharing, multiple-employer defined benefit plan, administered by the PERS Board of Trustees with authority granted by the Oregon Legislature.

Plan description: Employees of the District are provided with pensions through PERS. All the benefits of PERS are established by the Oregon legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. PERS issues a publicly available financial report that can be obtained at:

<http://www.oregon.gov/pers/Pages/financials/actuarial-financial-information.aspx>

Benefits provided under Chapter 238 - Tier 1/Tier 2

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

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 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:

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

SALEM-KEIZER SCHOOL DISTRICT 24J
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Disability Benefits: A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

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

Benefits provided under Chapter 238A - Oregon Public Service Retirement Plan (OPSRP)

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

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

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

Police and Fire – 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit.

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

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

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

Benefit Changes After Retirement: Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes.

Benefits provided Individual Account Program (IAP) – Oregon Public Service Retirement Plan (OPSRP)

The District makes contributions on behalf of its PERS members at 6% of the member's annual salary. The member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

Upon retirement, a member of the OPSRP IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5, 10, 15, 20-year period of an anticipated live span option. Each distribution option has a \$200 minimum distribution limit. The IAP is not a Defined Benefit Plan, and it belongs to the individual account holder.

IAP

Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies

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before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

Contributions

OPERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate assets adequate 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 State of Oregon and certain entities, including the District, have made lump sum payments to establish side accounts, and their rates have been reduced.

Employer contributions for the year ended June 30, 2022 were \$43,764,211 excluding amounts to fund employer specific liabilities. Approximately \$29,274,000 was charged for the year ended June 30, 2022 as PERS benefit expenditures to be used for bond payments as they become due.

The following information applies to Tier 1/Tier 2 and OPSRP plans:

PERS Net Pension Assets, Liabilities, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

As of June 30, 2022, the District reported a liability of \$257,260,647 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 rolled forward to a measurement date of June 30, 2021. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2021, the District's proportion was 2.15% which was a decrease of 0.12 percentage point from its proportion measured as of June 30, 2020. The General Fund is the primary fund in which the net pension liability is liquidated.

For the year ended June 30, 2022, the District recognized pension expense related to PERS of (\$16,119,239) in the Government-wide Financial Statements. The District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in year ended June 30, 2023.

As of June 30, 2022, the District recognized deferred outflows and deferred inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net</u>
Differences between expected and actual experience	\$ 24,081,278	\$ -	
Change of assumptions	64,400,086	(677,049)	
Net difference between projected and actual earnings on pension plan investments	-	(190,448,064)	
Changes in proportionate share	3,352,923	(25,683,852)	
Differences between employee contributions and employer's proportionate share of system contributions	630,114	(10,888,553)	
Subtotal - Amortized Deferrals	<u>92,464,401</u>	<u>(227,697,518)</u>	<u>\$ (135,233,117)</u>
District contributions subsequent to the measurement date	<u>43,764,211</u>	<u>-</u>	
Total Deferred Outflows (Inflows) of Resources	<u>\$ 136,228,612</u>	<u>\$ (227,697,518)</u>	

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Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30</u>	<u>Amount</u>
2023	\$ (26,050,268)
2024	(29,343,948)
2025	(33,906,540)
2026	(50,308,778)
2027	4,376,417
Total	<u>\$ (135,233,117)</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system wide GASB 68 reporting summary dated March 1, 2022, which can be found at:
<http://www.oregon.gov/pers/emp/pages/GASB.aspx>

Oregon PERS produces an independently audited Annual Comprehensive Financial Report which can be found at:
<http://www.oregon.gov/PERS/pages/financials/Actuarial-Financial-Information.aspx>

Actuarial Valuations

The employer contribution rates effective July 1, 2021 through June 30, 2023, were set using the entry age normal actuarial cost method. For the Tier 1/Tier 2 component of the OPERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 22 years.

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

Actuarial Methods and Assumptions Used in Developing Total Pension Liability

Valuation Date	December 31, 2019
Measurement Date	June 30, 2021
Experience Study	2018, published July 24, 2019
Actuarial 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	<p>Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustment 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 PERS Annual Comprehensive Financial Report; page 71)

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Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2018 Experience Study, which reviewed experience for the four-year period ending on December 31, 2018.

Discount Rate

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

Depletion Date Projection

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

The following circumstances justify an alternative evaluation of sufficiency for Oregon PERS:

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

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

(Source: June 30, 2021 Oregon PERS Annual Comprehensive Financial Report; page 70)

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The following table shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

(Source: June 30, 2021 Oregon PERS Annual Comprehensive Financial Report; page 70)

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OIC Target and Actual Investment Allocation as of June 30, 2021

Asset Class/Strategy	OIC Policy Range	OIC Target Allocation	Actual Allocation³
Debt Securities	15.0 - 25.0%	20.0%	20.8%
Public Equity	27.5 - 37.5%	32.5%	29.4%
Real Estate	9.5 - 15.5%	12.5%	10.5%
Private Equity	14.0 - 21.0%	17.5%	25.1%
Alternatives Portfolio	7.5 - 17.5%	15.0%	9.5%
Opportunity Portfolio ¹	0.0 - 5.0%	0.0%	2.3%
Risk Parity	0.0 - 2.5%	2.5%	2.4%
Total		100.0%	100.0%

¹ Opportunity Portfolio is an investment strategy and it may be invested up to 5% of total Fund assets.

² Based on the actual investment value at 6/30/2021.

(Source: June 30, 2021 Oregon PERS Annual Comprehensive Financial Report; page 104)

Long-Term Expected Rate of Return¹				
Asset Class	Target Allocation	Annual Arithmetic Return²	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 Equity - 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, revised as of 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 a levered exposure from allocation to Risk Parity strategy.

(Source: June 30, 2021 Oregon PERS Annual Comprehensive Financial Report; page 74)

Sensitivity of the District's proportionate share of the net pension liability (asset) to changes in the discount rate

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

	1% Decrease	Current Discount Rate	1% Increase
Discount Rate	5.90%	6.90%	7.90%
Proportionate Share of the Net Pension Liability (Asset)	\$505,198,370	\$257,260,647	\$49,826,762

Detailed information about the pension plan is available in the separately issued OPERS financial report available at: <http://www.oregon.gov/pers/Pages/index.aspx>.

SALEM-KEIZER SCHOOL DISTRICT 24J
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Note 8: Other Post-Employment Benefits

The District contributes to a retirement health insurance account through Oregon Public Employees Retirement System, maintains a post-employment health insurance subsidy benefit, and a tax deferred annuity plan. The following summarizes the components of the OPEB asset/liability and the deferred inflows/outflows for each.

	Retirement Health Insurance Account	Retirement Health Insurance Subsidy	Total
Net OPEB Asset	\$ 6,439,575	\$ -	\$ 6,439,575
Total OPEB Liability	-	36,325,547	36,325,547
Deferred Outflows of Resources	2,803,638	6,846,120	9,649,758
Deferred Inflows of Resources	2,614,113	11,309,458	13,923,571
OPEB Expense (Revenue)	(459,236)	4,640,920	4,181,684

Retirement Health Insurance Account (RHIA)

Plan Description

As a member of Oregon Public Employees Retirement System (PERS) the District contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other post-employment benefit plan administered by PERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. The plan, which was established under Oregon Revised Statutes (ORS) 238.420, provides for a benefit payment of up to \$60 per month toward the costs of Medicare companion health insurance for eligible retirees. An annual comprehensive financial report of the funds administered by PERS may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700, by calling 888-320-7377, or on the PERS website at www.oregon.gov/PERS/.

Contributions

Participating school districts are contractually required to contribute at a rate assessed each year by PERS, currently 0.05% of annual covered OPERF (Oregon Public Employees Retirement Fund) employees' payroll and 0.00% of covered OPSRP (Oregon Public Service Retirement Plan) employees' payroll. The District's contributions to RHIA for the years ended June 30, 2022, 2021, and 2020 were \$46,503, \$50,174 and \$287,100, respectively.

Net OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

As of June 30, 2022, the District reported an asset of \$6,439,575 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 actual amounts contributed projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2021, the District's proportion was 1.88 percent which is a decrease of 2.14 percent from its proportion measured as of June 30, 2020. The General Fund is the primary fund in which the OPEB asset or liability is liquidated.

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For the year ended June 30, 2022, the District recognized OPEB revenue of \$459,236 in the Government-wide Financial Statements. The following is a summary of the District's deferred outflows/inflows of resources related to the RHIA OPEB:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Differences between expected and actual experience	\$ -	\$ (179,161)	
Change of assumptions	126,706	(95,797)	
Net difference between projected and actual earnings on pension plan investments	-	(1,530,384)	
Changes in proportionate share	2,630,429	(808,771)	
Subtotal - Amortized Deferrals	2,757,135	(2,614,113)	\$ 143,022
Total contributions subsequent to the measurement date	46,503	-	
Total Deferred Outflows (Inflows) of Resources	<u>\$ 2,803,638</u>	<u>\$ (2,614,113)</u>	

Deferred outflows of resources related to RHIA OPEB of \$46,503 resulting from the District's contributions subsequent to the measurement date will be recognized as either a reduction of the net OPEB liability or an increase in the net OPEB asset in the year ended June 30, 2023.

Other amounts reported as RHIA deferred outflows/(inflows) of resources will be recognized as OPEB expense in the following years:

Year Ended June 30	Amount
2023	\$ 201,417
2024	774,423
2025	(349,390)
2026	(483,428)
2027	-
Total	<u>\$ 143,022</u>

Sensitivity Analysis

Sensitivity of the District's proportionate share of the net OPEB liability (asset) to changes in the discount rate

The following presents the District's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 6.90 percent, as well as what the District's proportionate share of the net OPEB liability (asset) 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 rate:

RHIA	1% Decrease	Current Discount Rate	1% Increase
Discount Rate	5.90%	6.90%	7.90%
Proportionate Share of the Net OPEB Liability (Asset)	\$(5,694,860)	\$(6,439,575)	\$(7,075,742)

Sensitivity of the District's proportionate share of the net OPEB liability (asset) to changes in the healthcare cost rate

The net OPEB liability (asset) for the District's Retirement Health Insurance Account is \$(6,439,575). The ORS stipulates a \$60 monthly payment, so there would be no change to the total OPEB liability if it were calculated using health care cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rates.

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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:

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	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. Active members: Pub-2010 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. 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.

(Source: June 30, 2021 Oregon PERS Annual Comprehensive Financial Report, page 73)

Discount Rate

The discount rate used to measure the total OPEB asset was 6.90 percent for the RHIA Plan at June 30, 2021, a reduction from 7.20 percent for the previous fiscal year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those 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 RHIA Plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

Long-Term Expected Rate of Return

For a summary of assumptions related to long-term expected rate of return, please refer to the information beginning on page 69.

Retirement Health Insurance Subsidy (RHIS)

Plan Description

The District maintains a single employer medical benefit supplement program for its retired employees. The District offers continued medical coverage to eligible retirees and their spouses and dependents until eligible for Medicare. The retiree must pay the entire premium in exchange for this coverage. However, the premium itself does not represent the full cost of covering these retirees (since they are older than the active population, retirees can be expected to generate higher medical claims and therefore higher premiums for the active population). This additional cost is called the "implicit subsidy" and is required to be valued under GASB Statement 75. This benefit is expected to continue indefinitely, in part because it is required by Oregon statute, and therefore the obligations could be amended through the employees' collective bargaining agreements by vote of all parties with voting

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rights if the amendment follows the Oregon statute. The District does not issue a stand-alone report for this plan and no assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Benefits provided for Retirement Health Insurance Subsidy

All classes of employees are eligible to continue medical coverage upon retirement. Dependent eligibility includes qualified spouses, domestic partners, and children. Coverage for retirees and eligible dependents continues until Medicare eligibility for everyone. A benefit arises as a result of the difference between the medical premium rates charged and the actual retiree claim costs. Premiums charged are typically less than actual costs. This is due to medical premium rates being determined by blending both active and retiree experience. As of July 1, 2021, the most recent valuation date, there were 4,122 active and 238 retired members in the plan.

Total OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The District's total OPEB liability of \$36,325,547 was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2021 rolled forward to the measurement date. For the year ended June 30, 2022, the District recognized OPEB expense from this plan of \$4,640,920. At June 30, 2022, the District reported the change in total OPEB liability as follows:

	Total OPEB Liability
Balance as of June 30, 2021	\$ 45,257,250
Changes for the year:	
Service cost	3,431,382
Interest	1,082,701
Differences between expected and actual experience	(4,376,642)
Changes in assumptions or other inputs	(7,931,980)
Benefit payments	(1,137,164)
Balance as of June 30, 2022	\$ 36,325,547

The following is a summary of the District's deferred outflows/inflows of resources related to the RHIS OPEB for the year ended June 30, 2022:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Differences between expected and actual experience	\$ 1,867,890	\$ (3,890,348)	
Change of assumptions or other inputs	4,978,230	(7,419,110)	
Total - Amortized Deferrals	\$ 6,846,120	\$ (11,309,458)	\$ (4,463,338)

Other amounts reported as RHIS deferred outflows/(inflows) of resources will be recognized as OPEB expense in the following years:

Year Ended June 30	Amount
2023	\$ 126,837
2024	126,837
2025	126,837
2026	126,839
2027	(1,117,720)
Thereafter	(3,852,968)
Total	\$ (4,463,338)

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Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2021 valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Valuation Date	July 1, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry Age Normal, level percent of salary
Assumptions:	
Interest Rate for Discounting Future Liabilities	3.50% per year, based on all years discounted at municipal bond rate (based Bond Buyer 20-Bond General Obligation Index as of June 30, 2022)
General Inflation	2.00% per year
Payroll Growth	3.00% per year
Salary Merit Scale	Total payroll increase is overall payroll growth plus merit.
Annual Premium Increase Rate	Based in Part by 2019 Segal Health Plan Cost Trend Survey and Society of Actuaries – Getzen Long Term Healthcare Trends Resource Model as updated October 2018.
Mortality Rates	Active employees: Pub 2010 Employee Tables for Teachers, sex distinct, projected generationally. Active employee adjustments: 125% of published rates for males, 100% of published rates for females. Retirees: PUB 2010 Retiree Tables for Teachers, sex distinct, projected generationally. Beneficiaries: Pub-2010 Employees and Retiree Tables for General Employees, sex distinct, projected generationally. Beneficiary adjustments: Set back 12 months for males , no set back for females; 115% of published rates for non-annuitant males, 125% of published rates for non-annuitant females. Improvement Scale: Unisex Social Security Data Scale (60 year average), with data through 2017.
Turnover Rates	Based on Oregon PERS assumptions
Disability Rates	Based on Oregon PERS assumptions
Retirement Rates	Based on Oregon PERS assumptions

Discount Rate

Under GASB 75, unfunded plans must use a discount rate that reflects a 20-year tax-exempt municipal bond yield or index rate. The discount rate in effect for the June 30, 2022 reporting date is 3.50%, up 1.25% from the previous measurement date. (Source: Independent Actuaries, Inc.; Actuarial Valuation Report as of July 1, 2021)

Healthcare Trend Rate

The actuarial calculations used an assumption that medical costs will increase to 4.00% in the 2022-23 year and the to 4.50% in the 2023-24 year, 5.00% in the 2024-25 year, and varying up to 6.00% over the remainder of the projection period. These trends are based in part on the 2019 Segal Health Plan Cost Trend Survey, tempered by actuarial expectation of the impact of OR 243.866, as amended in 2017. Rates are trended down in subsequent years in accordance with prevalent actuarial practice, based in part on the Society of Actuaries – Getzen Long-Term Healthcare Trends Resource Model, as updated October 2018. No implicit subsidy has been assumed for dental or vision due to costs of those benefits.

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Sensitivity Analysis

Sensitivity of the District's total OPEB liability to changes in the discount rate

The following presents the District's total OPEB liability of the health insurance subsidy plan using the discount rate of 3.50 percent, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.50 percent) or one percentage point higher (4.50 percent) than the current rate:

RHIS	1% Decrease	Current Discount Rate	1% Increase
Discount Rate	2.50%	3.50%	4.50%
Total OPEB Liability	\$36,609,170	\$36,325,547	\$33,287,411

Sensitivity of the District's total OPEB liability to changes in the healthcare trend rate

The following presents the District's total OPEB liability of the health insurance subsidy plan using the healthcare trend rate of 6.50 percent graded down to 4.50 percent, as well as what the District's total OPEB liability would be if it were calculated using a healthcare trend rate that is one percentage point lower (5.50 percent graded down to 3.50 percent) or one percentage point higher (7.50 percent graded down to 5.50 percent) than the current rate:

RHIS	1% Decrease	Current Trend Rate	1% Increase
Healthcare Trend Rate	5.50% Graded Down to 3.50%	6.50% Graded Down to 4.50%	7.50% Graded Down to 5.5%
Total OPEB Liability	\$31,624,603	\$36,325,547	\$41,979,926

Note 9: Interfund Balances and Transfers

Interfund receivables and payables on June 30, 2022 are comprised of the following:

<u>Due To</u>	<u>Due From Grants Fund</u>
General Fund	<u>\$ 6,582,998</u>

Interfund balances represent cash owed by one fund to another. At June 30, 2022, the Grants Fund was advanced \$6.6 million by the General Fund for reimbursable expenditures that had not been received from granting agencies.

Interfund transfers for the year included the following:

<u>Transfers In</u>	<u>Transfers Out General Fund</u>	<u>Transfers Out Nonmajor Governmental Fund - Energy Efficiency Fund</u>	<u>Total Interfund Transfers</u>
Nonmajor Governmental Funds			
Preventative & Deferred Maintenance Fund	\$ 2,000,000	\$ -	\$ 2,000,000
Special Capital Projects Fund	-	1,096,072	1,096,072
Asset Replacement Fund	820,000	-	820,000
Food Services Fund	115,844	-	115,844
Total Transfers by Fund	<u>\$ 2,935,844</u>	<u>\$ 1,096,072</u>	<u>\$ 4,031,916</u>

The District made transfers for specific projects and designated needs that were approved by the School Board. The \$0.8 million transfer from the General Fund to the Asset Replacement Fund was for the replacement of school buses and support vehicles and for the board-approved transportation expansion plan. The \$2.0 million transfer from the General Fund to the Preventative & Deferred Maintenance Fund was for multi-year ongoing projects. The \$1.1 million transfer from the Energy Efficiency Fund to the Special Capital Projects Fund was for completed energy efficient projects to district facilities through the state energy conservation program (SB 1149).

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

Note 10: Risk Management

The District is exposed to various risks of loss related to torts; theft or damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. The District is self-insured for costs up to policy deductible limits. See note 15 of the Notes to the Basic Financial Statements. Workers' compensation and unemployment settlements have not exceeded insurance coverage for any of the last three fiscal years.

Changes in the balances of claims liabilities for the fiscal years ended June 30, 2022, 2021 and 2020 are as follows:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Accrued Claim Losses, July 1	\$ 2,444,612	\$ 1,880,556	\$ 2,231,044
Included Claims, Including an Estimate of Claims Incurred but not Reported (IBNR)	727,504	1,961,989	702,623
Claim Payments	<u>(1,512,162)</u>	<u>(1,397,933)</u>	<u>(1,053,111)</u>
Accrued Claim Losses, June 30	<u>\$ 1,659,954</u>	<u>\$ 2,444,612</u>	<u>\$ 1,880,556</u>

The District has had no significant changes in insurance coverage from the previous year.

Note 11: Commitments and Contingencies

Amounts received or receivable from grantor agencies are subject to audit and adjustment by these agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the District. The amount, if any, of costs which may be disallowed by the grantor cannot be determined at this time. However, District management expects such amounts, if any, to be immaterial.

There is a targeted year end fund balance of seven to twelve percent (7% to 12%) of annual operating revenues per District policy which the District may not go below without a School Board Resolution.

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.

As of June 30, 2022, the District was committed to various accepted bid agreements and contracts for approximately \$148.0 million for goods, services, and construction of facilities.

The District receives a substantial portion of its operating funding from the State of Oregon. State funding is allocated to individual school districts based on pupil counts and other factors in the State School Fund revenue formula. The COVID-19 pandemic is expected to cause reductions in the District's pupil counts and total State revenues, however the extent is unknown.

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

Note 12: Tax Abatements

Tax abatements are agreements between government entities and businesses/individuals that temporarily reduce or eliminate property taxes. The District is affected by property tax abatements entered by Marion and Polk Counties. All abatement amounts have been included related to the following as of June 30, 2022.

Exemption Type	Marion County Tax Abatement	Polk County Tax Abatement	Total Tax Abatement
Enterprise Zone - Full Exempt	\$ 3,520	\$ 18,186	\$ 21,706
Enterprise Zone - Partial Exempt	471,557	-	471,557
Enterprise Zone - Construction in Process, Partial Exempt	3,890	-	3,890
Charitable Low Income Rental Housing	192,016	-	192,016
Multiple Unit Core Area - Partial Exempt	308,835	-	308,835
Total Tax Abatement	<u>\$ 979,818</u>	<u>\$ 18,186</u>	<u>\$ 998,004</u>

Note 13: Restatement

For the year ended June 30, 2022, the District implemented GASB Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. Implementation of GASB Statement No. 87 resulted in a restatement of the Statement of Net Position for the fiscal year ended June 30, 2021, however total net position was unchanged at (\$115,822,002).

REQUIRED SUPPLEMENTARY INFORMATION

SALEM-KEIZER SCHOOL DISTRICT 24J
YEAR ENDED JUNE 30, 2022

General Fund – accounts for all revenues and expenditures except those required to be accounted for in another fund and is the District’s primary operating fund. The fund pays for instruction of students, our schools, and general operations. Most of the General Fund money comes from State sources, such as the State School Fund and the Common School Fund.

Grants Fund – this special revenue fund accounts for funds reserved for resources and expenditures from Federal and State grants.

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2022

	Actual Budget Basis	Budget		Variance with Final Budget	Budget to GAAP Differences	Actual GAAP Basis
		Adopted	Final			
Revenues:						
Taxes	\$ 92,090,676	\$ 90,500,000	\$ 90,500,000	\$ 1,590,676	\$ -	\$ 92,090,676
Local Sources	18,039,526	3,078,000	3,078,000	14,961,526	-	18,039,526
Earnings (loss) on Investments	(57,775)	1,220,000	1,220,000	(1,277,775)	-	(57,775)
Intermediate Sources	19,496,963	17,900,000	17,900,000	1,596,963	-	19,496,963
State Sources	385,929,101	375,972,408	372,672,408	13,256,693	-	385,929,101
Federal Sources	198,256	140,000	21,140,000	(20,941,744)	-	198,256
Total Revenues	515,696,747	488,810,408	506,510,408	9,186,339	-	515,696,747
Expenditures:						
Current:						
Instruction	325,065,418	326,207,534	356,007,259	30,941,841	(140,773)	324,924,645
Support Services	198,549,175	224,855,970	229,475,806	30,926,631	(21,551,299)	176,997,876
Enterprise and Community Services	505	100,000	100,000	99,495	-	505
Facilities Acquisition and Construction	124,698	234,681	234,681	109,983	(91,947)	32,751
Debt Service:						
Principal	279,820	280,000	280,000	180	-	279,820
Interest	5,932	6,720	6,720	788	-	5,932
Capital Outlay	-	-	-	-	22,706,441	22,706,441
Contingency	-	36,515,505	19,795,944	19,795,944	-	-
Total Expenditures	524,025,548	588,200,410	605,900,410	81,874,862	922,422	524,947,970
Excess (deficiency) of revenues over (under) expenditures	(8,328,801)	(99,390,002)	(99,390,002)	(72,688,523)	(922,422)	(9,251,223)
Other Financing Sources and Uses:						
Lease Financing	-	-	-	-	922,422	922,422
Sale of Capital Assets	22,557	10,000	10,000	12,557	-	22,557
Transfers In	-	3	3	(3)	-	-
Transfers Out	(2,935,844)	(3,020,001)	(3,020,001)	84,157	-	(2,935,844)
Total Other Financing Sources and Uses	(2,913,287)	(3,009,998)	(3,009,998)	96,711	922,422	(1,990,865)
Net Change in Fund Balance	(11,242,088)	(102,400,000)	(102,400,000)	(72,591,812)	-	(11,242,088)
Fund Balance, Beginning of Year	121,196,548	102,400,000	102,400,000	18,796,548	-	121,196,548
Fund Balance, End of Year	\$ 109,954,460	\$ -	\$ -	\$ (53,795,264)	\$ -	\$ 109,954,460

The notes to the required supplementary information are an integral part of this schedule.

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GRANTS FUND
YEAR ENDED JUNE 30, 2022

	Actual Budget Basis	Budget		Variance with Final Budget	Budget to GAAP Differences	Actual GAAP Basis
		Adopted	Final			
Revenues:						
Intermediate Sources	\$ 585,866	\$ 1,912,000	\$ 1,912,000	\$ (1,326,134)	\$ -	\$ 585,866
State Sources	50,764,884	59,175,000	59,175,000	(8,410,116)	-	50,764,884
Federal Sources	61,600,736	177,634,895	177,634,895	(116,034,159)	-	61,600,736
Total Revenues	112,951,486	238,721,895	238,721,895	(125,770,409)	-	112,951,486
Expenditures:						
Current:						
Instruction	58,604,593	97,608,142	97,608,142	39,003,549	(1,482,583)	57,122,010
Support Services	47,316,790	107,012,753	107,012,753	59,695,963	(2,237,896)	45,078,894
Enterprise and Community Services	3,639,159	17,601,000	17,601,000	13,961,841	-	3,639,159
Facilities Acquisition and Construction	1,920,954	16,500,000	16,500,000	14,579,046	(1,920,954)	-
Capital Outlay	-	-	-	-	5,641,433	5,641,433
Total Expenditures	111,481,496	238,721,895	238,721,895	127,240,399	-	111,481,496
Net Change in Fund Balance	1,469,990	-	-	1,469,990	-	1,469,990
Fund Balance, Beginning of Year	-	-	-	-	-	-
Fund Balance, End of Year	\$ 1,469,990	\$ -	\$ -	\$ 1,469,990	\$ -	\$ 1,469,990

The notes to the required supplementary information are an integral part of this schedule.

**SALEM-KEIZER SCHOOL DISTRICT 24J
OREGON PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
YEAR ENDED JUNE 30, 2022**

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY FOR PERS
LAST TEN FISCAL YEARS***

Date	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2022	2.15%	\$ 257,260,647	\$ 272,841,342	94.29%	87.57%
6/30/2021	2.27%	494,604,136	260,478,351	189.88%	75.79%
6/30/2020	2.28%	394,594,093	256,548,249	153.81%	80.23%
6/30/2019	2.44%	370,018,658	247,055,968	149.77%	82.07%
6/30/2018	2.33%	313,463,307	238,174,894	131.61%	83.12%
6/30/2017	2.20%	330,485,474	224,660,318	147.10%	80.53%
6/30/2016	2.13%	122,461,820	210,838,659	58.08%	91.88%
6/30/2015	2.49%	(56,372,207)	200,324,048	-28.14%	103.60%
6/30/2014	2.49%	126,913,031	195,456,300	64.93%	92.00%

**SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS FOR PERS
LAST TEN FISCAL YEARS***

Date	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (excess)	Covered Payroll	Contributions as a Percentage of its Covered Payroll
6/30/2022	\$ 43,764,211	\$ 43,764,211	\$ -	\$ 297,867,705	14.69%
6/30/2021	46,271,773	46,271,773	-	272,841,342	16.96%
6/30/2020	43,164,193	43,164,193	-	260,478,351	16.57%
6/30/2019	31,988,846	31,988,846	-	256,548,249	12.47%
6/30/2018	28,087,114	28,087,114	-	247,055,968	13.44%
6/30/2017	17,818,722	17,818,722	-	238,174,894	7.48%
6/30/2016	18,358,399	18,358,399	-	224,660,318	8.17%
6/30/2015	28,183,368	28,183,368	-	210,838,659	13.37%
6/30/2014	26,925,455	26,925,455	-	200,324,048	13.44%

*The requirement of this schedule is to present ten years. Until ten years of information is available, the District will present available data.

The notes to the required supplementary information are an integral part of this schedule.

SALEM-KEIZER SCHOOL DISTRICT 24J
OTHER POSTEMPLOYMENT BENEFITS - RETIREMENT HEALTHCARE INSURANCE ACCOUNT (RHIA)
YEAR ENDED JUNE 30, 2022

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB
LIABILITY FOR RHIA
LAST TEN FISCAL YEARS***

Year Ended June 30,	District's Proportion of the Net OPEB Liability (Asset)	District's Proportionate Share of the Net OPEB Liability/(Asset) (NOL)	Covered Payroll	NOL as a % of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2022	1.88%	\$ (6,439,575)	\$ 272,841,342	-2.4%	183.9%
2021	4.02%	(8,191,813)	260,478,351	-3.1%	150.1%
2020	2.35%	(4,534,037)	256,548,249	-1.8%	144.4%
2019	2.34%	(2,606,873)	247,055,968	-1.1%	124.0%
2018	2.32%	(968,900)	238,174,894	-0.4%	108.9%
2017	2.35%	638,414	224,660,318	0.3%	94.1%

**SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS FOR RHIA
LAST TEN FISCAL YEARS***

Year Ended June 30,	Required Statutory Contributions	Contributions In Relation to the Required Statutory Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of its Covered Payroll
2022	\$ 46,503	\$ 46,503	\$ -	\$ 297,867,705	0.0%
2021	50,174	50,174	-	272,841,342	0.0%
2020	287,100	287,100	-	260,478,351	0.1%
2019	1,162,909	1,162,909	-	256,548,249	0.5%
2018	1,130,778	1,130,778	-	247,055,968	0.5%
2017	1,193,928	1,193,928	-	238,174,894	0.5%

*The requirement of this schedule is to present ten years. Until ten years of information is available, the District will present available data.

The notes to the required supplementary information are an integral part of this schedule.

SALEM-KEIZER SCHOOL DISTRICT 24J
OTHER POSTEMPLOYMENT BENEFITS - RETIREMENT HEALTHCARE INSURANCE SUBSIDY (RHIS)
YEAR ENDED JUNE 30, 2022

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY FOR RHIS
LAST TEN FISCAL YEARS*

Year Ended June 30,	Service Cost	Interest	Change of Benefit Terms	Difference Between Expected and Actual Experience	Change of Assumptions or Other Input	Benefit Payments	Net Change in Total OPEB Liability
2022	\$ 3,431,382	\$ 1,082,701	\$ -	\$ (4,376,642)	\$ (7,931,980)	\$ (1,137,164)	\$ (8,931,703)
2021	3,315,345	1,011,277	-	-	-	(1,399,321)	2,927,301
2020	2,258,096	1,471,011	-	2,801,834	(552,691)	(1,234,313)	4,743,937
2019	2,181,735	1,343,272	-	-	9,956,458	(1,337,434)	12,144,031
2018	1,590,111	905,326	-	-	-	(800,830)	1,694,607

SCHEDULE OF TOTAL OPEB LIABILITY AND RELATED RATIOS FOR RHIS
LAST TEN FISCAL YEARS*

Year Ended June 30,	Beginning Total OPEB Liability	Net Change in Total OPEB Liability	Ending Total OPEB Liability	Covered Employee Payroll	Total OPEB Liability as a Percentage of its Covered Employee Payroll	Discount Rate
2022	\$ 45,257,250	\$ (8,931,703)	\$ 36,325,547	\$ 345,700,510	10.5%	3.50%
2021	42,329,949	2,927,301	45,257,250	333,195,432	13.6%	2.25%
2020	37,586,012	4,743,937	42,329,949	297,211,787	14.2%	2.25%
2019	25,441,981	12,144,031	37,586,012	268,614,505	14.0%	3.75%
2018	23,747,374	1,694,607	25,441,981	259,530,923	9.8%	3.75%

*The requirement of this schedule is to present ten years. Until ten years of information is available, the District will present available data.

The notes to the required supplementary information are an integral part of this schedule.

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

Note 1: Budget Basis of Accounting

The schedule of revenues, expenditures, and changes in fund balances – budget and actual has been prepared on the prescribed budget basis of accounting for the District. All District Funds were budgeted on a generally accepted accounting principles (GAAP) basis except for the Custodial Fund which is not required to be budgeted under state law. Normal adjustments were made to budgeted expenses to accommodate operational needs of the District that were within functions required by Oregon Budget Law.

The District accounts for certain transactions on a budgetary basis which differs from GAAP basis. A description of the principal differences between the budgetary basis and GAAP in recording and reporting transactions follows:

	<u>Budgetary Basis</u>	<u>GAAP Basis</u>
Properties acquired by long-term financing such as leases	Only the current year’s payment is recorded as a capital outlay expenditure of the fund in which payments are budgeted.	The net present value of the total stream of payments is recorded in the fund from which payments will be made as an expenditure in the year of acquisition with a corresponding offset to other financing sources. Subsequent payments on the obligations are recorded as debt service expenditures.
Classifications of expenditures by character	The character of expenditures is reported at the object level. Budgets and appropriations are made for each major function.	Expenditures are classified and reported by character within the financial statements.

Note 2: Oregon Public Employees Retirement System

See the following notes for additional information regarding Oregon PERS Pension:

- The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date.
- The amounts for covered payroll in the schedule of the District’s Proportionate Share of the Net Pension Liability (NPL) use the prior year’s data to match the measurement date used by the pension plan for each fiscal year.
- The June 30, 2015 NPL reflects benefit changes from Senate Bills 822 and 861.
- The June 30, 2016 NPL reflects benefit changes from the Oregon Supreme Court’s ruling in Moro v. State of Oregon, which overturned portions of Senate Bills 822 and 861.
- The June 30, 2017 NPL reflects assumption changes reducing the inflation rate from 2.75% to 2.50%, the long-term expected rate of return from 7.75% to 7.50%, the discount rate from 7.75% to 7.50% and the projected salary increases from 3.75% to 3.5%.
- The June 30, 2019 NPL reflects assumption changes reducing the long-term expected rate of return from 7.50% to 7.20% and the discount rate from 7.50% to 7.20%.
- The June 30, 2021 NPL reflects assumption changes reducing the long-term expected rate of return from 7.20% to 6.90% and the discount rate from 7.20% to 6.90%.

Oregon PERS produces an independent audited Annual Comprehensive Financial Report which can be found at: <https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>

Note 3: Other Postemployment Benefits – Retirement Health Insurance Account (RHIA)

See the following notes for additional information regarding Oregon PERS RHIA:

- The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date.
- The amounts for covered payroll in the schedule of the District’s Proportionate Share of the Net OPEB Liability use the prior year’s data to match the measurement date used by the OPEB plan for each fiscal year.

Oregon PERS produces an independent audited Annual Comprehensive Financial Report which can be found at: <https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>

Note 4: Other Postemployment Benefits – Retirement Healthcare Insurance Subsidy (RHIS)

See the following notes for additional information regarding the District’s RHIS:

- The amounts presented for each fiscal year were actuarially determined at July 1 of odd years and rolled forward to the measurement date.
- The OPEB liability reflects assumption changes in the health care cost assumption, increasing costs for MODA and Kaiser medical plans.

Oregon PERS produces an independent audited Annual Comprehensive Financial Report which can be found at: <https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>

OTHER SUPPLEMENTARY INFORMATION

SALEM-KEIZER SCHOOL DISTRICT 24J
YEAR ENDED JUNE 30, 2022

GO Debt Service Fund – Accounts for the payment of principal and interest on long-term general obligation bonds. The major sources of revenue are property taxes and earnings from temporary investments.

PERS Pension Debt Service Fund – Accounts for the payment of principal and interest on long-term pension bonds. The major sources of revenue are charges to other funds and earnings from temporary investments.

2018 Bond Capital Projects Fund – Accounts for the capital construction projects funded by the 2018 bond. The major revenue sources are bond issuance, associated bond premium and earnings from temporary investments.

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GO DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2022

	Actual Budget and GAAP Basis	Budget		Variance with Final Budget
		Adopted	Final	
Revenues:				
Taxes	\$ 56,936,528	\$ 56,138,551	\$ 56,138,551	\$ 797,977
Earnings on Investments	6,143	80,000	80,000	(73,857)
Intermediate Sources	102,010	-	-	102,010
Total Revenues	<u>57,044,681</u>	<u>56,218,551</u>	<u>56,218,551</u>	<u>826,130</u>
Expenditures:				
Debt Service:				
Principal	19,899,790	19,899,791	19,899,791	1
Interest	38,518,760	38,518,760	38,518,760	-
Total Expenditures	<u>58,418,550</u>	<u>58,418,551</u>	<u>58,418,551</u>	<u>1</u>
Net Change in Fund Balance	(1,373,869)	(2,200,000)	(2,200,000)	826,131
Fund Balance, Beginning of Year	<u>2,276,518</u>	<u>2,200,000</u>	<u>2,200,000</u>	<u>76,518</u>
Fund Balance, End of Year	<u>\$ 902,649</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 902,649</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PERS PENSION DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2022

	Actual Budget and GAAP Basis	Budget		Variance with Final Budget
		Adopted	Final	
Revenues:				
Charges for Services Provided to Other Funds	\$ 29,273,832	\$ 28,200,000	\$ 28,200,000	\$ 1,073,832
Earnings on Investments	155,884	500,000	500,000	(344,116)
Total Revenues	<u>29,429,716</u>	<u>28,700,000</u>	<u>28,700,000</u>	<u>729,716</u>
Expenditures:				
Debt Service:				
Principal	17,450,000	17,450,000	17,450,000	-
Interest	8,719,822	8,719,823	8,719,823	1
Total Expenditures	<u>26,169,822</u>	<u>26,169,823</u>	<u>26,169,823</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	3,259,894	2,530,177	2,530,177	729,717
Other Financing Sources and Uses:				
Transfer In	-	1	1	(1)
Transfer Out	-	(1)	(1)	1
Total Other Financing Sources and Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	3,259,894	2,530,177	2,530,177	729,717
Fund Balance, Beginning of Year	<u>27,545,836</u>	<u>24,800,000</u>	<u>24,800,000</u>	<u>2,745,836</u>
Fund Balance, End of Year	<u>\$ 30,805,730</u>	<u>\$ 27,330,177</u>	<u>\$ 27,330,177</u>	<u>\$ 3,475,553</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
2018 BOND CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2022

	Budget			Variance with Final Budget	Budget to GAAP Differences	Actual GAAP Basis
	Actual	Adopted	Final			
Revenues:						
Local Sources	\$ 331,683	\$ -	\$ -	\$ 331,683	\$ -	\$ 331,683
Earnings on Investments	579,432	10,000,000	10,000,000	(9,420,568)	-	579,432
Total Revenues	<u>911,115</u>	<u>10,000,000</u>	<u>10,000,000</u>	<u>(9,088,885)</u>	<u>-</u>	<u>911,115</u>
Expenditures:						
Current:						
Support Services	-	5,000,000	5,000,000	5,000,000	-	-
Facilities Acquisition and Construction	174,336,375	415,000,001	415,000,001	240,663,626	(167,724,952)	6,611,423
Capital Outlay	-	-	-	-	167,724,952	167,724,952
Total Expenditures	<u>174,336,375</u>	<u>420,000,001</u>	<u>420,000,001</u>	<u>245,663,626</u>	<u>-</u>	<u>174,336,375</u>
Excess (deficiency) of revenues over (under) expenditures	(173,425,260)	(410,000,001)	(410,000,001)	236,574,741	-	(173,425,260)
Other Financing Sources and Uses:						
Sale of Capital Assets	119,162	-	-	119,162	-	119,162
Transfers In	-	1	1	1	-	-
Total Other Financing Sources and Uses	<u>119,162</u>	<u>1</u>	<u>1</u>	<u>119,163</u>	<u>-</u>	<u>119,162</u>
Net Change in Fund Balance	(173,306,098)	(410,000,000)	(410,000,000)	236,693,902	-	(173,306,098)
Fund Balance, Beginning of Year	<u>385,645,505</u>	<u>410,000,000</u>	<u>410,000,000</u>	<u>(24,354,495)</u>	<u>-</u>	<u>385,645,505</u>
Fund Balance, End of Year	<u>\$ 212,339,407</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 212,339,407</u>	<u>\$ -</u>	<u>\$ 212,339,407</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
YEAR ENDED JUNE 30, 2022

NONMAJOR GOVERNMENTAL FUNDS

The following funds are considered Special Revenue Funds and account for revenues and expenditures for specific educational projects. Included are the following funds:

Fee Based Programs Fund – Accounts for the District’s activity and athletic programs. The major sources of revenue are student participation fees and receipts from event admission charges. Scholarship and memorial funds are accounted for in this fund.

Food Services Fund – Accounts for revenues and expenditures for the food dispensing programs. Principal revenue sources are sales of food and subsidies under the National School Lunch and Breakfast Programs received through the State of Oregon.

Energy Efficiency Fund – This fund reflects the activities of a state energy conservation program that was created to make energy efficient modifications to district facilities in order to reduce overall energy consumption. The principal revenue source is subsidies from Portland General Electric. The District must submit reports to the utility itemizing expenses it has incurred.

Asset Replacement Fund – Principal revenue sources for this fund are the state reimbursement for bus depreciation, a portion of the state school fund that has been assigned by the School Board, the state facilities grant, and the sale of surplus equipment. The fund is designated specifically for purchase of student transportation equipment, replacement of district infrastructure such as buses, support vehicles, equipment, technology, instructional materials and other specified activities.

The following funds are considered Capital Projects Funds and account for revenues and expenditures for specific special capital projects and deferred maintenance on capital assets. Included are the following funds:

Special Capital Projects Fund – The principal revenue source for this fund is a portion of the state school fund that has been committed by the School Board for special capital projects.

Preventative & Deferred Maintenance Fund – The principal revenue source for this fund is a budget transfer from the General Fund to support smaller deferred maintenance projects on the buildings and grounds of the District.

SALEM-KEIZER SCHOOL DISTRICT 24J
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

	Special Revenue				Capital Projects		Total Nonmajor Governmental Funds
	Fee Based Programs Fund	Food Services Fund	Energy Efficiency Fund	Asset Replacement Fund	Special Capital Projects Fund	Preventative & Deferred Maintenance Fund	
ASSETS							
Pooled Cash and Investments	\$ 7,037,763	\$ 13,622,054	\$ 342,626	\$ 34,093,901	\$ 6,039,268	\$ 4,382,913	\$ 65,518,525
Receivables	181,473	1,260,507	-	1,297	-	-	1,443,277
Total Assets	\$ 7,219,236	\$ 14,882,561	\$ 342,626	\$ 34,095,198	\$ 6,039,268	\$ 4,382,913	\$ 66,961,802
LIABILITIES & FUND BALANCES							
Liabilities							
Accounts Payable	\$ 168,006	\$ 1,003,904	\$ -	\$ 415,713	\$ 15,916	\$ 216,367	\$ 1,819,906
Accrued Payroll	11,492	-	-	-	-	-	11,492
Unearned Revenue	4,265	247,432	-	1,297	-	-	252,994
Total Liabilities	183,763	1,251,336	-	417,010	15,916	216,367	2,084,392
Fund Balances							
Restricted	607,829	-	342,626	-	-	-	950,455
Committed	6,427,644	13,631,225	-	21,025,615	-	-	41,084,484
Assigned	-	-	-	12,652,573	6,023,352	4,166,546	22,842,471
Total Fund Balances	7,035,473	13,631,225	342,626	33,678,188	6,023,352	4,166,546	64,877,410
Balances	\$ 7,219,236	\$ 14,882,561	\$ 342,626	\$ 34,095,198	\$ 6,039,268	\$ 4,382,913	\$ 66,961,802

SALEM-KEIZER SCHOOL DISTRICT 24J
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	Special Revenue				Capital Projects		Total Nonmajor Governmental Funds
	Fee Based Programs Fund	Food Services Fund	Energy Efficiency Fund	Asset Replacement Fund	Special Capital Projects Fund	Preventative & Deferred Maintenance Fund	
Revenues:							
Local Sources	\$ 4,590,492	\$ 110,711	\$ 873,205	\$ 15	\$ 2,083	\$ -	\$ 5,576,506
Earnings on Investments	-	54,772	-	3,820	29,320	18,910	106,822
Intermediate Sources	70,000	-	-	-	-	-	70,000
State Sources	-	307,916	-	1,087,423	-	-	1,395,339
Federal Sources	-	19,774,633	-	-	-	-	19,774,633
Total Revenues	4,660,492	20,248,032	873,205	1,091,258	31,403	18,910	26,923,300
Expenditures:							
Current:							
Instruction	2,931,158	-	-	-	-	-	2,931,158
Support Services	929,114	335,486	-	86,392	-	6,800	1,357,792
Enterprise and Community Services	19,155	13,858,506	-	-	-	-	13,877,661
Facilities Acquisition and Construction	-	-	-	-	60	96,430	96,490
Debt Service:							
Principal	-	-	-	653,557	-	-	653,557
Interest	-	-	-	56,113	-	-	56,113
Capital Outlay	61,390	342,310	-	3,734,472	39,188	991,785	5,169,145
Total Expenditures	3,940,817	14,536,302	-	4,530,534	39,248	1,095,015	24,141,916
Excess (deficiency) of revenues over (under) expenditures	719,675	5,711,730	873,205	(3,439,276)	(7,845)	(1,076,105)	2,781,384
Other Financing Sources and Uses:							
Transfers in	-	115,844	-	820,000	1,096,072	2,000,000	4,031,916
Transfers out	-	-	(1,096,072)	-	-	-	(1,096,072)
Total Other Financing Sources and Uses	-	115,844	(1,096,072)	820,000	1,096,072	2,000,000	2,935,844
Net Change in Fund Balances	719,675	5,827,574	(222,867)	(2,619,276)	1,088,227	923,895	5,717,228
Fund Balances, Beginning of Year	6,315,798	7,803,651	565,493	36,297,464	4,935,125	3,242,651	59,160,182
Fund Balances, End of Year	\$ 7,035,473	\$ 13,631,225	\$ 342,626	\$ 33,678,188	\$ 6,023,352	\$ 4,166,546	\$ 64,877,410

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FEE BASED PROGRAMS FUND
YEAR ENDED JUNE 30, 2022

	Budget			Variance with Final Budget	Budget to GAAP Differences	Actual GAAP Basis
	Actual	Adopted	Final			
Revenues:						
Local Sources	\$ 4,559,315	\$ 7,788,400	\$ 7,788,400	\$ (3,229,085)	\$ -	\$ 4,559,315
Intermediate Sources	70,000	-	-	70,000	-	70,000
Tuition	31,177	386,358	386,358	(355,181)	-	31,177
Total Revenues	4,660,492	8,174,758	8,174,758	(3,514,266)	-	4,660,492
Expenditures:						
Current:						
Instruction	2,992,548	10,334,840	10,334,840	7,342,292	(61,390)	2,931,158
Support Services	929,114	3,239,011	3,239,011	2,309,897	-	929,114
Enterprise and Community Services	19,155	350,907	350,907	331,752	-	19,155
Capital Outlay	-	-	-	-	61,390	61,390
Total Expenditures	3,940,817	13,924,758	13,924,758	9,983,941	-	3,940,817
Net Change in Fund Balance	719,675	(5,750,000)	(5,750,000)	6,469,675	-	719,675
Fund Balance, Beginning of Year	6,315,798	5,750,000	5,750,000	565,798	-	6,315,798
Fund Balance, End of Year	\$ 7,035,473	\$ -	\$ -	\$ 7,035,473	\$ -	\$ 7,035,473

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOOD SERVICES FUND
YEAR ENDED JUNE 30, 2022

	Budget			Variance with Final Budget	Budget to GAAP Differences	Actual GAAP Basis
	Actual	Adopted	Final			
Revenues:						
Cafeteria Sale of Meals	\$ 85,446	\$ 1,400,000	\$ 1,400,000	\$ (1,314,554)	\$ -	\$ 85,446
Earnings on Investments	54,772	100,000	100,000	(45,228)	-	54,772
Cafeteria State Grants	307,916	2,700,000	2,700,000	(2,392,084)	-	307,916
Cafeteria Federal Grants	19,774,633	15,400,000	15,400,000	4,374,633	-	19,774,633
Miscellaneous Revenues	25,265	-	-	25,265	-	25,265
Total Revenues	20,248,032	19,600,000	19,600,000	648,032	-	20,248,032
Expenditures:						
Current:						
Support Services	341,144	743,277	743,277	402,133	(5,658)	335,486
Enterprise and Community Services	14,195,158	23,556,723	23,556,723	9,361,565	(336,652)	13,858,506
Capital Outlay	-	-	-	-	342,310	342,310
Total Expenditures	14,536,302	24,300,000	24,300,000	9,763,698	-	14,536,302
Excess (deficiency) of revenues over (under) expenditures	5,711,730	(4,700,000)	(4,700,000)	10,411,730	-	5,711,730
Other Financing Sources (Uses):						
Transfers In	115,844	200,000	200,000	(84,156)	-	115,844
Net Change in Fund Balance	5,827,574	(4,500,000)	(4,500,000)	10,327,574	-	5,827,574
Fund Balance, Beginning of Year	7,803,651	4,500,000	4,500,000	3,303,651	-	7,803,651
Fund Balance, End of Year	\$ 13,631,225	\$ -	\$ -	\$ 13,631,225	\$ -	\$ 13,631,225

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ENERGY EFFICIENCY FUND
YEAR ENDED JUNE 30, 2022

	Actual Budget and GAAP Basis	Budget		Variance with Final Budget
		Adopted	Final	
Revenues:				
Miscellaneous Revenues	\$ 873,205	\$ 780,000	\$ 780,000	\$ 93,205
Excess (deficiency) of revenues over (under) expenditures	<u>873,205</u>	<u>780,000</u>	<u>780,000</u>	<u>93,205</u>
Other Financing Sources and Uses:				
Transfers Out	<u>(1,096,072)</u>	<u>(2,680,001)</u>	<u>(2,680,001)</u>	<u>1,583,929</u>
Net Change in Fund Balance	(222,867)	(1,900,001)	(1,900,001)	1,677,134
Fund Balance, Beginning of Year	<u>565,493</u>	<u>1,900,001</u>	<u>1,900,001</u>	<u>(1,334,508)</u>
Fund Balance, End of Year	<u>\$ 342,626</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 342,626</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ASSET REPLACEMENT FUND
YEAR ENDED JUNE 30, 2022

	Budget			Variance with Final Budget	Budget to GAAP Differences	Actual GAAP Basis
	Actual	Adopted	Final			
Revenues:						
Local Sources	\$ 15	\$ -	\$ -	\$ 15	\$ -	\$ 15
Earnings on Investments	3,820	200,000	200,000	(196,180)	-	3,820
State Sources	1,087,423	3,400,000	3,400,000	(2,312,577)	-	1,087,423
Total Revenues	1,091,258	3,600,000	3,600,000	(2,508,742)	-	1,091,258
Expenditures:						
Current:						
Instruction	-	200,000	200,000	200,000	-	-
Support Services	3,820,864	30,977,464	30,977,464	27,156,600	(3,734,472)	86,392
Debt Service:						
Principal	653,557	2,653,557	2,653,557	2,000,000	-	653,557
Interest	56,113	556,113	556,113	500,000	-	56,113
Capital Outlay	-	-	-	-	3,734,472	3,734,472
Total Expenditures	4,530,534	34,387,134	34,387,134	29,856,600	-	4,530,534
Excess (deficiency) of revenues over (under) expenditures	(3,439,276)	(30,787,134)	(30,787,134)	27,347,858	-	(3,439,276)
Other Financing Sources and Uses:						
Transfers In	820,000	820,000	820,000	-	-	820,000
Transfers Out	-	(1)	(1)	1	-	-
Total Other Financing Sources and Uses	820,000	819,999	819,999	1	-	820,000
Net Change in Fund Balance	(2,619,276)	(29,967,135)	(29,967,135)	27,347,859	-	(2,619,276)
Fund Balance, Beginning of Year	36,297,464	29,967,135	29,967,135	6,330,329	-	36,297,464
Fund Balance, End of Year	\$ 33,678,188	\$ -	\$ -	\$ 33,678,188	\$ -	\$ 33,678,188

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2022

	Budget			Variance with Final Budget	Budget to GAAP Differences	Actual GAAP Basis
	Actual	Adopted	Final			
Revenues:						
Earnings on Investments	\$ 29,320	\$ -	\$ -	\$ 29,320	\$ -	\$ 29,320
Miscellaneous	2,083	1,000,000	1,000,000	(997,917)	-	2,083
Total Revenues	31,403	1,000,000	1,000,000	(968,597)	-	31,403
Expenditures:						
Current:						
Support Services	-	500,000	500,000	500,000	-	-
Facilities Acquisition and Construction	39,248	5,880,000	5,880,000	5,840,752	(39,188)	60
Capital Outlay	-	-	-	-	39,188	39,188
Total Expenditures	39,248	6,380,000	6,380,000	6,340,752	-	39,248
Excess (deficiency) of revenues over (under) expenditures	(7,845)	(5,380,000)	(5,380,000)	5,372,155	-	(7,845)
Other Financing Sources and Uses:						
Transfer In	1,096,072	2,680,000	2,680,000	(1,583,928)	-	1,096,072
Net Change in Fund Balance	1,088,227	(2,700,000)	(2,700,000)	3,788,227	-	1,088,227
Fund Balance, Beginning of Year	4,935,125	2,700,000	2,700,000	2,235,125	-	4,935,125
Fund Balance, End of Year	\$ 6,023,352	\$ -	\$ -	\$ 6,023,352	\$ -	\$ 6,023,352

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PREVENTATIVE & DEFERRED MAINTENANCE FUND
YEAR ENDED JUNE 30, 2022

	Budget			Variance with Final Budget	Budget to GAAP Differences	Actual GAAP Basis
	Actual	Adopted	Final			
Revenues:						
Earnings on Investments	\$ 18,910	\$ -	\$ -	\$ 18,910	\$ -	\$ 18,910
Expenditures:						
Current:						
Support Services	6,800	700,000	700,000	693,200	-	6,800
Facilities Acquisition and Construction	1,088,215	5,200,000	5,200,000	4,111,785	(991,785)	96,430
Capital Outlay	-	-	-	-	991,785	991,785
Total Expenditures	1,095,015	5,900,000	5,900,000	4,804,985	-	1,095,015
Excess (deficiency) of revenues over (under) expenditures	(1,076,105)	(5,900,000)	(5,900,000)	4,823,895	-	(1,076,105)
Other Financing Sources and Uses:						
Transfer In	2,000,000	2,000,000	2,000,000	-	-	2,000,000
Net Change in Fund Balance	923,895	(3,900,000)	(3,900,000)	4,823,895	-	923,895
Fund Balance, Beginning of Year	3,242,651	\$ 3,900,000	\$ 3,900,000	(657,349)	-	3,242,651
Fund Balance, End of Year	\$ 4,166,546	\$ -	\$ -	\$ 4,166,546	\$ -	\$ 4,166,546

SALEM-KEIZER SCHOOL DISTRICT 24J
YEAR ENDED JUNE 30, 2022

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one District department to other District departments, on a cost reimbursement basis. Included are:

Risk Management Fund – Accounts for the financing of insurance premiums, unemployment claims, worker’s compensation and long-term disability claims, and partial funding for probable maximum exposures.

Auxiliary Services Fund – Accounts for the user fees, printing and warehouse costs incurred by the various departments and government agencies.

Charter Schools Services Fund – Accounts for the activities of District sponsored Charter Schools. The cost of these activities is funded through revenues related to Charter School students.



SALEM-KEIZER SCHOOL DISTRICT 24J
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2022

	Risk Management Fund	Auxiliary Services Fund	Charter Schools Services Fund	Total
ASSETS				
Current Assets				
Cash, Cash Equivalents and Investments	\$ 23,632,703	\$ 1,572,547	\$ 1,315,358	\$ 26,520,608
Receivables	-	64,208	31,784	95,992
Prepaid Items	-	30,728	-	30,728
Inventories	-	817,459	-	817,459
Total Current Assets	23,632,703	2,484,942	1,347,142	27,464,787
Noncurrent Assets				
Net OPEB Asset - RHIA	14,602	16,648	29,965	61,215
Capital Assets				
Lease Assets, Net	-	9,742	-	9,742
Equipment	460,334	1,836,145	-	2,296,479
Building Improvements	198,128	553,727	-	751,855
Less Accumulated Depreciation	(234,378)	(1,732,056)	-	(1,966,434)
Total Noncurrent Assets	438,686	684,206	29,965	1,152,857
TOTAL ASSETS	24,071,389	3,169,148	1,377,107	28,617,644
DEFERRED OUTFLOWS OF RESOURCES				
OPEB Deferred Outflows - RHIA	6,357	7,248	13,046	26,651
OPEB Deferred Outflows - RHIS	15,524	17,699	31,857	65,080
Pension Deferred Outflows - PERS	308,898	352,179	633,925	1,295,002
TOTAL DEFERRED OUTFLOWS OF RESOURCES	330,779	377,126	678,828	1,386,733
LIABILITIES				
Current Liabilities				
Accounts Payable	84,008	134,667	1,342,024	1,560,699
Accrued Salaries and Benefits	8,989	4,335	4,153	17,477
Accrued Claims Liability	1,659,954	-	-	1,659,954
Accrued Compensated Absences	51,977	56,939	965	109,881
Lease Liability	-	6,805	-	6,805
Total Current Liabilities	1,804,928	202,746	1,347,142	3,354,816
Noncurrent Liabilities				
Net Pension Liability - PERS	583,338	665,071	1,197,134	2,445,543
Total OPEB Liability - RHIS	82,368	93,909	169,037	345,314
Total Noncurrent Liabilities	665,706	758,980	1,366,171	2,790,857
TOTAL LIABILITIES	2,470,634	961,726	2,713,313	6,145,673
DEFERRED INFLOWS OF RESOURCES				
OPEB Deferred Inflows - RHIA	5,927	6,758	12,165	24,850
OPEB Deferred Inflows - RHIS	25,644	29,237	52,628	107,509
Pension Deferred Inflows - PERS	516,303	588,645	1,059,565	2,164,513
TOTAL DEFERRED INFLOWS OF RESOURCES	547,874	624,640	1,124,358	2,296,872
NET POSITION				
Investment in Capital Assets	424,084	667,558	-	1,091,642
Unrestricted	20,959,576	1,292,350	(1,781,736)	20,470,190
TOTAL NET POSITION	\$ 21,383,660	\$ 1,959,908	\$ (1,781,736)	\$ 21,561,832

SALEM-KEIZER SCHOOL DISTRICT 24J
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2022

	Risk Management Fund	Auxiliary Services Fund	Charter Schools Services Fund	Total
Operating Revenues				
State Sources	\$ -	\$ -	\$ 31,784	\$ 31,784
Charges for Services	8,234,705	4,546,911	5,301,640	18,083,256
Total Operating Revenues	8,234,705	4,546,911	5,333,424	18,115,040
Operating Expenses				
Salaries	733,205	839,140	1,511,136	3,083,481
Employee Benefits	723,243	394,627	623,809	1,741,679
Purchased Services	3,129,142	607,351	2,873,818	6,610,311
Supplies and Materials	2,215,131	2,366,250	39,729	4,621,110
Depreciation	43,574	83,607	-	127,181
Amortization	-	47,990	-	47,990
Total Operating Expenses	6,844,295	4,338,965	5,048,492	16,231,752
Operating Income (Loss)	1,390,410	207,946	284,932	1,883,288
Nonoperating Revenues				
Earnings on Investments	122,286	-	6,853	129,139
Change in Net Position	1,512,696	207,946	291,785	2,012,427
Net Position, July 1, 2021	19,870,964	1,751,962	(2,073,521)	19,549,405
Net Position, June 30, 2022	\$ 21,383,660	\$ 1,959,908	\$ (1,781,736)	\$ 21,561,832

SALEM-KEIZER SCHOOL DISTRICT 24J
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2022

	Risk Management Fund	Auxiliary Services Fund	Charter Schools Services Fund	Total
Cash Flows from Operating Activities				
Receipts for Services Provided	\$ 8,660,804	\$ 4,510,650	\$ 5,301,640	\$ 18,473,094
Payments to Employees for Services	(1,289,891)	(1,405,792)	(2,427,329)	(5,123,012)
Payments to Suppliers for Goods and Services	(5,199,208)	(3,102,461)	(2,819,820)	(11,121,489)
Payments for Claims	(916,255)	-	-	(916,255)
Cash Flows Provided (Used) by Operating Activities	<u>1,255,450</u>	<u>2,397</u>	<u>54,491</u>	<u>1,312,338</u>
Cash Flows from Capital and Related Financing Activities				
Purchases of Capital Assets	(95,071)	(20,811)	-	(115,882)
Payments on Leases	-	(50,927)	-	(50,927)
Cash Flows Provided (Used) by Capital and Related Financing Activities	<u>(95,071)</u>	<u>(71,738)</u>	<u>-</u>	<u>(166,809)</u>
Cash Flows from Investing Activities				
Interest Received	122,286	-	6,853	129,139
Increase (Decrease) in Cash, Cash Equivalents and Investments	1,282,665	(69,341)	61,344	1,274,668
Cash, Cash Equivalents and Investments at Beginning of Year	<u>22,350,038</u>	<u>1,641,888</u>	<u>1,254,014</u>	<u>25,245,940</u>
Cash, Cash Equivalents and Investments at End of Year	<u>\$ 23,632,703</u>	<u>\$ 1,572,547</u>	<u>\$ 1,315,358</u>	<u>\$ 26,520,608</u>
Reconciliation of Operating Income (Loss) to Cash Flows from Operating Activities				
Operating Income (Loss)	\$ 1,390,410	\$ 207,946	\$ 284,932	\$ 1,883,288
Adjustments to Reconcile Operating Income (Loss) to Cash Flows from Operating Activities				
Depreciation Expense	43,574	83,607	-	127,181
Amortization Expense	-	47,990	-	47,990
RHIA OPEB Expense Adjustment	(3,659)	763	1,462	(1,434)
Pension Expense Adjustment	118,264	(157,001)	(287,805)	(326,542)
RHIS OPEB Expense Adjustment	23,765	(2,728)	(5,442)	15,595
Change in Assets and Liabilities:				
Change in Receivables	426,099	(19,668)	(31,784)	374,647
Change in Prepays	-	(16,593)	-	(16,593)
Change in Inventories	-	(161,298)	-	(161,298)
Change in Accounts Payable	13,468	32,438	93,727	139,633
Change in Accrued Salaries & Benefits	8,989	(5,070)	(196)	3,723
Change in Accrued Claims Liability	(784,658)	-	-	(784,658)
Change in Accrued Compensated Absences	19,198	(7,989)	(403)	10,806
Total Adjustments	<u>(134,960)</u>	<u>(205,549)</u>	<u>(230,441)</u>	<u>(570,950)</u>
Cash Flows Provided (Used) by Operating Activities	<u>\$ 1,255,450</u>	<u>\$ 2,397</u>	<u>\$ 54,491</u>	<u>\$ 1,312,338</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
RISK MANAGEMENT FUND
YEAR ENDED JUNE 30, 2022

	Budget			Variance with Final Budget	Budget to GAAP Differences	Actual GAAP Basis
	Actual	Adopted	Final			
Revenues:						
Local Sources	\$ 8,234,705	\$ 9,084,500	\$ 9,084,500	\$ (849,795)	\$ -	\$ 8,234,705
Interest Received	122,286	700,000	700,000	(577,714)	-	122,286
Total Revenues	8,356,991	9,784,500	9,784,500	(1,427,509)	-	8,356,991
Expenditures:						
Current:						
Support Services	6,757,421	29,884,499	29,884,499	23,127,078	(95,071)	6,662,350
Capital Outlay	-	-	-	-	95,071	95,071
Total Expenditures	6,757,421	29,884,499	29,884,499	23,127,078	-	6,757,421
Excess (deficiency) of revenues over (under) expenditures	1,599,570	(20,099,999)	(20,099,999)	21,699,569	-	1,599,570
Other Financing Sources and Uses:						
Transfers Out	-	(1)	(1)	1	-	-
Net Change in Fund Balance	1,599,570	(20,100,000)	(20,100,000)	21,699,570	-	1,599,570
Fund Balance, Beginning of Year	20,228,206	20,100,000	20,100,000	128,206	-	20,228,206
Fund Balance, End of Year	\$ 21,827,776	\$ -	\$ -	\$ 21,827,776	\$ -	\$ 21,827,776

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
AUXILIARY SERVICES FUND
YEAR ENDED JUNE 30, 2022

	Actual	Budget		Variance with Final Budget	Budget to GAAP Differences	Actual GAAP Basis
		Adopted	Final			
Revenues:						
Local Sources	\$ 4,546,911	\$ 5,250,000	\$ 5,250,000	\$ (703,089)	\$ -	\$ 4,546,911
Expenditures:						
Current:						
Support Services	4,387,144	7,650,000	7,650,000	3,262,856	(20,811)	4,366,333
Capital Outlay	-	-	-	-	20,811	20,811
Total Expenditures	4,387,144	7,650,000	7,650,000	3,262,856	-	4,387,144
Net Change in Fund Balance	159,767	(2,400,000)	(2,400,000)	2,559,767	-	159,767
Fund Balance, Beginning of Year	2,297,771	2,400,000	2,400,000	(102,229)	-	2,297,771
Fund Balance, End of Year	\$ 2,457,538	\$ -	\$ -	\$ 2,457,538	\$ -	\$ 2,457,538

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CHARTER SCHOOLS SERVICES FUND
YEAR ENDED JUNE 30, 2022

	Actual Budget and GAAP Basis	Budget		Variance with Final Budget
		Adopted	Final	
Revenues:				
State Sources	\$ 31,784	\$ 20,000	\$ 20,000	\$ 11,784
Local Sources	5,301,640	6,000,000	6,000,000	(698,360)
Interest Received	6,853	30,000	30,000	(23,147)
Total Revenues	5,340,277	6,050,000	6,050,000	(709,723)
Expenditures:				
Current:				
Instruction	5,340,277	7,400,000	7,400,000	2,059,723
Net Change in Fund Balance	-	(1,350,000)	(1,350,000)	1,350,000
Fund Balance, Beginning of Year	-	1,350,000	1,350,000	(1,350,000)
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -



OTHER FINANCIAL SCHEDULES

SALEM-KEIZER SCHOOL DISTRICT 24J
REVENUE SUMMARY BY ALL FUNDS
YEAR ENDED JUNE 30, 2022

	<u>Fund 100</u>	<u>Fund 200</u>	<u>Fund 300</u>
Local Sources:			
1110 Current Year Taxes	\$ 89,576,163	\$ -	\$ 55,832,864
1112 Prior Year Taxes	2,160,470	-	1,099,337
1113 Foreclosed Property Taxes	139,910	-	-
1114 Payments in Lieu of Property Taxes	207,205	-	-
1190 Penalties and Interest on Property Taxes	6,929	-	4,327
1311 Tuition from Individuals	265	-	-
1312 Tuition from Other Districts	8,360	31,177	-
1412 Transportation Fees From Other Districts Within the State	7,017	-	-
1500 Earnings on Investments	(19,618)	58,592	162,027
1600 Food Service	-	85,446	-
1700 Extracurricular Activities	-	2,625,711	-
1800 Community Services Activities	-	4,910	-
1910 Rentals	333,478	9,277	-
1920 Contributions from Private Sources	494	808,342	-
1940 Services Provided	88,775	-	-
1950 Textbook Sales and Rentals	-	1,235	-
1960 Recovery of Prior Years' Expenditure	105,535	400	-
1970 Services Provided Other Funds	-	-	29,273,832
1980 Fees Charged to Grants	3,766,987	-	-
1990 Miscellaneous	13,690,457	2,007,925	-
Total Local Sources	110,072,427	5,633,015	86,372,387
Intermediate Sources:			
2101 County School Funds	1,488,334	-	-
2102 General ESD Funds	17,845,697	-	-
2199 Other Intermediate Sources	162,932	-	102,010
2200 Restricted Revenue	-	655,866	-
Total Intermediate Sources	19,496,963	655,866	102,010
State Sources:			
3101 State School Fund	377,978,487	-	-
3102 State School Fund - School Lunch Match	-	181,445	-
3103 Common School Fund	4,614,782	-	-
3199 Other Unrestricted Grants-in-Aid	3,334,207	-	-
3222 State School Fund (SSF) Transportation Equipment	-	1,087,423	-
3299 Other Restricted Grants-in-Aid	1,625	50,891,355	-
Total State Sources	385,929,101	52,160,223	-
Federal Sources:			
4300 Restricted Federal Revenue	-	190,228	-
4500 Restricted Federal Revenue through State	197,837	79,514,338	-
4801 Federal Forest Fees	419	-	-
4900 Revenue on behalf of District	-	1,670,803	-
Total Federal Sources	198,256	81,375,369	-
Other Sources:			
5200 Interfund Transfers	-	935,844	-
5300 Sale of Capital Assets	22,557	-	-
5400 Resources - Beginning Fund Balance	121,196,548	50,982,406	29,822,354
Total Other Sources	121,219,105	51,918,250	29,822,354
Total Revenues	\$ 636,915,852	\$ 191,742,723	\$ 116,296,751

Fund 400	Fund 600	Fund 700	Total
\$ -	\$ -	\$ -	\$ 145,409,027
-	-	-	3,259,807
-	-	-	139,910
-	-	-	207,205
-	-	-	11,256
-	-	-	265
-	-	-	39,537
-	-	-	7,017
627,662	129,139	-	957,802
-	-	-	85,446
-	-	-	2,625,711
-	-	-	4,910
-	-	-	342,755
-	-	-	808,836
-	68,457	-	157,232
-	-	-	1,235
20,739	1,733	-	128,407
-	9,710,794	-	38,984,626
-	-	-	3,766,987
313,027	8,302,272	36,872	24,350,553
961,428	18,212,395	36,872	221,288,524
-	-	-	1,488,334
-	-	-	17,845,697
-	-	-	264,942
-	-	-	655,866
-	-	-	20,254,839
-	-	-	377,978,487
-	-	-	181,445
-	-	-	4,614,782
-	-	-	3,334,207
-	-	-	1,087,423
-	31,784	-	50,924,764
-	31,784	-	438,121,108
-	-	-	190,228
-	-	-	79,712,175
-	-	-	419
-	-	-	1,670,803
-	-	-	81,573,625
3,096,072	-	-	4,031,916
119,162	-	-	141,719
393,823,281	22,525,977	140,623	618,491,189
397,038,515	22,525,977	140,623	622,664,824
\$ 397,999,943	\$ 40,770,156	\$ 177,495	\$ 1,383,902,920

SALEM-KEIZER SCHOOL DISTRICT 24J
GENERAL FUND (100) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2022

	<u>Object 100</u>	<u>Object 200</u>	<u>Object 300</u>
Instruction:			
1111 Elementary, K-5	\$ 63,306,288	\$ 38,514,570	\$ 547,942
1121 Middle/Junior High Programs	25,537,691	15,009,937	371,549
1122 Middle/Junior High School Extracurricular	584,995	212,057	379,983
1131 High School Programs	35,778,180	20,554,085	609,124
1132 High School Extracurricular	2,568,183	949,155	745,281
1140 Preschool Programs	-	-	3,130
1210 Programs for the Talented and Gifted	202,583	99,268	588
1220 Restrictive Programs for Students with Disabilities	22,731,714	16,347,669	355,789
1250 Less Restrictive Programs for Students with Disabilities	16,150,355	10,713,338	615,757
1260 Treatment and Habilitation	108,998	61,814	5,799
1280 Alternative Education	3,790,504	2,294,278	7,455,115
1291 English Language Learner	8,397,131	5,381,901	5,401
1292 Teen Parent Programs	597,483	345,921	6,669
1294 Youth Corrections Education	30,046	28,257	-
1299 Other Programs	17,550	5,285	6,552
1400 Summer School Programs	11,984	4,747	3,164
Total Instruction	179,813,685	110,522,282	11,111,843
Support Services:			
2110 Attendance and Social Work Services	2,872,735	1,777,675	82,296
2120 Guidance Services	7,390,469	4,443,624	2,244
2130 Health Services	1,737,198	1,057,713	90,964
2140 Psychological Services	893,777	477,107	5,084
2150 Speech Pathology and Audiology Services	3,654,254	2,122,688	1,513,546
2160 Other Student Treatment Services	981,093	599,549	437,300
2190 Service Direction, Student Support Services	287,614	176,990	31,131
2210 Improvement of Instruction Services	2,508,442	1,310,421	253,962
2220 Educational Media Services	2,770,619	1,983,555	96,955
2230 Assessment and Testing	388,082	217,935	103,841
2240 Instructional Staff Development	3,714,752	2,144,629	253,401
2310 Board of Education Services	9,362	3,539	663,709
2320 Executive Administration Services	1,184,985	573,901	27,019
2410 Office of the Principal Services	21,579,217	12,933,744	496,663
2490 Other Support Services - School Administration	1,519,354	806,204	54,437
2520 Fiscal Services	1,655,044	966,827	186,669
2540 Operation and Maintenance of Plant Services	12,707,958	9,598,986	11,680,415
2550 Student Transportation Services	11,278,592	8,896,765	830,243
2570 Internal Services	937,585	406,594	38,276
2620 Planning, Research, Development, Evaluation, Services, Grant Writing and Statistical Services	-	-	16,500
2630 Information Services	601,408	344,680	13,716
2640 Staff Services	2,931,163	1,502,987	342,599
2660 Technology Services	5,922,423	3,336,580	1,521,058
2680 Interpretation and Translation	709,050	483,319	6,996
2690 Other Support Services - Central	-	552,307	220,967
2700 Supplemental Retirement Program	335,351	100,714	-
Total Support Services	88,570,527	56,819,033	18,969,991
Enterprise and Community Services			
3100 Food Service	-	-	505
Facilities Acquisition and Construction:			
4110 Service Area Direction	-	-	48
4120 Site Acquisition and Development Services	-	-	11,000
4150 Building Acquisition, Const., and Improvement Services	-	-	21,703
Total Facilities Acquisition and Construction	-	-	32,751
Other Uses:			
5100 Debt Service	-	-	-
5200 Transfers of Funds	-	-	-
Total Other Uses	-	-	-
Total Expenditures	\$ 268,384,212	\$ 167,341,315	\$ 30,115,090

	<u>Object 400</u>	<u>Object 500</u>	<u>Object 600</u>	<u>Object 700</u>	<u>Total</u>
\$	9,627,798	\$ 9,385	\$ 1,331	\$ -	\$ 112,007,314
	5,182,983	-	66,122	-	46,168,282
	52,504	-	1,058	-	1,230,597
	7,518,956	76,842	106,756	-	64,643,943
	343,088	84,621	75,950	-	4,766,278
	47	-	-	-	3,177
	6,200	-	119	-	308,758
	83,639	-	200	-	39,519,011
	84,057	-	-	-	27,563,507
	17,050	-	-	-	193,661
	141,049	-	27,723	-	13,708,669
	87,993	-	188	-	13,872,614
	12,961	-	-	-	963,034
	-	-	-	-	58,303
	5,076	-	-	-	34,463
	3,912	-	-	-	23,807
	<u>23,167,313</u>	<u>170,848</u>	<u>279,447</u>	<u>-</u>	<u>325,065,418</u>
	13,407	-	-	-	4,746,113
	1,888	-	-	-	11,838,225
	16,078	-	-	-	2,901,953
	-	-	-	-	1,375,968
	-	-	-	-	7,290,488
	1,256	-	-	-	2,019,198
	29,448	-	-	-	525,183
	469,009	-	18,148	-	4,559,982
	376,035	-	322	-	5,227,486
	7,652	-	-	-	717,510
	163,562	-	65,499	-	6,341,843
	1,183	-	32,535	-	710,328
	6,073	-	11,449	-	1,803,427
	715,035	4,193	32,590	-	35,761,442
	56,079	-	6,049	-	2,442,123
	17,404	-	6,610	-	2,832,554
	2,871,060	704,423	99,562	-	37,662,404
	1,426,379	21,652,608	241,094	-	44,325,681
	(47,518)	-	6,064	-	1,341,001
	-	-	-	-	16,500
	37,868	-	3,719	-	1,001,391
	137,712	-	57,245	-	4,971,706
	4,830,150	82,422	25,441	-	15,718,074
	9,891	-	-	-	1,209,256
	-	-	-	-	773,274
	-	-	-	-	436,065
	<u>11,139,651</u>	<u>22,443,646</u>	<u>606,327</u>	<u>-</u>	<u>198,549,175</u>
	-	-	-	-	505
	-	-	-	-	48
	-	-	-	-	11,000
	-	91,947	-	-	113,650
	-	91,947	-	-	124,698
	-	-	285,752	-	285,752
	-	-	-	2,935,844	2,935,844
	-	-	285,752	2,935,844	3,221,596
\$	<u>34,306,964</u>	<u>\$ 22,706,441</u>	<u>\$ 1,171,526</u>	<u>\$ 2,935,844</u>	<u>\$ 526,961,392</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
SPECIAL REVENUE FUNDS (200) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2022

	<u>Object 100</u>	<u>Object 200</u>	<u>Object 300</u>
Instruction:			
1111 Primary, K-5	\$ 4,545,068	\$ 2,786,476	\$ 506,776
1113 Elementary Extracurricular	47,849	17,837	760,628
1121 Middle/Junior High Programs	2,084,226	1,302,078	17,687
1122 Middle/Junior High School Extracurricular	145,208	52,683	83,036
1131 High School Programs	3,046,652	1,761,920	111,251
1132 High School Extracurricular	90,307	28,772	871,348
1140 Pre-Kindergarten Programs	3,190,145	1,955,347	181,617
1220 Restrictive Programs for Students with Disabilities	1,288,690	801,053	7,773
1250 Less Restrictive Programs for Students with Disabilities	1,844,549	1,102,025	13,318
1260 Treatment and Habilitation	437,125	255,175	-
1271 Remediation	614,925	228,486	111,566
1272 Title I	2,998,625	1,867,796	23,730
1280 Alternative Education	572,497	367,592	578,067
1291 English Language Learner	1,289,189	850,359	-
1292 Teen Parent Program	-	-	-
1293 Migrant Education	721,198	415,576	65,460
1299 Other Programs	7,481	2,929	10,589
1400 Summer School Programs	1,848,300	640,290	572,584
Total Instruction	<u>24,772,034</u>	<u>14,436,394</u>	<u>3,915,430</u>
Support Services:			
2110 Attendance and Social Work Services	2,716,025	1,737,258	394,690
2120 Guidance Services	1,091,233	630,566	42,939
2130 Health Services	1,184,618	762,185	323
2140 Psychological Services	274,634	155,506	-
2150 Speech Pathology and Audiology Services	508,599	364,596	-
2160 Other Student Treatment Services	4,184	3,250	1,147
2190 Service Direction, Student Support Services	1,964,001	1,145,540	1,787
2210 Improvement of Instruction Services	2,135,205	1,123,791	36,221
2220 Educational Media Services	-	-	-
2240 Instructional Staff Development	4,304,390	2,201,870	827,947
2410 Office of the Principal	485,814	243,654	177,523
2490 Other Support Services - School Administration	1,429,575	795,556	32,521
2520 Fiscal Services	-	-	8,127
2540 Operation and Maintenance of Plant Services	227,452	174,576	254,665
2550 Student Transportation Services	-	-	-
2570 Internal Services	28,518	9,485	-
2620 Planning, Research, Development, Evaluation	14,383	5,532	2,867
2630 Information Services	47,681	23,940	13,238
2640 Staff Services	8,886,530	3,297,966	49,413
2660 Technology Services	153,570	97,503	467,908
2680 Interpretation and Transpation Services	156,967	107,235	33,290
Total Support Services	<u>25,613,379</u>	<u>12,880,009</u>	<u>2,344,606</u>
Enterprise and Community Services:			
3100 Food Services	163,470	87,974	11,301,397
3300 Community Services	1,746,839	1,082,800	329,985
3500 Custody and Care of Children Services	-	-	43,138
Total Enterprise and Community Services	<u>1,910,309</u>	<u>1,170,774</u>	<u>11,674,520</u>
Facilities Acquisition and Construction:			
4120 Site Acquisition and Development Services	-	-	-
4150 Building Acquisition, Construction, and Improvement	-	-	-
Total Facilities Acquisition and Construction	<u>-</u>	<u>-</u>	<u>-</u>
Other Uses:			
5100 Debt Service	-	-	-
5200 Transfers of Funds	-	-	-
Total Other Uses	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ 52,295,722</u>	<u>\$ 28,487,177</u>	<u>\$ 17,934,556</u>

Object 400	Object 500	Object 600	Object 700	Total
\$ 3,259,656	\$ 8,980	\$ -	\$ -	\$ 11,106,956
345,235	18,941	3,491	-	1,193,981
2,020,180	12,700	896	-	5,437,767
364,773	547,373	4,587	-	1,197,660
4,221,466	622,582	40,391	-	9,804,262
1,362,583	196,300	375,127	-	2,924,437
382,126	-	23,322	-	5,732,557
18,354	-	72	-	2,115,942
193,403	-	80	-	3,153,375
197	-	-	-	692,497
67,645	-	-	-	1,022,622
3,374,686	-	-	-	8,264,837
310,580	137,096	1,035	-	1,966,867
6,210	-	-	-	2,145,758
2,223	-	-	-	2,223
80,062	-	-	-	1,282,296
10,712	-	-	-	31,711
458,275	-	1,944	-	3,521,393
16,478,366	1,543,972	450,945	-	61,597,141
71,764	-	1,477	-	4,921,214
521	-	-	-	1,765,259
4,032	-	-	-	1,951,158
14,791	-	-	-	444,931
53,339	-	-	-	926,534
36,804	-	-	-	45,385
64,565	-	-	-	3,175,893
77,941	55,786	-	-	3,428,944
25,144	-	-	-	25,144
171,705	-	68,439	-	7,574,351
2,916	-	-	-	909,907
9,708	41,937	169	-	2,309,466
2,347	-	3,772,525	-	3,782,999
314,606	531,635	-	-	1,502,934
-	5,270,014	-	-	5,270,014
-	78,654	-	-	116,657
1,797	-	-	-	24,579
656	-	365	-	85,880
10,229	-	2,085	-	12,246,223
862,965	-	12,395	-	1,594,341
8,607	-	-	-	306,099
1,734,437	5,978,026	3,857,455	-	52,407,912
1,858,376	336,653	459,256	-	14,207,126
443,584	-	-	-	3,603,208
-	-	-	-	43,138
2,301,960	336,653	459,256	-	17,853,472
-	1,108,879	-	-	1,108,879
-	812,075	-	-	812,075
-	1,920,954	-	-	1,920,954
-	-	709,670	-	709,670
-	-	-	1,096,072	1,096,072
-	-	709,670	1,096,072	1,805,742
\$ 20,514,763	\$ 9,779,605	\$ 5,477,326	\$ 1,096,072	\$ 135,585,221



**SALEM-KEIZER SCHOOL DISTRICT 24J
DEBT SERVICE FUNDS (300) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2022**

	<u>Object 600</u>	<u>Total</u>
Other Uses:		
5100 Debt Service	\$ 84,588,372	\$ 84,588,372
Total Expenditures	<u>\$ 84,588,372</u>	<u>\$ 84,588,372</u>

**SALEM-KEIZER SCHOOL DISTRICT 24J
CAPITAL PROJECTS FUNDS (400) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2022**

	<u>Object 100</u>	<u>Object 200</u>	<u>Object 300</u>
Support Services:			
2540 Operation and Maintenance of Plant	\$ -	\$ -	\$ 6,800
Facilities Acquisition and Construction:			
4110 Direction	975,264	517,105	5,047,662
4120 Site Acquisition and Development Services	-	-	-
4150 Building Acquisition, Construction, and Improvement Services	-	-	96,490
4180 Other Capital Items	-	-	-
Total Facilities Acquisition and Construction	<u>975,264</u>	<u>517,105</u>	<u>5,144,152</u>
Total Expenditures	<u>\$ 975,264</u>	<u>\$ 517,105</u>	<u>\$ 5,150,952</u>

<u>Object 400</u>	<u>Object 500</u>	<u>Object 600</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ 6,800
24,343	-	6,776	6,571,151
-	13,228,020	-	13,228,020
7,543	152,300,258	-	152,404,291
<u>32,729</u>	<u>3,227,647</u>	<u>-</u>	<u>3,260,376</u>
<u>64,616</u>	<u>168,755,925</u>	<u>6,776</u>	<u>175,463,838</u>
<u>\$ 64,616</u>	<u>\$ 168,755,925</u>	<u>\$ 6,776</u>	<u>\$ 175,470,638</u>

**SALEM-KEIZER SCHOOL DISTRICT 24J
INTERNAL SERVICE FUNDS (600) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2022**

	<u>Object 100</u>	<u>Object 200</u>	<u>Object 300</u>
Instruction:			
1280 Alternative Education	\$ 1,511,136	\$ 915,594	\$ 2,873,818
Support Services:			
2110 Attendance and Social Work Services	-	-	331,067
2520 Fiscal Services	714,573	567,908	2,798,075
2540 Operation and Maintenance of Plant	18,633	16,964	-
2570 Other Internal Services	839,140	553,593	607,350
Total Support Services	<u>1,572,346</u>	<u>1,138,465</u>	<u>3,736,492</u>
 Total Expenditures	 <u>\$ 3,083,482</u>	 <u>\$ 2,054,059</u>	 <u>\$ 6,610,310</u>

<u>Object 400</u>	<u>Object 500</u>	<u>Object 600</u>	<u>Total</u>
\$ 20,666	\$ -	\$ 19,063	\$ 5,340,277
-	-	-	331,067
135,224	95,071	2,079,907	6,390,758
-	-	-	35,597
2,365,992	20,811	257	4,387,143
<u>2,501,216</u>	<u>115,882</u>	<u>2,080,164</u>	<u>11,144,565</u>
<u>\$ 2,521,882</u>	<u>\$ 115,882</u>	<u>\$ 2,099,227</u>	<u>\$ 16,484,842</u>



**SALEM-KEIZER SCHOOL DISTRICT 24J
FIDUCIARY FUND (700) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2022**

	<u>Object 400</u>	<u>Total</u>
Enterprise and Community Services:		
3300 Community Services	\$ 38,680	\$ 38,680
Total Expenditures	<u>\$ 38,680</u>	<u>\$ 38,680</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF FULL FAITH & CREDIT OBLIGATIONS AND INTEREST TRANSACTIONS
YEAR ENDED JUNE 30, 2022

<u>Issue Date</u>	<u>Principal</u>				
	<u>Original Amount</u>	<u>Outstanding July 1, 2021</u>	<u>Matured</u>	<u>Redeemed</u>	<u>Outstanding June 30, 2022</u>
October 22, 2020	\$ 60,392,940	\$ 60,392,940	\$ -	\$ -	\$ 60,392,940

SCHEDULE OF GENERAL OBLIGATION BOND AND INTEREST TRANSACTIONS
YEAR ENDED JUNE 30, 2022

<u>Issue Date</u>	<u>Principal</u>				
	<u>Original Amount</u>	<u>Outstanding July 1, 2021</u>	<u>Matured</u>	<u>Redeemed</u>	<u>Outstanding June 30, 2022</u>
March 16, 2009	\$ 178,715,189	\$ 93,310,352	\$ 12,006,865	\$ 12,006,865	\$ 81,303,487
July 25, 2018	383,230,000	361,570,000	6,585,000	6,585,000	354,985,000
July 7, 2020	236,467,346	236,467,346	1,307,925	1,307,925	235,159,421
	<u>\$ 798,412,535</u>	<u>\$ 691,347,698</u>	<u>\$ 19,899,790</u>	<u>\$ 19,899,790</u>	<u>\$ 671,447,908</u>

SCHEDULE OF LIMITED TAX PENSION BOND AND INTEREST TRANSACTIONS
YEAR ENDED JUNE 30, 2022

<u>Issue Date</u>	<u>Principal</u>				
	<u>Original Amount</u>	<u>Outstanding July 1, 2021</u>	<u>Matured</u>	<u>Redeemed</u>	<u>Outstanding June 30, 2022</u>
October 31, 2002	\$ 106,974,763	\$ 77,765,000	\$ 8,670,000	\$ 8,670,000	\$ 69,095,000
February 19, 2004	88,815,000	57,130,000	6,370,000	6,370,000	50,760,000
January 29, 2015	50,145,000	36,310,000	2,410,000	2,410,000	33,900,000
	<u>\$ 245,934,763</u>	<u>\$ 171,205,000</u>	<u>\$ 17,450,000</u>	<u>\$ 17,450,000</u>	<u>\$ 153,755,000</u>

	Interest	
Interest Coupon Rates	Matured	Redeemed
0.44%-3.00%	\$ -	\$ -

	Interest	
Interest Coupon Rates	Matured	Redeemed
4.01%-5.84%	\$ 11,603,135	\$ 11,603,135
4.00%-5.00%	17,908,500	17,908,500
2.59%-5.00%	9,007,125	9,007,125
	<u>\$ 38,518,760</u>	<u>\$ 38,518,760</u>

	Interest	
Interest Coupon Rates	Matured	Redeemed
2.06%-6.10%	\$ 4,304,015	\$ 4,304,015
3.67%-5.53%	3,154,643	3,154,643
0.35%-3.82%	1,261,164	1,261,164
	<u>\$ 8,719,822</u>	<u>\$ 8,719,822</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF FUTURE DEBT SERVICE REQUIREMENT OF
FULL FAITH & CREDIT OBLIGATIONS
YEAR ENDED JUNE 30, 2022

Fiscal Year	Principal	Interest	Total
2023	\$ 5,525,324	\$ 64,676	\$ 5,590,000
2024	5,468,217	116,783	5,585,000
2025	5,396,362	193,638	5,590,000
2026	5,273,134	311,866	5,585,000
2027	5,144,399	440,601	5,585,000
2028	5,002,154	592,846	5,595,000
2029	4,824,792	770,208	5,595,000
2030	4,653,081	941,918	5,594,999
2031	1,635,448	409,552	2,045,000
2032	1,568,597	476,403	2,045,000
2033	1,512,265	537,736	2,050,001
2034	1,452,993	592,007	2,045,000
2035	1,396,715	648,284	2,044,999
2036	1,350,354	694,646	2,045,000
2037	1,306,407	738,593	2,045,000
2038	1,262,890	782,110	2,045,000
2039	1,219,843	825,158	2,045,001
2040	1,177,347	867,653	2,045,000
2041	1,106,446	939,725	2,046,171
2042	1,075,245	973,325	2,048,570
2043	1,044,044	1,005,198	2,049,242
2044	1,012,842	1,035,250	2,048,092
2045	984,041	1,065,959	2,050,000
Total Future Payments	<u>\$ 60,392,940</u>	<u>\$ 15,024,135</u>	<u>\$ 75,417,075</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF FUTURE DEBT SERVICE REQUIREMENT OF
GENERAL OBLIGATION BONDS
YEAR ENDED JUNE 30, 2022

Fiscal Year	Principal	Interest	Total
2023	\$ 21,023,318	\$ 39,257,483	\$ 60,280,801
2024	22,252,407	39,953,644	62,206,051
2025	23,513,064	40,615,237	64,128,301
2026	24,853,785	41,200,266	66,054,051
2027	26,314,990	41,720,060	68,035,050
2028	28,008,499	42,066,551	70,075,050
2029	29,792,624	42,385,176	72,177,800
2030	31,728,223	42,617,823	74,346,046
2031	33,761,936	20,780,364	54,542,300
2032	37,057,596	19,122,704	56,180,300
2033	40,563,951	17,301,349	57,865,300
2034	44,296,228	15,305,322	59,601,550
2035	48,390,163	12,997,387	61,387,550
2036	53,540,000	9,879,200	63,419,200
2037	57,810,000	7,434,150	65,244,150
2038	62,410,000	4,791,950	67,201,950
2039	56,202,487	12,895,263	69,097,750
2040	29,928,637	20,461,363	50,390,000
Total Future Payments	<u>\$ 671,447,908</u>	<u>\$ 470,785,292</u>	<u>\$ 1,142,233,200</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF FUTURE DEBT SERVICE REQUIREMENT OF
LIMITED TAX PENSION OBLIGATION BONDS
YEAR ENDED JUNE 30, 2022

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 19,455,000	\$ 7,832,091	\$ 27,287,091
2024	21,620,000	6,828,154	28,448,154
2025	23,960,000	5,696,627	29,656,627
2026	26,480,000	4,434,650	30,914,650
2027	29,205,000	3,030,190	32,235,190
2028	15,155,000	1,472,653	16,627,653
2029	2,990,000	682,658	3,672,658
2030	3,105,000	568,500	3,673,500
2031	3,225,000	449,951	3,674,951
2032	3,350,000	326,821	3,676,821
2033	3,475,000	198,918	3,673,918
2034	1,735,000	66,242	1,801,242
Total Future Payments	<u>\$ 153,755,000</u>	<u>\$ 31,587,455</u>	<u>\$ 185,342,455</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
SUPPLEMENTAL INFORMATION, 2021-2022
(REQUIRED BY THE OREGON DEPARTMENT OF EDUCATION)

A. Energy Bill for Heating - All Funds

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

	Objects 325, 326 & 327	
Function 2540	\$	7,034,729
Function 2550	\$	1,960

B. Replacement of Equipment - General Fund

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

Exclude these functions:

\$	-
----	---

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



STATISTICAL SECTION

SALEM-KEIZER SCHOOL DISTRICT 24J
STATISTICAL SECTION
OVERVIEW

This part of the District's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the District.

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the District's most significant local revenue sources, state school fund and property taxes.

Debt Capacity

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

SALEM-KEIZER SCHOOL DISTRICT 24J
STATISTICAL SECTION
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SALEM-KEIZER SCHOOL DISTRICT 24J
CONDENSED STATEMENT OF NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS ENDED JUNE 30

GOVERNMENTAL ACTIVITIES	2022	2021	2020	2019
ASSETS:				
Current and Other Assets	\$ 528,106,867	\$ 700,858,259	\$ 494,319,483	\$ 609,264,092
Net Capital Assets	1,005,066,069	801,896,538	617,445,293	478,549,171
Prepaid Pension Contributions	-	-	-	-
Pension Assets	-	-	-	-
Net OPEB Asset - RHIA	6,439,575	8,191,813	4,534,037	2,606,873
TOTAL ASSETS	1,539,612,511	1,510,946,610	1,116,298,813	1,090,420,136
DEFERRED OUTFLOWS OF RESOURCES:				
Pension Deferred Outflow - PERS	136,228,612	160,611,856	135,340,489	162,541,689
OPEB Deferred Outflows - RHIA	2,803,638	961,169	287,100	1,162,909
OPEB Deferred Outflows - RHIS	6,846,120	8,401,992	9,957,864	8,711,901
Deferred Amount on Bond Refunding	-	-	18,000	36,000
TOTAL DEFERRED OUTFLOWS	145,878,370	169,975,017	145,603,453	172,452,499
LIABILITIES:				
Other Liabilities	185,771,737	184,401,173	172,393,918	138,461,336
Long-term Debt Outstanding	990,394,178	1,035,583,925	732,424,065	786,869,702
Total OPEB Liability - RHIS	36,325,547	45,257,250	42,329,949	37,586,012
Net Pension Liability - PERS	257,260,647	494,604,136	394,594,093	370,018,658
Total Pension Liability - Stipend Benefits	-	-	-	16,442
Net OPEB Liability - RHIA	-	-	-	-
TOTAL LIABILITIES	1,469,752,109	1,759,846,484	1,341,742,025	1,332,952,150
DEFERRED INFLOWS OF RESOURCES:				
Pension Deferred Inflow - PERS	227,697,518	30,856,512	39,461,209	27,893,900
OPEB Deferred Inflows - RHIA	2,614,113	2,983,118	891,224	723,844
OPEB Deferred Inflows - RHIS	11,309,458	429,871	491,281	-
Lease Related Deferred Inflows	2,484,978	2,627,644	-	-
Deferred Amount on Bond Refunding	-	-	-	-
TOTAL DEFERRED INFLOWS	244,106,067	36,897,145	40,843,714	28,617,744
NET POSITION:				
Net Investment in Capital Assets	405,097,355	380,186,383	354,844,900	312,831,305
Restricted	950,455	762,372	1,167,616	469,654
Unrestricted	(434,415,105)	(496,770,757)	(476,695,989)	(411,998,218)
TOTAL NET POSITION	\$ (28,367,295)	\$ (115,822,002)	\$ (120,683,473)	\$ (98,697,259)
BUSINESS TYPE ACTIVITIES				
ASSETS:				
Current and Other Assets	\$ -	\$ -	\$ -	\$ 38,321
Pension Assets	-	-	-	-
TOTAL ASSETS	-	-	-	38,321
DEFERRED OUTFLOWS OF RESOURCES:				
Pension Deferred Outflow - PERS	-	-	-	-
LIABILITIES:				
Other Liabilities	-	-	-	-
Net Pension Liability - PERS	-	-	-	-
TOTAL LIABILITIES	-	-	-	-
DEFERRED INFLOWS OF RESOURCES:				
Pension Deferred Inflows - PERS	-	-	-	-
NET POSITION:				
Unrestricted	-	-	-	38,321
TOTAL NET POSITION	\$ -	\$ -	\$ -	\$ 38,321

Source: Salem-Keizer Public Schools

GASB 68 and GASB 65 were implemented in FY 2015 and FY 2014, respectively.

FY 2017 was restated for GASB 75 implementation and FY 2019 was restated for prior period adjustment.

FY 2020 was restated for GASB 84 implementation.

FY 2021 was restated for GASB 87 implementation.

2018	2017	2016	2015	2014	2013
\$ 150,258,866	\$ 143,080,056	\$ 158,919,641	\$ 174,587,436	\$ 167,122,010	\$ 182,598,792
451,356,649	434,278,494	431,323,086	416,135,610	406,135,755	402,081,426
-	-	-	-	183,232,781	187,132,689
-	-	-	56,333,378	-	-
968,900	-	-	-	-	-
<u>602,584,415</u>	<u>577,358,550</u>	<u>590,242,727</u>	<u>647,056,424</u>	<u>756,490,546</u>	<u>771,812,907</u>
138,738,558	202,049,375	69,109,541	79,382,440	-	-
1,130,778	1,156,047	-	-	-	-
-	-	-	-	-	-
571,117	1,128,720	1,686,323	2,243,926	2,801,529	3,359,132
<u>140,440,453</u>	<u>204,334,142</u>	<u>70,795,864</u>	<u>81,626,366</u>	<u>2,801,529</u>	<u>3,359,132</u>
119,638,031	108,901,550	132,742,800	123,195,104	82,205,188	92,690,300
373,916,867	409,111,237	441,939,451	474,986,624	488,389,939	518,923,136
25,441,981	23,747,374	-	-	-	-
313,463,307	330,280,248	122,378,153	-	-	-
305,933	1,204,740	-	-	-	-
-	638,414	-	-	-	-
<u>832,766,119</u>	<u>873,883,563</u>	<u>697,060,404</u>	<u>598,181,728</u>	<u>570,595,127</u>	<u>611,613,436</u>
9,580,033	6,909,596	31,727,285	108,700,599	-	-
454,544	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	99,458
<u>10,034,577</u>	<u>6,909,596</u>	<u>31,727,285</u>	<u>108,700,599</u>	<u>-</u>	<u>99,458</u>
284,229,566	245,110,046	221,821,653	194,496,722	172,893,673	153,807,226
129,021	2,507,364	6,904,637	6,877,725	9,841,417	2,471,931
(384,134,415)	(346,717,877)	(296,475,388)	(179,573,984)	5,961,858	7,179,988
<u>\$ (99,775,828)</u>	<u>\$ (99,100,467)</u>	<u>\$ (67,749,098)</u>	<u>\$ 21,800,463</u>	<u>\$ 188,696,948</u>	<u>\$ 163,459,145</u>
\$ 194,319	\$ 525,894	\$ 333,869	\$ 258,570	\$ 251,499	\$ -
-	-	-	38,829	-	-
<u>194,319</u>	<u>525,894</u>	<u>333,869</u>	<u>297,399</u>	<u>251,499</u>	<u>-</u>
-	125,548	47,249	18,859	-	-
55,998	9,055	8,441	7,940	780	-
-	205,226	83,667	-	-	-
<u>55,998</u>	<u>214,281</u>	<u>92,108</u>	<u>7,940</u>	<u>780</u>	<u>-</u>
-	4,294	21,692	74,925	-	-
138,321	432,867	267,318	233,393	250,719	-
<u>\$ 138,321</u>	<u>\$ 432,867</u>	<u>\$ 267,318</u>	<u>\$ 233,393</u>	<u>\$ 250,719</u>	<u>\$ -</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS ENDED JUNE 30
(ACCRUAL BASIS OF ACCOUNTING)

	2022	2021	2020	2019
Expenses				
Governmental Activities				
Instructional Programs	\$ 374,254,812	\$ 382,302,838	\$ 368,583,635	\$ 355,262,280
Support Services:				
Student Transportation Services	21,800,485	24,551,452	22,324,258	20,917,985
Other Support Services	205,314,636	195,381,796	184,097,364	171,153,523
Community Services	17,220,806	3,372,167	2,859,575	2,279,807
Food Services	148,724	8,556,429	14,379,549	16,387,924
Facilities Services	4,988,379	10,317,947	7,332,653	6,898,483
Interest and Fees on Long-term Debt	41,085,225	42,452,111	38,439,497	38,440,258
Total Governmental Activities Expenses	<u>664,813,067</u>	<u>666,934,740</u>	<u>638,016,531</u>	<u>611,340,260</u>
Business-type Activities				
Community Services	-	-	-	-
Total Primary Government Expenses	<u>\$ 664,813,067</u>	<u>\$ 666,934,740</u>	<u>\$ 638,016,531</u>	<u>\$ 611,340,260</u>
Program Revenues				
Governmental Activities				
Charges for Services:				
Instructional Programs	\$ 9,218,031	\$ 7,260,260	\$ 9,217,812	\$ 10,310,704
Other Support Services	17,000,636	11,367,254	14,438,165	14,722,712
Community Services	4,910	-	5,765	7,450
Food Services	110,711	125,049	1,537,548	2,123,827
Facilities Services	-	-	-	-
Operating Grants and Contributions	131,911,910	84,573,738	52,279,934	59,556,267
Capital Grants and Contributions	23,881,582	15,125,100	4,742,854	3,449,971
Total Governmental Activities Program Revenues	<u>182,127,780</u>	<u>118,451,401</u>	<u>82,222,078</u>	<u>90,170,931</u>
Business-type Activities				
Rentals	-	-	-	-
Charges for Services	-	-	-	-
Total Business-type Activities Program Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Primary Government Net (Expenses)	<u>\$ 482,685,287</u>	<u>\$ 548,483,339</u>	<u>\$ 555,794,453</u>	<u>\$ 521,169,329</u>
General Revenues				
Governmental Activities				
Property Taxes Levied for Gen Purposes	\$ 92,160,299	\$ 88,582,248	\$ 84,920,119	\$ 82,622,898
Property Taxes Levied for Debt Service	57,065,388	55,384,889	51,092,658	52,226,988
Intermediate Sources	18,180,639	17,720,109	17,027,680	17,897,299
State School Fund - General Support	378,106,583	371,745,116	356,550,799	344,069,980
State School Fund - Unrestricted Grants	3,334,207	4,346,180	2,218,809	1,683,189
Common School Fund	4,614,782	8,978,724	4,044,246	4,472,941
Federal Sources - General Support	198,256	6,682	138,783	127,616
Unrestricted State and Local Sources	2,179,782	3,082,050	1,341,310	530,183
Gain on Sale of Capital Asset	141,719	1,265,018	32,195	234,328
Earnings on Investments	919,645	1,901,891	15,790,789	17,797,471
Transfers	-	-	38,321	100,000
Miscellaneous	13,238,694	331,903	411,456	485,005
Total Governmental Activities General Revenues	<u>570,139,994</u>	<u>553,344,810</u>	<u>533,607,165</u>	<u>522,247,898</u>
Business-type Activities				
Transfers	-	-	(38,321)	(100,000)
Total Primary Government General Revenues	<u>\$ 570,139,994</u>	<u>\$ 553,344,810</u>	<u>\$ 533,568,844</u>	<u>\$ 522,147,898</u>
CHANGE IN NET POSITION				
Governmental Activities	\$ 87,454,707	\$ 4,861,471	\$ (22,187,288)	\$ 1,078,569
Business-type Activities	-	-	(38,321)	-
Total Primary Government	<u>\$ 87,454,707</u>	<u>\$ 4,861,471</u>	<u>\$ (22,225,609)</u>	<u>\$ 1,078,569</u>

Source: Salem-Keizer Public Schools

GASB 68 and GASB 65 were implemented in FY 2015 and FY 2014, respectively.

FY 2017 was restated for GASB 75 implementation and FY 2019 was restated for prior period adjustment.

FY 2020 was restated for GASB 84 implementation.

FY 2021 was restated for GASB 87 implementation.

2018	2017	2016	2015	2014	2013
\$ 335,870,638	\$ 313,305,655	\$ 347,430,098	\$ 214,216,158	\$ 252,926,140	\$ 234,466,357
20,020,014	17,897,990	19,138,280	12,787,985	16,577,771	14,403,373
168,006,337	161,487,750	177,865,936	119,119,707	132,946,384	126,653,501
602,857	541,402	1,827,365	520,377	506,316	606,348
16,858,814	16,428,499	13,691,167	14,919,866	13,905,716	13,369,351
6,753,676	7,233,788	14,983,797	-	7,348,527	11,294,252
23,818,015	24,129,832	24,605,017	24,167,352	28,007,778	28,767,980
571,930,351	541,024,916	599,541,660	385,731,445	452,218,632	429,561,162
842,723	454,563	447,807	355,360	238,658	-
<u>\$ 572,773,074</u>	<u>\$ 541,479,479</u>	<u>\$ 599,989,467</u>	<u>\$ 386,086,805</u>	<u>\$ 452,457,290</u>	<u>\$ 429,561,162</u>
\$ 11,566,298	\$ 9,608,492	\$ 9,824,531	\$ 9,000,662	\$ 8,216,193	\$ 9,124,176
12,334,403	11,756,109	11,002,719	8,773,438	9,709,131	9,118,348
6,225	5,898	1,985	144,636	247,641	248,610
1,893,936	1,491,208	1,414,001	1,540,266	1,573,325	1,694,011
-	-	4,378	-	-	-
56,428,169	51,486,135	49,340,622	71,871,907	70,413,215	62,088,322
2,302,378	2,215,097	2,757,207	1,807,810	1,316,550	3,596,746
84,531,409	76,562,939	74,345,443	93,138,719	91,476,055	85,870,213
439,260	388,714	367,528	310,824	339,950	-
108,917	231,398	114,204	97,608	149,427	-
548,177	620,112	481,732	408,432	489,377	-
<u>\$ 487,693,488</u>	<u>\$ 464,296,428</u>	<u>\$ 525,162,292</u>	<u>\$ 292,539,654</u>	<u>\$ 360,491,858</u>	<u>\$ 343,690,949</u>
\$ 81,236,264	\$ 76,773,738	\$ 71,975,251	\$ 68,784,828	\$ 66,459,654	\$ 64,534,344
27,772,256	22,397,658	33,676,046	30,432,693	32,677,947	31,983,475
15,973,995	15,048,073	14,481,720	13,766,319	12,571,832	13,081,146
339,031,332	309,535,499	302,486,193	289,804,828	262,566,142	234,837,668
4,025,402	2,338,323	4,594,624	2,300,856	2,748,385	1,277,087
2,093,749	5,009,361	4,796,275	3,905,074	3,644,939	3,815,555
21,724	32,024	251,928	162,004	209,801	212,007
12,269,171	956,168	11,252	879,048	820,584	1,205,329
10,306	22,763	196,908	2,492	878,681	-
3,316,431	1,606,505	1,627,285	1,371,023	395,640	632,285
-	-	-	-	-	-
972,951	398,691	540,979	2,668,228	3,006,775	3,177,473
486,723,581	434,118,803	434,638,461	414,077,393	385,980,380	354,756,369
-	-	-	-	-	-
<u>\$ 486,723,581</u>	<u>\$ 434,118,803</u>	<u>\$ 434,638,461</u>	<u>\$ 414,077,393</u>	<u>\$ 385,980,380</u>	<u>\$ 354,756,369</u>
\$ (675,361)	\$ (30,343,174)	\$ (90,557,756)	\$ 121,484,667	\$ 25,237,803	\$ 11,065,420
(294,546)	165,549	33,925	53,072	250,719	-
<u>\$ (969,907)</u>	<u>\$ (30,177,625)</u>	<u>\$ (90,523,831)</u>	<u>\$ 121,537,739</u>	<u>\$ 25,488,522</u>	<u>\$ 11,065,420</u>



SALEM-KEIZER SCHOOL DISTRICT 24J
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS ENDED JUNE 30
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
General Fund:					
Nondspendable	\$ 466,607	\$ 355,937	\$ 275,413	\$ 292,801	\$ 244,987
Committed	10,693,822	32,214,380	-	-	-
Unassigned	98,794,031	88,626,231	65,461,353	58,554,853	51,233,046
Total General Fund	<u>\$ 109,954,460</u>	<u>\$ 121,196,548</u>	<u>\$ 65,736,766</u>	<u>\$ 58,847,654</u>	<u>\$ 51,478,033</u>
All Other Governmental Funds:					
Nondspendable	\$ 1,469,990	\$ -	\$ -	\$ -	\$ -
Restricted	214,192,511	388,684,395	287,561,874	438,199,597	2,156,170
Committed	44,084,484	47,708,592	13,006,367	12,203,848	11,354,130
Assigned	50,648,201	38,235,054	31,509,227	31,628,482	27,120,079
Total All Other Governmental Funds	<u>\$ 310,395,186</u>	<u>\$ 474,628,041</u>	<u>\$ 332,077,468</u>	<u>\$ 482,031,927</u>	<u>\$ 40,630,379</u>
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General Fund:					
Nondspendable	\$ 287,315	\$ 248,221	\$ 296,170	\$ 204,599	\$ 241,073
Unassigned	44,265,384	49,197,236	44,135,114	32,924,527	27,126,649
Total General Fund	<u>\$ 44,552,699</u>	<u>\$ 49,445,457</u>	<u>\$ 44,431,284</u>	<u>\$ 33,129,126</u>	<u>\$ 27,367,722</u>
All Other Governmental Funds:					
Restricted	\$ 8,871,290	\$ 17,841,499	\$ 31,825,537	\$ 53,449,632	\$ 73,459,724
Committed	10,904,796	10,496,094	20,930,154	8,611,984	81,376
Assigned	25,476,685	25,565,756	21,285,837	18,429,846	13,316,478
Total All Other Governmental Funds	<u>\$ 45,252,771</u>	<u>\$ 53,903,349</u>	<u>\$ 74,041,528</u>	<u>\$ 80,491,462</u>	<u>\$ 86,857,578</u>

Source: Salem-Keizer Public Schools

SALEM-KEIZER SCHOOL DISTRICT 24J
PRIMARY GOVERNMENT-WIDE REVENUES
LAST TEN FISCAL YEARS ENDED JUNE 30

Year Ended June 30	Program Revenues						
	Total	Charges for Services	Operating Contributions	Capital Grants and Contributions	Property Taxes- General Purpose	Property Taxes- Debt Service	Intermediate Sources
2022	\$ 752,267,774	\$ 26,334,288	\$ 131,911,910	\$ 23,881,582	\$ 92,160,299	\$ 57,065,388	\$ 18,180,639
2021	671,796,211	18,752,563	84,573,738	15,125,100	88,582,248	55,384,889	17,720,109
2020	615,786,522	25,199,290	52,279,934	4,742,854	84,920,119	51,092,658	17,027,680
2019	612,318,829	27,164,693	59,556,267	3,449,971	82,622,898	52,226,988	17,897,299
2018	571,803,167	26,349,039	56,428,169	2,302,378	81,236,264	27,772,256	15,973,995
2017	511,301,854	23,481,819	51,486,135	2,215,097	76,773,738	22,397,658	15,048,073
2016	509,465,636	22,729,346	49,340,622	2,757,207	71,975,251	33,676,046	14,481,720
2015	507,624,544	19,867,434	71,871,907	1,807,810	68,784,828	30,432,693	13,766,319
2014	477,945,812	20,235,667	70,413,215	1,316,550	66,459,654	32,677,947	12,571,832
2013	440,626,582	20,185,145	62,088,322	3,596,746	64,534,344	31,983,475	13,081,146

Source: Salem-Keizer Public Schools

General Revenues

State School Fund General Support	State School Fund Unrestricted Other	Common School Fund	Federal Sources General	Unrestricted State and Local Sources	Earnings (Loss) on Investments	Miscellaneous Revenue
\$ 378,106,583	\$ 3,334,207	\$ 4,614,782	\$ 198,256	\$ 2,179,782	\$ 919,645	\$ 13,380,413
371,745,116	4,346,180	8,978,724	6,682	3,082,050	1,901,891	1,596,921
356,550,799	2,218,809	4,044,246	138,783	1,341,310	11,825,284	4,404,756
344,069,980	1,683,189	4,472,941	127,616	530,183	13,517,879	4,998,925
339,031,332	4,025,402	2,093,749	21,724	12,269,171	3,295,569	1,004,119
309,535,499	2,338,323	5,009,361	32,024	956,168	1,431,159	596,800
302,486,193	4,594,624	4,796,275	251,928	11,252	1,500,772	864,400
289,804,828	2,300,856	3,905,074	162,004	879,048	1,371,023	2,670,720
262,566,142	2,748,385	3,644,939	209,801	820,584	395,640	3,885,456
234,837,668	1,277,087	3,815,555	212,007	1,205,329	632,285	3,177,473

SALEM-KEIZER SCHOOL DISTRICT 24J
GOVERNMENTAL FUNDS REVENUES, EXPENDITURES,
OTHER FINANCING SOURCES (USES), AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS ENDED JUNE 30
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2022	2021	2020	2019	2018
Revenues					
Property and Other Taxes	\$ 149,027,204	\$ 144,007,283	\$ 135,992,586	\$ 137,317,534	\$ 106,700,437
Local Sources	53,221,547	32,796,419	34,357,085	37,941,291	49,366,151
Earnings on Investments	790,506	1,705,825	15,227,597	17,186,321	2,876,012
Intermediate Sources	20,254,839	18,650,380	19,320,846	18,467,155	17,848,658
State Sources	438,089,324	425,004,136	377,933,189	368,027,812	355,335,685
Federal Sources	81,573,625	57,718,489	39,447,382	42,178,777	44,682,347
Total Revenues	<u>742,957,045</u>	<u>679,882,532</u>	<u>622,278,685</u>	<u>621,118,890</u>	<u>576,809,290</u>
Expenditures					
Current					
Instruction	386,692,634	339,621,059	326,889,674	322,815,594	311,562,536
Support Services	251,856,234	196,489,990	177,939,387	175,060,464	169,597,479
Enterprise and Community Services	3,646,346	3,095,363	2,607,657	2,118,659	784,831
Food Services	14,207,631	8,698,731	15,105,529	16,522,470	21,213,013
Facilities Acquisition & Construction	177,509,490	201,026,049	156,966,343	38,856,551	20,740,692
Debt Service					
Principal	38,283,167	41,503,223	50,626,123	31,603,289	34,483,217
Interest	47,300,627	41,305,110	35,279,835	33,299,318	16,134,886
Other	-	-	-	-	-
Total Expenditures ¹	<u>919,496,129</u>	<u>831,739,525</u>	<u>765,414,548</u>	<u>620,276,345</u>	<u>574,516,654</u>
Excess (deficiency) of Revenues over (under) Expenditures	(176,539,084)	(151,856,993)	(143,135,863)	842,545	2,292,636
Other Financing Sources and Uses					
Lease Financing	922,422	-	-	-	-
Sale of or Compensation for Loss of Assets	141,719	1,265,018	32,195	234,328	10,306
Transfers In	4,031,916	5,959,623	1,608,321	9,262,802	8,709,306
Transfers Out	(4,031,916)	(5,959,623)	(1,570,000)	(9,762,802)	(8,709,306)
Sale of Pension Bonds	-	-	-	-	-
Lump Sum Payment on Pension UAL	-	-	-	-	-
Long-term Debt Financing	-	60,392,940	-	-	-
Sale of General Obligation Bonds	-	236,467,346	-	383,230,000	-
Premium on Issuance of Bonds	-	51,547,470	-	64,964,296	-
Issuance of Debt - Refunding Bonds	-	-	-	-	-
Payments to Escrow Agent	-	-	-	-	-
Total Other Financing Sources and Uses	<u>1,064,141</u>	<u>349,672,774</u>	<u>70,516</u>	<u>447,928,624</u>	<u>10,306</u>
Net Change in Fund Balances	<u>\$ (175,474,943)</u>	<u>\$ 197,815,781</u>	<u>\$ (143,065,347)</u>	<u>\$ 448,771,169</u>	<u>\$ 2,302,942</u>
Expenditures for Capital Outlay - (included in Total Expenditures)	\$ 220,158,456	\$ 196,073,393	\$ 152,567,643	\$ 39,996,724	\$ 27,587,990
Debt Services as a Percentage of Noncapital Expenditures	12.24%	13.03%	14.02%	11.18%	9.25%

¹ Categories differ from Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds.
Source: Salem-Keizer Public Schools

	2017	2016	2015	2014	2013
\$	99,590,868	\$ 105,944,729	\$ 99,920,726	\$ 98,650,144	\$ 96,662,195
	36,453,124	33,707,616	31,979,185	34,807,130	28,146,721
	1,686,027	1,627,285	1,371,023	395,640	632,285
	16,667,069	15,219,988	14,451,999	12,960,454	13,446,652
	325,324,703	319,424,073	304,165,887	274,477,511	246,214,456
	40,096,109	40,688,340	43,999,955	42,026,000	43,755,037
	<u>519,817,900</u>	<u>516,612,031</u>	<u>495,888,775</u>	<u>463,316,879</u>	<u>428,857,346</u>
	292,036,745	277,974,651	257,270,832	245,099,913	229,648,913
	163,446,602	166,835,483	146,604,642	140,985,333	132,944,012
	631,867	428,024	447,621	446,675	606,348
	17,270,612	16,763,087	14,959,648	14,328,054	13,743,761
	10,651,985	20,999,372	21,252,657	16,598,607	26,973,526
	32,119,374	38,815,965	34,672,523	31,024,619	28,769,313
	17,087,512	16,596,307	16,342,547	16,588,025	18,080,195
	-	-	-	-	298,514
	<u>533,244,697</u>	<u>538,412,889</u>	<u>491,550,470</u>	<u>465,071,226</u>	<u>451,064,582</u>
	(13,426,797)	(21,800,858)	4,338,305	(1,754,347)	(22,207,236)
	-	6,479,944	139,221	-	-
	19,279	196,908	10,550	1,149,635	-
	6,520,000	3,620,000	2,820,000	2,726,427	361,887
	(6,520,000)	(3,620,000)	(2,820,000)	(2,726,427)	(320,000)
	-	-	50,145,000	-	-
	-	-	(49,780,852)	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	46,260,000
	-	-	-	-	(45,960,703)
	<u>19,279</u>	<u>6,676,852</u>	<u>513,919</u>	<u>1,149,635</u>	<u>341,184</u>
\$	<u>(13,407,518)</u>	<u>(15,124,006)</u>	<u>4,852,224</u>	<u>(604,712)</u>	<u>(21,866,052)</u>
\$	13,762,101	\$ 25,445,316	\$ 19,651,593	\$ 14,089,555	\$ 23,783,727
	9.47%	10.80%	10.81%	10.56%	10.96%

SALEM-KEIZER SCHOOL DISTRICT 24J
REVENUES AND OTHER FINANCING SOURCES BY SOURCE (NON-GAAP BASIS)

GENERAL FUND¹

LAST TEN FISCAL YEARS ENDED JUNE 30

Revenues:	2022	2021	2020	2019	2018
Local Sources:					
District Property Taxes: ²					
Current Year	\$ 89,576,163	\$ 86,914,165	\$ 83,106,821	\$ 79,772,315	\$ 76,948,277
Prior Year	2,514,514	1,809,282	2,039,376	4,801,412	2,542,614
Tuition	8,625	9,185	13,064	43,151	96,822
Transportation Fees From Other Districts Within the State	7,017	227	-	-	-
Earnings on Investments	(19,618)	372,328	2,977,005	3,596,052	1,759,585
Recovery of Prior Year Expenditures	105,535	70,133	119,947	113,742	565,670
Administrative Support Reimbursement	3,766,987	2,727,366	1,597,191	1,949,223	1,290,442
Miscellaneous Local Sources	14,113,204	872,784	1,507,818	1,511,513	1,139,624
Associated Student Activities	-	-	-	-	-
Total Local Sources	110,072,427	92,775,470	91,361,222	91,787,408	84,343,034
Intermediate Sources:					
County School Fund	1,488,334	310,221	1,003,438	865,412	280,509
Speech Therapy Program	-	-	-	-	6,710,675
General ESD Funds	17,845,697	17,480,117	17,027,679	16,166,475	-
Other Intermediate Sources	162,932	195,281	-	-	-
Other Restricted	-	-	-	-	795,505
Structured Learning Program	-	-	-	-	3,830,564
Behavioral Services Program	-	-	-	-	4,637,251
Total Intermediate Sources	19,496,963	17,985,619	18,031,117	17,031,887	16,254,504
State Sources - Unrestricted:					
State School Fund - Current Year	355,534,285	349,308,224	336,356,110	324,625,839	318,640,769
State School Fund - High Cost Disability	3,334,207	4,126,763	2,218,809	1,683,189	4,025,402
Common School Fund	4,614,782	4,346,180	4,044,246	4,472,941	4,187,498
State School Fund - PERS Debt	22,444,202	21,293,048	20,059,799	19,178,525	18,296,814
State Sources - Restricted Grants-In-Aid	1,625	-	-	-	-
Total State Sources	385,929,101	379,074,215	362,678,964	349,960,494	345,150,483
Federal Sources:					
Federal Forest Fees	419	340	373	385	392
Foster Care Transportation Reimbursement	-	6,342	138,409	127,231	21,333
Federal Emergency Management Assistance	197,837	-	-	-	-
Total Federal Sources	198,256	6,682	138,782	127,616	21,725
Total Revenues	515,696,747	489,841,986	472,210,085	458,907,405	445,769,746
Other Financing Sources and Uses :					
Long-term Debt Financing Sources	-	34,225,386	-	-	-
Gain/Loss on Sale of Capital Asset	22,557	135,018	32,195	227,447	356
Transfers In	-	-	38,321	2,283,983	-
Total Other Financing Sources and Uses	22,557	34,360,404	70,516	2,511,430	356
Total Revenues and Other Financing Sources	\$ 515,719,304	\$ 524,202,390	\$ 472,280,601	\$ 461,418,835	\$ 445,770,102

¹ The General Fund accounts for most general operating revenues of the District.

² Revenues are recognized when measurable and available.

Source: Salem-Keizer Public Schools

	2017	2016	2015	2014	2013
\$	73,976,368	\$ 69,706,580	\$ 65,820,452	\$ 63,288,942	\$ 61,624,530
	2,735,895	2,377,830	3,461,842	2,740,523	3,031,421
	106,954	93,861	58,994	46,103	57,347
	-	-	-	-	-
	1,605,184	1,627,032	1,370,891	389,899	552,899
	34,202	38,197	7,025	15,489	54,428
	1,246,468	1,227,140	1,403,484	972,267	1,100,346
	1,095,250	1,226,963	1,025,882	1,257,988	1,215,142
	76,706	78,334	73,902	73,278	77,831
	<u>80,877,027</u>	<u>76,375,937</u>	<u>73,222,472</u>	<u>68,784,489</u>	<u>67,713,944</u>
	372,655	129,216	143,293	62,956	128,824
	6,323,768	6,245,966	5,937,413	5,330,457	5,298,733
	-	-	-	-	-
	-	-	-	-	-
	743,690	353,354	335,898	515,445	1,096,512
	3,609,713	3,565,399	3,389,268	3,042,383	3,024,277
	4,369,902	4,317,001	4,103,740	3,683,547	3,661,624
	<u>15,419,728</u>	<u>14,610,936</u>	<u>13,909,612</u>	<u>12,634,788</u>	<u>13,209,970</u>
	292,101,453	282,801,584	262,827,735	247,614,798	220,649,096
	2,228,763	4,594,625	2,300,856	2,748,385	1,227,087
	5,009,361	4,796,275	3,905,074	3,644,939	3,815,555
	17,434,046	16,584,608	15,752,093	14,951,344	14,209,729
	-	-	-	-	-
	<u>316,773,623</u>	<u>308,777,092</u>	<u>284,785,758</u>	<u>268,959,466</u>	<u>239,901,467</u>
	32,024	251,928	162,004	209,801	212,007
	-	-	-	-	-
	-	-	-	-	-
	<u>32,024</u>	<u>251,928</u>	<u>162,004</u>	<u>209,801</u>	<u>212,007</u>
	413,102,402	400,015,893	372,079,846	350,588,544	321,037,388
	-	-	-	-	-
	3,485	-	-	-	-
	-	-	-	2,406,427	-
	<u>3,485</u>	<u>-</u>	<u>-</u>	<u>2,406,427</u>	<u>-</u>
\$	<u>413,105,887</u>	<u>\$ 400,015,893</u>	<u>\$ 372,079,846</u>	<u>\$ 352,994,971</u>	<u>\$ 321,037,388</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
EXPENDITURES AND OTHER FINANCING (USES) BY PROGRAM
GENERAL FUND¹

LAST TEN FISCAL YEARS ENDED JUNE 30

	2022	2021	2020	2019	2018
Instruction:					
Regular Programs:					
Elementary, K-5	\$ 112,007,314	\$ 105,112,780	\$ 104,005,230	\$ 99,892,723	\$ 94,539,475
Middle/Junior High Programs	46,168,282	41,994,014	40,504,544	38,979,121	37,023,004
Middle/Junior High Extracurricular	1,230,597	991,505	1,141,182	1,165,832	1,254,125
High School Programs	64,643,943	55,553,385	53,053,623	51,841,653	50,136,941
High School Extracurricular	4,766,278	3,778,391	4,062,270	4,080,935	3,740,552
Pre-kindergarten Programs	3,177	12,683	-	-	-
Special Programs:					
Talented and Gifted	308,758	323,615	380,961	415,740	415,535
Disabilities - Restrictive Programs	39,519,011	41,834,781	42,710,701	40,321,787	43,094,335
Disabilities - Less Restrictive Programs	27,563,507	29,623,183	28,164,217	28,794,324	22,870,745
Treatment and Habilitation	193,661	527,411	196,561	5,679	181,453
Alternative Education	13,708,669	12,157,162	12,367,735	11,410,219	11,253,209
English Language Learner	13,872,614	14,319,798	13,540,632	13,624,924	13,902,781
Teen Parent Programs	963,034	867,332	940,467	1,021,986	914,067
Youth Corrections Education	58,303	65,166	60,055	60,564	58,659
Other Programs	34,463	3,236	54,507	65,011	206,027
Summer School Programs	23,807	51,008	319,911	400,506	430,552
Total Instruction	325,065,418	307,215,450	301,502,596	292,081,004	280,021,460
Support Services:					
Students:					
Attendance and Social Work	4,746,113	4,466,335	5,038,750	4,941,345	10,172,783
Guidance Services	11,838,225	11,873,001	10,880,434	10,160,190	9,814,509
Health Services	2,901,953	2,748,419	3,011,601	2,686,421	2,062,215
Psychological Services	1,375,968	1,584,905	1,429,626	1,346,481	1,360,922
Speech Pathology and Audiology Services	7,290,488	6,629,977	5,893,417	5,241,010	5,253,344
Other Student Treatment Services	2,019,198	2,007,969	1,953,171	1,411,046	1,471,952
Service Direction, Student Support Services	525,183	2,318,645	1,744,686	845,944	1,729,441
Instructional Staff:					
Improvement of Instruction Services	4,559,982	3,952,711	3,817,729	2,292,198	3,080,485
Educational Media Services	5,227,486	5,313,320	5,136,393	5,135,111	4,885,546
Assessment and Testing	717,510	809,979	723,815	622,792	716,488
Instructional Staff Development	6,341,843	6,974,670	6,521,997	5,914,344	4,965,008
General Administration:					
Board of Education Services	710,328	647,826	473,469	705,906	473,201
Executive Administration Services	1,803,427	1,788,128	1,702,571	1,690,562	1,549,492
School Administration:					
Office of the Principal Services	35,761,442	34,830,655	32,854,736	31,310,818	30,666,359
School Administration	2,442,123	2,323,126	2,450,513	2,127,357	2,027,478
Business:					
Fiscal Services	2,832,554	2,828,523	2,558,863	2,392,174	2,331,375
Operation and Maintenance of Plant Services	37,662,404	18,505,057	31,333,880	31,260,919	29,778,197
Student Transportation Services	44,325,681	22,555,034	22,510,353	21,391,380	18,538,387
Internal Services - Mail and Delivery	1,341,001	1,461,903	1,291,935	1,335,347	1,256,747
Central Activities:					
Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	16,500	-	-	-	-
Information Services	1,001,391	873,689	688,317	631,584	445,190
Staff Services	4,971,706	4,326,450	4,724,352	4,337,089	4,199,992
Technology Services	15,718,074	15,395,084	12,494,431	13,859,894	13,444,573
Interpretation and Translation Services	1,209,256	1,230,807	1,244,486	927,000	-
Other Support Services	773,274	718,609	719,578	773,659	765,553
Supplemental Retirement Program	436,065	319,924	338,418	639,942	954,532
Total Support Services	198,549,175	156,484,746	161,537,521	153,980,513	151,943,769
Enterprise and Community Services:					
Food Services	505	-	175,919	-	-
Custody and Care of Children Services	-	-	26,902	-	-
Total Enterprise and Community Services	505	-	202,821	-	-
Facilities Services:					
Service Area Direction	48	-	4,375	-	94,648
Site Acquisition and Development	11,000	45,158	17,149	12,995	-
Building Acq., Const. and Improvement Services	113,650	97,663	106,776	191,714	109,600
Total Facilities Services	124,698	142,821	128,300	204,709	204,248
Other Uses:					
Debt Service	285,752	299,591	450,251	562,988	621,308
Transfers of Funds	2,935,844	4,600,000	1,570,000	7,220,000	6,053,983
Total Other Uses	3,221,596	4,899,591	2,020,251	7,782,988	6,675,291
Total Expenditures and Other Uses	\$ 526,961,392	\$ 468,742,608	\$ 465,391,489	\$ 454,049,214	\$ 438,844,768

¹ The General Fund accounts for most general operating expenses of the District.

Source: Salem-Keizer Public Schools

	2017	2016	2015	2014	2013
\$	90,356,161	\$ 92,339,967	\$ 80,612,097	\$ 75,111,985	\$ 69,364,794
	34,892,798	34,114,745	31,947,034	31,429,841	29,803,093
	1,002,962	895,904	594,228	571,889	541,631
	49,373,366	46,407,457	43,418,222	41,287,672	37,828,501
	3,414,923	3,349,886	3,246,299	3,154,713	2,972,713
	-	-	-	-	-
	397,661	419,122	525,676	522,245	472,296
	37,604,457	34,894,661	34,163,306	31,275,565	28,182,596
	24,344,777	21,610,390	19,249,433	19,568,144	18,448,438
	168,851	188,838	156,594	109,490	37,998
	10,742,748	10,797,860	9,834,268	9,584,945	8,934,775
	15,172,301	9,800,089	9,464,684	9,408,899	8,862,194
	1,010,938	1,000,464	845,005	752,654	675,656
	49,590	55,266	56,544	55,130	53,312
	177,107	175,917	197,336	184,581	179,169
	189,572	127,711	8,456	5,313	-
	268,898,212	256,178,277	234,319,182	223,023,066	206,357,166
	9,118,571	7,287,194	6,530,940	6,227,370	5,275,393
	9,220,031	8,878,500	8,278,641	7,311,132	6,709,565
	1,992,420	1,830,347	1,743,242	1,756,638	1,631,479
	1,348,112	1,432,469	1,293,570	1,252,799	1,161,735
	4,886,707	4,662,708	4,561,873	4,556,193	3,994,489
	1,468,001	1,263,041	1,177,905	1,011,848	1,010,372
	1,167,574	1,218,501	1,112,423	1,092,809	1,011,881
	2,129,232	2,217,805	1,857,015	1,789,626	1,493,646
	4,729,470	4,519,792	4,406,020	4,240,252	3,966,400
	675,333	813,950	716,566	1,087,096	821,400
	5,005,324	4,691,827	678,758	794,333	550,468
	533,300	386,531	621,719	496,181	563,632
	1,472,800	1,457,344	1,481,135	1,413,006	1,385,777
	29,323,267	28,011,658	26,925,650	26,118,565	24,612,932
	2,258,480	2,143,372	1,834,555	1,726,773	1,560,924
	2,005,188	1,949,164	1,965,216	3,126,623	2,724,714
	28,618,744	27,122,428	24,860,193	24,849,580	23,864,273
	15,836,975	15,009,885	14,384,637	15,021,195	14,029,655
	1,174,773	1,136,709	1,237,801	1,165,488	904,159
	-	-	-	-	-
	463,043	434,569	423,414	401,680	380,498
	4,331,864	3,983,037	3,338,769	3,254,118	3,068,405
	12,043,084	11,627,804	10,825,182	11,443,743	10,578,304
	-	-	-	-	-
	771,437	747,995	436,072	408,816	401,820
	988,492	1,355,572	1,692,275	2,047,299	2,227,181
	141,562,222	134,182,202	122,383,571	122,593,163	113,929,102
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	213,847	172,539	190,700	192,264	195,129
	-	3,564	108,463	-	-
	163,345	184,689	197,661	326,862	65,255
	377,192	360,792	496,824	519,126	260,384
	641,020	660,448	758,111	778,212	767,148
	6,520,000	3,620,000	2,820,000	320,000	320,000
	7,161,020	4,280,448	3,578,111	1,098,212	1,087,148
\$	417,998,646	\$ 395,001,719	\$ 360,777,688	\$ 347,233,567	\$ 321,633,800

SALEM-KEIZER SCHOOL DISTRICT 24J
PROPERTY TAX LEVIES AND COLLECTIONS - GENERAL FUND
LAST TEN FISCAL YEARS ENDED JUNE 30

Fiscal Year	Net Taxes Levied for the Fiscal Year ¹	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2022	\$ 94,345,193	\$ 89,576,163	94.95%	\$ -	\$ 89,576,163	94.95%
2021	90,753,204	86,914,165	95.77%	2,180,241	89,094,406	98.17%
2020	87,097,319	83,106,821	95.42%	3,392,244	86,499,065	99.31%
2019	83,970,190	79,772,315	95.00%	3,826,466	83,598,781	99.56%
2018	80,594,996	76,948,277	95.48%	3,462,923	80,411,200	99.77%
2017	77,722,509	73,976,368	95.18%	3,677,703	77,654,071	99.91%
2016	73,657,149	69,706,580	94.64%	3,907,573	73,614,153	99.94%
2015	69,923,900	65,820,452	94.13%	4,075,469	69,895,921	99.96%
2014	67,505,383	63,288,942	93.75%	4,193,767	67,482,709	99.97%
2013	66,095,090	61,624,530	93.24%	4,447,896	66,072,426	99.97%

SALEM-KEIZER SCHOOL DISTRICT 24J
PROPERTY TAX LEVIES AND COLLECTIONS - DEBT SERVICE FUND
LAST TEN FISCAL YEARS ENDED JUNE 30

Fiscal Year	Net Taxes Levied for the Fiscal Year ¹	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2022	\$ 58,770,953	\$ 55,832,864	95.00%	\$ -	\$ 55,832,864	95.00%
2021	57,129,100	54,692,612	95.74%	1,402,020	56,094,632	98.19%
2020	52,735,132	50,287,819	95.36%	2,070,389	52,358,208	99.29%
2019	54,434,888	51,839,896	95.23%	2,369,976	54,209,872	99.59%
2018	28,500,000	27,302,858	95.80%	1,108,293	28,411,151	99.69%
2017	23,824,757	23,101,180	96.96%	709,189	23,810,369	99.94%
2016	34,662,188	33,810,508	97.54%	843,691	34,654,199	99.98%
2015	31,415,085	30,315,353	96.50%	1,091,262	31,406,615	99.97%
2014	33,248,920	30,588,774	92.00%	2,653,721	33,242,495	99.98%
2013	32,554,298	31,399,293	96.45%	1,151,252	32,550,545	99.99%

¹ The net levy is the actual imposed tax.

Sources: Marion and Polk County Tax Collection Departments

SALEM-KEIZER SCHOOL DISTRICT 24J
COMPARISON OF GENERAL FUND BUDGET TO TAX LEVY
LAST TEN FISCAL YEARS ENDED JUNE 30

Fiscal Year	General Fund Budgeted Expenditures and Transfers¹	General Fund Tax Levy	Percentage of Levy to Budget
2022	\$ 608,920,411	\$ 94,345,193	15.49%
2021	582,439,383	90,753,204	15.58%
2020	520,471,977	87,097,319	16.73%
2019	491,870,874	83,970,190	17.07%
2018	479,480,091	80,594,996	16.81%
2017	463,675,386	77,722,509	16.76%
2016	433,168,002	73,657,149	17.00%
2015	397,916,237	69,923,900	17.57%
2014	367,970,768	67,505,383	18.35%
2013	343,423,734	66,095,090	19.25%

¹ This is the final adopted budget.
Source: Salem-Keizer Public Schools



SALEM-KEIZER SCHOOL DISTRICT 24J
ASSESSED VALUE AND REAL MARKET VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(IN THOUSANDS OF DOLLARS)

Fiscal Year	Assessed Value				Real Market Value			Assessed Value as a Percentage of RMV
	Real Property	Personal Property	Total Taxable Value	Total Direct Rate*	Real Property	Personal Property	Total Real Market Value	
2022	\$ 21,310,007	\$ 508,336	\$ 21,818,342	\$ 7.228	\$ 38,478,893	\$ 508,336	\$ 38,987,229	55.96%
2021	20,494,307	485,380	20,979,687	7.258	37,000,217	511,649	37,511,866	55.93%
2020	19,707,512	451,026	20,158,538	7.149	35,150,255	462,591	35,612,846	56.60%
2019	18,886,777	460,719	19,347,496	7.365	32,375,310	471,428	32,846,738	58.90%
2018	18,086,120	452,012	18,538,132	6.082	29,632,045	462,332	30,094,377	61.60%
2017	17,462,078	426,265	17,888,342	5.611	27,159,147	436,745	27,595,893	64.82%
2016	16,756,024	408,278	17,164,302	6.525	25,487,977	418,723	25,906,700	66.25%
2015	16,101,708	397,150	16,498,858	6.401	24,198,682	407,455	24,606,137	67.05%
2014	15,463,060	393,078	15,856,137	6.669	22,970,353	403,302	23,373,655	67.84%
2013	15,140,515	400,045	15,540,560	6.687	22,726,147	409,587	23,135,734	67.17%

Note that Real Property includes all property except Business Personal Property.

* Per \$1,000 of assessed value.

Source: Marion/Polk County Department of Assessment and Taxation.

SALEM-KEIZER SCHOOL DISTRICT 24J
PROPERTY TAX RATES PER \$1,000 OF ASSESSED VALUATION -
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS ENDED JUNE 30

Fiscal Year	District Direct Rates			Other Educational Entities		Counties	
	General Purpose	Debt Service	Total	Willamette	Chemeketa	Polk County	Marion County
				Education Service District	Community College		
2022	\$ 4.521	\$ 2.707	\$ 7.228	\$ 0.30	\$ 0.89	\$ 2.06	\$ 3.08
2021	4.521	2.737	7.258	0.30	0.89	2.14	3.08
2020	4.521	2.628	7.149	0.30	0.89	2.14	3.08
2019	4.521	2.844	7.365	0.30	0.90	2.05	3.08
2018	4.521	1.561	6.082	0.30	0.90	2.03	3.08
2017	4.521	1.090	5.611	0.28	0.87	2.54	3.08
2016	4.521	2.004	6.525	0.30	0.92	2.54	3.08
2015	4.521	1.880	6.401	0.30	0.89	2.26	3.08
2014	4.521	2.148	6.669	0.30	0.86	2.26	3.08
2013	4.521	2.166	6.687	0.30	0.90	2.25	3.08

¹The District crosses boundaries of two counties, two cities and several other districts. Overlapping rates are presented for individually significant taxing districts. Other types of entities are aggregated to provide general information. Not all individual properties are subject to all rates within each county. Applicable tax rates vary depending on property location.

²Per \$1,000 of taxable assessed value.

The District's permanent property tax rate is set by state law. Increases for General Purposes may only be done through local option levies approved by the voters of the District. Rates for debt service are set based on each year's requirements.

The District Direct General-Purpose Rates exclude Urban Renewal adjustments.

Source: Marion and Polk County Assessors

Overlapping Rates¹

Cities								Maximum Tax Rates²	
City of Salem	City of Keizer	Regional Library District	Salem Mass Transit	Urban Renewal Districts	Fire Protection Districts	Marion County	Polk County		
\$ 7.04	\$ 2.08	\$ 0.08	\$ 0.76	\$ 0.03 - 0.30	\$ 0.53 - 2.82	\$ 19.66	\$ 18.80		
7.01	2.08	0.08	0.76	0.03 - 0.31	0.53 - 2.34	19.66	18.79		
6.99	2.08	0.08	0.76	0.03 - 0.31	0.53 - 2.90	19.54	18.68		
7.10	2.08	0.08	0.76	0.02 - 0.34	0.53 - 2.91	19.87	18.92		
6.98	2.08	0.08	0.76	0.02 - 0.33	0.54 - 2.92	18.47	17.56		
6.53	2.08	0.08	0.76	0.23 - 0.32	0.54 - 2.52	18.12	17.66		
6.54	2.08	0.08	0.76	0.51 - 1.18	0.54 - 2.52	18.80	18.34		
6.82	2.08	0.08	0.76	0.51 - 1.18	0.54 - 2.52	18.74	18.05		
6.49	2.08	0.08	0.76	0.51 - 1.18	0.54 - 2.53	18.91	18.22		
6.82	2.08	0.08	0.76	1.19	0.54 - 2.55	19.00	18.30		

SALEM-KEIZER SCHOOL DISTRICT 24J
PRINCIPAL TAXPAYERS - CURRENT AND NINE YEARS PRIOR

Marion County Top 10 Taxpayers	Business/Service	2021-22	Percent	2021-22	Percent of	2012-13	Percent	2012-13	Percent of
		Assessed Value	of Principal Taxpayers	Taxes Assessed	Total District Assessed Value	Assessed Value	of Principal Taxpayers	Taxes Assessed	Total District Assessed Value
Portland General Electric Company	Utility	\$ 245,992,000	28.92%	\$ 4,230,720	0.86%	\$ 261,339,270	31.36%	\$ 3,965,800	1.29%
Northwest Natural Gas Company	Utility	140,584,000	16.52%	2,499,511	0.49%	126,610,900	15.19%	2,067,980	0.63%
Lumen Technologies Inc	Telecommunications	78,588,000	9.24%	1,460,059	0.27%	-	0.00%	-	0.00%
Comcast Corporation	Telecommunications	80,118,000	9.42%	1,434,608	0.28%	-	0.00%	-	0.00%
State Accident Insurance Fund	Insurance	59,027,730	6.94%	1,155,263	0.21%	-	0.00%	-	0.00%
Lancaster Development Company LLC	Retail	55,047,400	6.47%	1,057,991	0.19%	62,001,320	7.44%	1,178,211	0.31%
Snyders-Lance Inc	Manufacturer	50,489,600	5.93%	966,807	0.18%	-	0.00%	-	0.00%
State Investments LLC	Developer	46,290,280	5.44%	905,407	0.16%	-	0.00%	-	0.00%
GRI Keizer LLC	Realty	54,714,440	6.43%	900,711	0.19%	-	0.00%	-	0.00%
Newport Hill LLC	Realty	39,889,230	4.69%	783,819	0.14%	-	0.00%	-	0.00%
CenturyLink (formerly Qwest)	Telecommunications	-	0.00%	-	0.00%	55,920,560	6.71%	910,857	0.28%
Winco Foods LLC	Retail	-	0.00%	-	0.00%	83,755,905	10.05%	1,620,534	0.41%
Donahue Schriber Realty Group	Realty	-	0.00%	-	0.00%	50,244,950	6.03%	793,546	0.25%
Wal-Mart Real Estate Business TR	Realty	-	0.00%	-	0.00%	46,069,540	5.53%	876,161	0.23%
Craig Realty Group Woodburn TR	Realty	-	0.00%	-	0.00%	50,614,890	6.07%	991,348	0.25%
Norpac Foods Inc	Agriculture	-	0.00%	-	0.00%	55,122,219	6.62%	802,289	0.27%
Metropolitan Life Insurance Co	Insurance	-	0.00%	-	0.00%	41,589,300	4.99%	789,981	0.21%
Subtotal Top 10 Taxpayers		850,740,680		\$ 15,394,896	2.96%	833,268,854		\$ 13,996,707	4.12%
All Other Taxpayers		27,914,967,122			97.04%	19,385,525,088			95.88%
Total Taxpayers		\$ 28,765,707,802			100.00%	\$ 20,218,793,942			100.00%

Polk County Top 10 Taxpayers	Business/Service	2021-22	Percent	2021-22	Percent of	2012-13	Percent	2012-13	Percent of
		Assessed Value	of Principal Taxpayers	Taxes Assessed	Total District Assessed Value	Assessed Value	of Principal Taxpayers	Taxes Assessed	Total District Assessed Value
Northwest Natural Gas Co	Utility	\$ 87,768,000	27.09%	\$ 1,188,626	1.24%	\$ 43,964,500	21.18%	\$ 611,388	0.91%
Orchard Heights Apartments LLC	Multi-Unit Residential	33,376,770	10.30%	627,540	0.47%	-	0.00%	-	0.00%
Portland General Electric Co	Utility	41,187,730	12.71%	446,966	0.58%	20,047,500	9.66%	210,335	0.42%
Capital Manor Inc	Multi-Unit Residential	24,552,970	7.58%	446,347	0.35%	13,980,730	6.74%	235,033	0.29%
Weyerhaeuser Company	Manufacturer	30,220,115	9.33%	376,348	0.43%	17,430,864	8.40%	212,379	0.36%
Pacificorp (PP&L)	Utility	30,836,000	9.52%	372,309	0.44%	15,970,000	7.69%	194,568	0.33%
Riverplace Apartment Homes Co	Multi-Unit Residential	18,507,050	5.71%	341,039	0.26%	-	0.00%	-	0.00%
Meduri Farms Inc	Agriculture	27,595,094	8.52%	297,580	0.39%	-	0.00%	-	0.00%
Willamette Park Villas LLC	Multi-Unit Residential	15,115,240	4.67%	283,944	0.21%	-	0.00%	-	0.00%
Orchard Ridge Apartments LLC	Multi-Unit Residential	14,845,670	4.58%	279,124	0.21%	-	0.00%	-	0.00%
McKenzie Willamette Properties LLC	Multi-Unit Residential	-	0.00%	-	0.00%	30,401,520	14.65%	556,424	0.63%
Meriwether NW OR Land & Timber LLC	Agriculture	-	0.00%	-	0.00%	28,133,384	13.56%	316,913	0.58%
Comcast Corporation	Telecommunications	-	0.00%	-	0.00%	14,802,900	7.13%	262,785	0.31%
Elkay Wood Products Company	Agriculture	-	0.00%	-	0.00%	10,032,480	4.83%	188,145	0.21%
Weyerhaeuser NR Company	Manufacturer	-	0.00%	-	0.00%	12,778,441	6.16%	187,541	0.26%
Subtotal Top 10 Taxpayers		324,004,639		\$ 4,659,823	4.58%	207,542,319		\$ 2,975,511	4.30%
All Other Taxpayers		6,758,003,245			95.42%	4,618,492,957			95.70%
Total Taxpayers		\$ 7,082,007,884			100.00%	\$ 4,826,035,276			100.00%

Sources: Marion & Polk County Tax Assessors

SALEM-KEIZER SCHOOL DISTRICT 24J
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS ENDED JUNE 30

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total Real Market Value of Taxable Property within School District No. 24J Marion and Polk County, Oregon	<u>\$ 39,168,264,821</u>	<u>\$ 37,676,790,635</u>	<u>\$ 35,764,957,416</u>	<u>\$ 32,846,738,166</u>	<u>\$ 30,094,377,093</u>
Bonded Debt Limit ¹	\$ 3,113,877,053	\$ 2,995,304,855	\$ 2,843,314,115	\$ 2,611,315,684	\$ 2,392,502,979
General Obligation Bonds	671,447,908	691,347,698	479,668,339	519,591,716	157,722,569
Amount Available for Retirement of Bonds	-	-	(3,137,826)	(12,827,475)	(575,596)
Net General Obligation Bonds Outstanding	<u>671,447,908</u>	<u>691,347,698</u>	<u>476,530,513</u>	<u>506,764,241</u>	<u>157,146,973</u>
Debt Margin at End of Fiscal Year	<u>\$ 2,442,429,145</u>	<u>\$ 2,303,957,157</u>	<u>\$ 2,366,783,602</u>	<u>\$ 2,104,551,443</u>	<u>\$ 2,235,356,006</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	21.56%	23.02%	16.76%	19.41%	6.57%
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total Real Market Value of Taxable Property within School District No. 24J Marion and Polk County, Oregon	<u>\$ 27,595,892,818</u>	<u>\$ 25,906,699,941</u>	<u>\$ 24,606,137,122</u>	<u>\$ 23,373,654,758</u>	<u>\$ 23,135,831,748</u>
Bonded Debt Limit ¹	\$ 2,193,873,479	\$ 2,059,582,645	\$ 1,956,187,901	\$ 1,858,205,553	\$ 1,839,298,624
General Obligation Bonds	182,276,957	205,070,187	234,840,187	262,930,187	288,500,187
Amount Available for Retirement of Bonds	(62,229)	(3,153,885)	(2,705,660)	(4,231,709)	(2,471,931)
Net General Obligation Bonds Outstanding	<u>182,214,728</u>	<u>201,916,302</u>	<u>232,134,527</u>	<u>258,698,478</u>	<u>286,028,256</u>
Debt Margin at End of Fiscal Year	<u>\$ 2,011,658,751</u>	<u>\$ 1,857,666,343</u>	<u>\$ 1,724,053,374</u>	<u>\$ 1,599,507,075</u>	<u>\$ 1,553,270,368</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	8.31%	9.80%	11.87%	13.92%	15.55%

¹ORS 328.245 establishes a parameter of bonded indebtedness for school districts. Aggregates are governed by Real Market Value of all taxable properties 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 true cash value. Kindergarten through eighth grade, 9 * .0055 = .0495 or 4.95%.
- (B) For each grade from ninth to twelfth for which the District operates schools, seventy-five one-hundredths of one percent (.0075) of the true cash value. Ninth through twelfth grade, 4 * .0075 = .03 or 3.0%.

Total allowable percent for the District is (A) + (B): (7.95%)

Sources: Marion and Polk Counties

SALEM-KEIZER SCHOOL DISTRICT 24J
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS ENDED JUNE 30

General Bonded Debt						
Fiscal Year	General Obligation Bonds	Premium on General Obligation Bonds	Less Restricted Amount Available for Repayment of Principal	Net General Obligation Bonds Outstanding	Percentage of Actual Real Market Value of Property¹	Per Student²
2022	\$ 671,447,908	\$ 100,133,684	\$ -	\$ 771,581,592	1.97%	\$ 19,935
2021	691,347,698	106,801,165	-	798,148,863	2.12%	20,460
2020	479,668,339	61,858,536	3,137,826	538,389,049	1.51%	13,104
2019	519,591,716	65,678,031	12,827,475	572,442,272	1.74%	13,876
2018	157,722,569	4,351,907	575,596	161,498,880	0.70%	3,899
2017	182,276,957	5,063,059	325,783	187,014,233	0.48%	4,542
2016	205,070,187	5,774,210	3,153,885	207,690,512	0.80%	5,091
2015	234,840,187	6,485,363	2,705,660	238,619,890	0.97%	5,939
2014	262,930,187	7,196,515	4,231,709	265,894,993	1.14%	6,652
2013	288,500,187	7,907,667	2,471,931	293,935,923	1.27%	7,411

Other Governmental Activities			Total District Debt			
Fiscal Year	Limited Tax Pension Obligation Bonds⁶	Other Debt	Total District³	Per Student²	Per Capita⁴	Percent of Personal Income⁵
2022	\$ 153,755,000	\$ 65,057,586	\$ 990,394,178	\$ 25,588	\$ 2,853	5.93%
2021*	171,205,000	66,230,061	1,035,583,924	26,547	2,966	6.57%
2020	187,000,000	3,897,190	732,424,065	17,827	2,106	4.89%
2019	196,663,666	4,936,289	786,869,702	19,073	2,268	5.52%
2018	205,611,864	6,230,527	373,916,867	9,028	1,096	2.87%
2017	213,904,646	7,866,575	409,111,237	9,935	1,216	3.27%
2016	221,501,154	9,596,356	441,941,907	10,832	1,336	3.64%
2015	228,399,924	5,261,148	474,986,622	11,821	1,440	4.04%
2014	183,232,781	6,676,595	460,036,078	11,509	1,411	3.99%
2013	187,132,689	8,181,613	491,722,156	12,397	1,519	4.28%

¹ See Assessed Value and Real Market Value Schedule.

² See School Building, Student Enrollment and Average Daily Membership information for student enrollment.

³ Includes general bonded debt, unamortized premiums on bond issues and other governmental activities debt.

⁴ Per capita are District ADM estimates.

⁵ See Schedule of Demographic and Economic Statistics for personal income.

⁶ Pension Obligation Bond debt is serviced by charges to other funds, not by property taxes levied for servicing general bonded debt.

*FY 2021 was restated for GASB 87 implementation.

Source: Salem-Keizer Public Schools

SALEM-KEIZER SCHOOL DISTRICT 24J
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2022

Overlapping District	2022 Real Market Valuation	Percent Overlapping ¹	Overlapping	
			Gross Direct Debt ²	Gross Overlapping Debt
Aumsville RFPD	\$ 1,016,330,520	0.17%	\$ 1,594	\$ 1,594
Chemeketa Community College	69,506,516,103	49.88%	62,559,608	47,102,778
City of Keizer	4,805,930,046	100.00%	11,175,000	-
City of Salem	22,517,964,872	100.00%	122,206,745	91,743,055
Dayton RFPD	977,862,905	5.40%	18,631	-
Jefferson RFPD (Marion/Linn Counties)	1,353,650,566	0.83%	496	496
Keizer RFPD	4,560,950,595	99.98%	5,199,064	2,929,473
Marion County	46,623,071,711	64.63%	40,393,630	20,120,567
Marion County RFPD 1	6,126,540,532	86.50%	3,235,081	207,599
Polk County	11,269,395,970	40.31%	5,510,068	5,387,134
Polk Cty RFPD 1	2,605,275,289	0.39%	4,861	4,861
Silverton RFPD	2,834,516,025	0.02%	526	526
SW Polk Fire District	1,140,190,731	0.25%	11,292	11,292
Willamette ESD	76,320,202,113	45.43%	7,821,699	2,915,077
Totals: Total Gross and Direct Overlapping Debt			<u>\$ 258,138,295</u>	<u>\$ 170,424,452</u>

School District 24J Direct Debt ³ :	\$ 990,394,178	Ratio of Net Property-Tax Backed Debt to Real Market Value is:	2.60%
Gross Overlapping Direct Debt:	<u>170,424,452</u>	Per Capita District Direct Debt	\$ 2,853
		Per Capita Total Direct Debt	\$ 3,344
Total Debt of District 24J and Overlapping Issuers:	<u>\$ 1,160,818,630</u>	Ratio of Total Net Property-Tax Backed Debt to Real Market Value is:	3.10%

¹ The percentage of overlapping debt applicable is derived by using the taxable assessed property values. Applicable percentages are arrived at by the county's taxable assessed value that is within the government's boundaries and dividing it by the county's total taxable assessed value.

² Gross Direct Debt includes all limited and unlimited tax supported debt, excluding pension obligations and self-supporting utility debt.

³ Direct Debt includes all outstanding long-term debt instruments including bonds, notes, loans, financed purchases and leases.

Source: Oregon State Treasury, Debt Management Information System

SALEM-KEIZER SCHOOL DISTRICT 24J
RATIO OF ANNUAL DEBT SERVICE REQUIREMENTS FOR GENERAL OBLIGATION BONDED DEBT TO
TOTAL BUDGETED GENERAL FUND EXPENDITURES AND TRANSFERS
LAST TEN FISCAL YEARS ENDED JUNE 30

Fiscal Year	Principal	Interest and Other	Total Debt Service	Total General Fund Budgeted Expenditures and Transfers¹	Ratio of Annual Debt Service to Budgeted General Fund Expenditures and Transfers
2022	\$ 19,899,790	\$ 38,518,760	\$ 58,418,550	\$ 608,920,411	9.59%
2021	24,787,987	31,812,503	56,600,490	582,439,383	9.72%
2020	39,923,377	20,831,323	60,754,700	520,471,977	11.67%
2019	21,360,853	19,076,456	40,437,309	491,870,874	8.22%
2018	24,554,388	2,141,985	26,696,373	479,480,091	5.57%
2017	22,793,230	3,334,034	26,127,264	463,675,386	5.63%
2016	29,770,000	3,222,981	32,992,981	433,168,002	7.62%
2015	28,090,000	4,074,613	32,164,613	397,916,237	8.08%
2014	25,570,000	5,170,406	30,740,406	367,970,768	8.35%
2013	23,705,000	6,878,796	30,583,796	343,423,734	8.91%

¹ This is the final adopted budget.

Source: Salem-Keizer Public Schools

SALEM-KEIZER SCHOOL DISTRICT 24J
RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO TRUE CASH VALUE AND
NET GENERAL BONDED DEBT PER CAPITA AND PER STUDENT
LAST TEN FISCAL YEARS ENDED JUNE 30

Fiscal Year	Marion County Population US Census¹	Average Daily Membership K-12	Real Market Value	Net General Bonded Debt²	Ratio of Net General Bonded Debt to Assessed Value	Net General Bonded Debt per Capita	Net General Bonded Debt per Student
2022	347,119 *	38,705	\$ 39,168,264,821	\$ 771,581,592	1.97%	\$ 2,223	\$ 19,935
2021	349,204	39,010	37,676,790,635	798,148,863	2.12%	2,286	20,460
2020	347,818	41,085	35,764,957,416	538,389,049	1.51%	1,548	13,104
2019	346,868	41,255	32,846,738,166	572,442,272	1.74%	1,650	13,876
2018	341,286	41,416	23,135,831,748	161,498,880	0.70%	473	3,899
2017	336,316	41,178	39,168,264,821	187,014,233	0.48%	556	4,949
2016	330,700	40,799	25,906,699,941	207,690,512	0.80%	628	5,777
2015	329,770	40,181	24,606,137,122	238,619,890	0.97%	724	6,472
2014	326,150	39,974	23,373,654,758	265,894,993	1.14%	815	7,211
2013	323,614	39,664	23,135,831,748	293,935,923	1.27%	908	7,766

*This is the most current estimate taken from Marion County-Oregon Demographics. Both counties include other school districts.

¹The District covers Marion and Polk Counties, Marion County having the largest population. Both counties have other school districts. This number is provided as a reference only. Polk County information was not available for all years.

²Computed as gross bonded debt less restricted amount available for retirement of debt principal.

Source: Salem-Keizer Public Schools

**SALEM-KEIZER SCHOOL DISTRICT 24J
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS**

Marion County

Fiscal Year	Population	Personal Income in Thousands of \$	Per Capita Personal Income	Unemployment Rate
2022	347,119 *	\$ 16,708,573	\$ 48,135	3.7%
2021	349,204	15,769,354	45,158	4.9%
2020	347,818	14,970,782	43,042	7.7%
2019	346,868	14,253,847	41,093	4.2%
2018	341,286	12,301,699	38,168	4.1%
2017	336,316	12,823,294	37,199	4.9%
2016	330,700	11,614,203	36,682	4.8%
2015	329,770	11,614,203	35,614	6.1%
2014	326,150	11,484,654	35,360	7.2%
2013	323,614	11,249,451	35,489	9.5%

*This is the most current estimate taken from Marion County-Oregon Demographics. Both counties include other school districts.

Notes: This schedule is provided as a reference only. The District is in both Marion and Polk Counties. Both Counties include other school districts. Marion County has the greater population and student base. Polk County information was not available for all years.

Sources: Oregon Employment Department – WorkSource Oregon, Marion County – Oregon Demographics, U.S. Department of Commerce, Bureau of Economic Analysis, U.S. Census Bureau

**SALEM-KEIZER SCHOOL DISTRICT 24J
MAJOR AREA EMPLOYERS
CURRENT AND NINE YEARS PRIOR**

<u>Employer</u>	<u>2022</u>			<u>2013</u>		
	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Salem (MSA) Labor Force¹</u>	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Salem (MSA) Labor Force²</u>
State of Oregon	21,000	1	24.62%	21,000	1	28.01%
Salem-Keizer School District ³	5,137	2	6.02%	4,638	2	6.19%
Salem Health/Salem Hospital ³	5,058	3	5.93%	3,900	3	5.20%
Marion County ³	1,742	4	2.04%	1,487	5	1.98%
Federal Government	1,500	5	1.76%	1,400	6	1.87%
Amazon Fulfillment Center	1,400	6	1.64%	-	-	0.00%
City of Salem ³	1,291	7	1.51%	1,312	7	1.75%
Chemeketa Community College ³	1,080	8	1.27%	1,651	4	2.20%
Wal-Mart	980	9	1.15%	-	-	0.00%
State Accident Insurance Fund (SAIF)	923	10	1.08%	837	10	1.12%
Norpac Foods Incorporated ³	-	-	0.00%	1,097	8	1.46%
Kaiser Permanente	-	-	0.00%	1,048	9	1.40%
Total	40,111		47.02%	38,370		51.17%

Sources: Oregon Employment Department (www.qualityinfo.org)
Salem Health (www.salemhealth.org)
Salem-Keizer Public Schools (www.salkeiz.k12.or.us)
Marion County (www.co.marion.or.us)
City of Salem, Human Resources
SAIF Corporation (www.saif.com)
Chemeketa Community College (www.chemeketa.edu)
U.S. Department of Labor, Bureau of Labor Statistics (www.bls.gov)

Notes: 1. U.S. Department of Labor, Bureau of Labor, Salem, OR (MSA) - The average labor force for fiscal year 2021-22 was 85,282.
2. U.S. Department of Labor, Bureau of Labor, Salem, OR (MSA) - The average labor force for fiscal year 2013 was 74,979.
3. Includes full and part-time positions.

SALEM-KEIZER SCHOOL DISTRICT 24J
SALEM METROPOLITAN AREA EMPLOYMENT- LARGEST TO SMALLEST¹
CURRENT AND NINE YEARS PRIOR

Employment	2022		2013	
	Employees	% of Total	Employees	% of Total
Trade, Transportation & Utilities	29,830	16.7%	25,200	17.8%
Educational and Health Services	29,878	16.7%	23,100	16.3%
State Government	20,811	11.6%	20,600	14.6%
Local Government	19,199	10.7%	18,100	12.8%
Leisure and Hospitality	14,682	8.2%	11,800	8.3%
Professional and Business Services	15,855	8.9%	11,000	7.8%
Manufacturing	11,685	6.5%	10,100	7.1%
Construction	12,291	6.9%	5,300	3.8%
Natural Resources and Mining	9,655	5.4%	1,000	0.7%
Financial Activities	6,207	3.5%	7,800	5.5%
Other Services	5,901	3.3%	5,000	3.5%
Federal Government	1,415	0.8%	1,400	1.0%
Information	1,405	0.8%	1,100	0.8%
Total Salem Metropolitan Area Non-Farm Payroll Employment	178,814	100.0%	141,500	100.0%
Salem-Keizer SD 24J ²	6,343	3.5%	5,724	4.0%
Governmental Employees	41,425	23.2%	40,100	28.3%
Private Sector Employees	137,389	76.8%	101,400	71.7%
Total Salem Metropolitan Area Non-Farm Payroll Employment	178,814	100.0%	141,500	100.0%

¹ Employment and Wages by Industry, www.qualityinfo.org

² Salem-Keizer Public Schools

SALEM-KEIZER SCHOOL DISTRICT 24J
SALEM METROPOLITAN AREA - AVERAGE ANNUAL EMPLOYMENT¹
LAST TEN CALENDAR YEARS

	<u>2022*</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Manufacturing:										
Other Durable Goods	6,100	5,800	6,100	6,300	6,800	6,300	6,000	5,800	5,200	4,900
Food Products	4,300	4,000	3,800	4,600	5,100	4,800	4,400	5,600	3,900	4,600
Other Nondurable Goods	<u>2,500</u>	<u>2,500</u>	<u>2,900</u>	<u>2,300</u>	<u>2,500</u>	<u>2,500</u>	<u>2,300</u>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>
Total Manufacturing	12,900	12,300	12,800	13,200	14,400	13,600	12,700	13,400	11,100	11,500
Natural Resources & Mining	600	600	500	700	1,400	1,200	1,200	5,900	1,200	1,200
Contract Construction	14,400	13,000	12,900	12,600	11,500	9,400	9,000	8,500	6,900	6,800
Transp., Comm., Utilities	6,800	7,000	6,400	6,300	5,300	4,400	4,200	3,900	3,800	3,800
Trade, Information	24,500	24,800	23,800	24,600	26,700	24,100	21,800	22,400	21,500	21,300
Financial Activities	7,100	6,800	6,800	7,400	7,200	7,100	6,800	7,200	7,000	7,000
Service & Miscellaneous	65,800	65,900	54,300	67,500	62,500	61,800	61,600	55,300	54,100	53,000
Government:										
Federal	1,400	1,500	1,500	1,600	1,300	1,400	1,400	1,300	1,300	1,400
Indian Tribal	1,500	1,400	1,500	1,500	1,500	1,600	1,600	1,600	1,600	1,700
State	21,300	20,900	20,400	20,000	19,700	20,800	21,600	21,900	21,800	20,900
Local	<u>15,600</u>	<u>17,800</u>	<u>14,400</u>	<u>19,500</u>	<u>18,600</u>	<u>20,600</u>	<u>20,800</u>	<u>16,600</u>	<u>16,800</u>	<u>15,800</u>
Total Excluding Agriculture	<u>171,900</u>	<u>172,000</u>	<u>155,300</u>	<u>174,900</u>	<u>170,100</u>	<u>166,000</u>	<u>162,700</u>	<u>158,000</u>	<u>147,100</u>	<u>144,400</u>

*This is the most current estimate for Salem Metropolitan Area.

¹ Annual Average Employment is Not Seasonally Adjusted.

Source: Employment by wages and industry, www.qualityinfo.org.

SALEM-KEIZER SCHOOL DISTRICT 24J
POPULATION ETHNICITY AND OTHER RELATED DATA
YEAR ENDED JUNE 30, 2022

	<u>Marion County</u>	<u>Polk County</u>
White	63.4%	76.1%
Hispanic or Latino*	28.2%	15.3%
American Indian and Alaskan Native	2.8%	2.7%
Asian or Pacific Islander	3.7%	2.7%
Black or African American	1.6%	1.2%
Housing Units	130,365	34,463
Homeownership Rate	60.8%	65.4%
Average Household Size	2.77	2.70
Percentage of Persons under 18	24.0%	22.2%
Median Household Income	\$61,817	\$65,665
Population per Square Mile	292.9	118.0

*People who identify themselves as Hispanic or Latino (Spanish Heritage) may be of any racial group. Therefore, percentages may not equal 100%.

Marion County Source: <https://www.census.gov/quickfacts/fact/table/marioncountyoregon,polkcountyoregon/PST045221>
 Polk County Source: <https://www.census.gov/quickfacts/fact/table/polkcountyoregon/PST045221>

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHOOL BUILDING, STUDENT ENROLLMENT AND AVERAGE DAILY MEMBERSHIP (ADM) INFORMATION
LAST TEN FISCAL YEARS

	Square Feet	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
ELEMENTARY SCHOOLS											
Auburn (1955)	78,793										
ADM		528	554	596	680	677	677	650	630	667	642
Enrollment		542	566	593	603	688	689	654	652	668	652
Battle Creek (2012)	78,678										
ADM		446	494	590	635	613	586	559	525	529	460
Enrollment		444	485	583	594	641	581	542	527	531	459
Brush College (1909)	52,676										
ADM		294	276	318	281	272	277	253	210	339	373
Enrollment		299	279	313	313	271	289	254	200	333	369
Bush (2005)	46,290										
ADM		266	265	283	311	324	310	320	309	323	313
Enrollment		258	271	284	279	312	313	316	312	317	312
Candalaria (1955)	36,740										
ADM		310	267	354	336	339	344	353	355	339	340
Enrollment		318	275	355	352	340	341	354	352	343	338
Chapman Hill (1985)	59,528										
ADM		363	338	383	389	411	404	385	368	425	453
Enrollment		364	327	382	378	382	407	381	362	419	452
Chavez (2012)	78,174										
ADM		584	567	620	581	568	583	591	556	701	649
Enrollment		584	576	624	621	574	585	592	563	705	643
Clear Lake (1994)	49,289										
ADM		331	352	383	402	390	430	433	470	497	481
Enrollment		331	355	383	382	400	428	437	474	495	483
Cummings (1953)	44,437										
ADM		415	420	444	417	434	436	427	414	414	394
Enrollment		410	431	450	443	424	443	431	399	416	390
Eagle Charter, State Sponsored (2011)	-										
ADM		130	139	143	139	141	140	141	143	138	125
Enrollment		135	142	142	144	143	139	140	144	120	124
Englewood (1910)	57,010										
ADM		319	326	365	352	378	382	360	376	382	362
Enrollment		325	328	360	359	357	369	359	380	390	356
Eyre (1976)	67,664										
ADM		576	567	600	541	542	571	602	590	573	543
Enrollment		575	570	605	594	541	569	612	601	583	546
Forest Ridge/Optimum Learning Environment (OLE) Charter (2002)	47,554										
Forest Ridge ADM		243	233	281	239	239	248	231	241	233	247
Forest Ridge Enrollment		238	237	283	280	235	244	224	239	239	244
OLE ADM		128	122	130	130	128	130	130	130	130	132
OLE Enrollment		130	118	129	131	129	130	129	129	130	132
Four Corners (1949)	54,451										
ADM		362	425	474	490	505	531	530	510	521	523
Enrollment		358	421	474	468	517	531	532	522	517	523
Grant (1955)²	47,003										
ADM		417	375	372	409	421	444	428	456	434	405
Enrollment		419	382	374	379	417	446	427	447	443	410

Source: Salem-Keizer Public Schools

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHOOL BUILDING, STUDENT ENROLLMENT AND AVERAGE DAILY MEMBERSHIP (ADM) INFORMATION (CONTINUED)

LAST TEN FISCAL YEARS											
	Square Feet	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Gubser (1976)	63,965										
ADM		415	465	535	552	595	550	524	486	470	474
Enrollment		413	465	520	526	554	546	528	477	464	477
Hallman (2001)	44,951										
ADM		360	392	401	412	422	389	415	454	429	452
Enrollment		356	397	402	394	412	397	435	456	433	461
Hammond (2001)	49,346										
ADM		524	495	524	487	514	506	532	522	504	507
Enrollment		535	507	523	521	492	504	522	518	502	514
Harritt (2003)	51,094										
ADM		487	455	490	509	503	512	524	501	301	296
Enrollment		490	459	484	481	517	515	514	498	301	289
Hayesville (1963)	52,088										
ADM		342	333	368	440	444	426	439	436	421	405
Enrollment		344	342	360	369	445	422	448	457	431	412
Highland (1910)	47,920										
ADM		373	362	373	375	426	411	406	398	386	358
Enrollment		369	362	364	370	381	413	413	402	388	366
Hoover (1951)	54,036										
ADM		398	406	411	428	444	471	499	500	531	528
Enrollment		396	404	413	422	425	475	502	506	538	523
Kalapuya (2011)	72,095										
ADM		499	485	568	572	600	597	603	619	662	641
Enrollment		498	491	576	552	575	592	590	615	655	638
Keizer (1985)	67,210										
ADM		524	548	628	717	737	682	654	641	624	590
Enrollment		530	548	618	609	712	685	656	657	617	604
Kennedy (1964)	62,385										
ADM		364	357	397	412	441	449	459	455	465	457
Enrollment		373	354	399	398	419	444	458	458	465	456
Lamb (2001)	49,346										
ADM		360	380	407	465	491	486	493	464	503	481
Enrollment		372	391	406	422	469	497	491	473	509	482
Lee (2002)	47,554										
ADM		276	265	309	296	304	311	309	318	305	319
Enrollment		283	273	313	309	302	310	303	318	303	328
Liberty (1908)	52,273										
ADM		451	428	454	374	386	388	372	388	376	370
Enrollment		463	429	452	448	375	386	372	378	372	368
McKinley (1915)	40,140										
ADM		307	298	339	331	321	352	335	339	317	316
Enrollment		310	303	339	341	334	357	329	334	317	318
Miller (2000)	59,608										
ADM		370	395	389	417	411	433	417	430	420	428
Enrollment		374	396	385	391	419	436	424	426	437	439

Source: Salem-Keizer Public Schools

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHOOL BUILDING, STUDENT ENROLLMENT AND AVERAGE DAILY MEMBERSHIP (ADM) INFORMATION (CONTINUED)

LAST TEN FISCAL YEARS

	Square Feet	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Morningside (1953)	50,996										
ADM		279	266	343	365	375	382	384	379	373	355
Enrollment		282	260	348	340	373	386	386	386	378	358
Myers (1973)	56,306										
ADM		327	366	464	550	536	532	504	480	427	425
Enrollment		335	358	459	471	544	538	514	478	427	422
Pringle (1985)	60,429										
ADM		513	495	576	667	603	557	563	528	506	473
Enrollment		515	502	575	576	672	542	572	526	518	477
Richmond (1911)	53,318										
ADM		306	273	297	313	344	386	363	396	380	350
Enrollment		304	277	299	304	314	387	361	397	382	354
Salem Heights (1938)	45,575										
ADM		264	261	315	320	331	317	301	291	274	264
Enrollment		258	270	315	315	323	323	296	288	279	273
Schirle (1976)	52,038										
ADM		296	329	425	500	471	417	442	453	463	455
Enrollment		298	330	428	423	508	419	442	445	464	462
Scott (1976)	73,120										
ADM		541	536	542	547	601	638	617	621	530	539
Enrollment		536	552	546	534	557	642	641	624	543	542
Sumpter (1979)	67,160										
ADM		484	481	551	537	545	554	534	496	494	498
Enrollment		496	485	540	544	538	547	523	501	496	502
Swegle (1923)	51,172										
ADM		546	572	608	533	521	542	576	561	471	469
Enrollment		544	580	603	603	541	553	583	553	481	585
Valley Inquiry Charter (1955)	15,425										
ADM		203	166	166	166	165	167	163	165	166	163
Enrollment		199	169	165	167	168	156	165	168	163	162
Washington (1948)	66,948										
ADM		360	371	400	389	414	412	423	431	438	404
Enrollment		358	375	400	398	382	417	415	444	410	429
Weddle (2001)	50,080										
ADM		362	377	409	432	437	442	451	459	464	446
Enrollment		365	371	412	413	430	445	455	469	449	402
Wright (1963)	54,004										
ADM		371	354	402	411	399	412	421	424	462	457
Enrollment		375	373	397	396	411	418	420	428	448	443
Yoshikai (1994)	63,985										
ADM		480	468	513	555	569	590	554	542	498	496
Enrollment		484	485	504	512	554	591	538	535	505	487
ELEMENTARY TOTALS:											
Square Feet	2,372,854										
ADM		17,094	17,099	18,940	19,404	19,732	19,804	19,670	19,460	19,305	18,856
Enrollment		17,185	17,271	18,879	18,869	19,517	19,847	19,680	19,518	19,324	19,006

Source: Salem-Keizer Public Schools

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHOOL BUILDING, STUDENT ENROLLMENT AND AVERAGE DAILY MEMBERSHIP (ADM) INFORMATION (CONTINUED)

LAST TEN FISCAL YEARS

	Square Feet	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
MIDDLE SCHOOLS											
Claggett Creek (2001)	116,256										
ADM		881	950	995	981	955	940	919	917	890	932
Enrollment		885	954	992	1,006	993	954	926	926	948	944
Crossler (1995)	111,930										
ADM		828	821	932	852	833	764	725	692	701	751
Enrollment		843	828	934	947	865	763	733	692	772	831
Houck (1995)	124,200										
ADM		1,044	1,029	1,052	1,024	1,036	995	950	953	949	950
Enrollment		1,025	1,041	1,046	1,074	1,054	1,014	957	974	957	960
Howard Street Charter (1926)	-										
ADM		184	187	181	174	165	160	156	157	161	161
Enrollment		184	182	182	182	177	161	156	161	163	162
Jane Goodall Environmental Charter (2000)	-										
ADM		92	97	97	97	97	97	97	97	98	98
Enrollment		93	100	98	98	97	98	99	97	99	98
Judson (1957)	135,744										
ADM		849	884	977	984	959	966	941	914	908	953
Enrollment		848	886	980	995	992	978	958	932	956	981
Leslie (1997)	113,600										
ADM		738	744	771	764	784	766	774	756	759	764
Enrollment		732	762	772	778	785	772	790	767	773	818
Parrish (1923)	113,302										
ADM		664	701	726	703	693	691	682	649	661	675
Enrollment		663	706	734	738	710	714	691	670	695	705
Stephens (1994)	139,964										
ADM		1,081	1,099	1,111	1,110	1,094	1,091	1,046	1,037	991	919
Enrollment		1,070	1,103	1,110	1,143	1,130	1,106	1,063	1,053	927	1,005
Straub (2011)	136,813										
ADM		557	611	660	660	612	618	600	589	722	723
Enrollment		550	614	670	660	664	621	607	587	731	750
Waldo (1957)	143,542										
ADM		1,207	1,227	1,212	1,035	1,027	974	979	922	917	902
Enrollment		1,204	1,246	1,205	1,214	1,042	980	995	929	910	821
Walker (1960)	117,725										
ADM		604	647	710	679	677	640	637	619	505	521
Enrollment		597	647	710	724	679	644	638	613	530	534
Whiteaker (1968)	122,614										
ADM		667	704	774	790	779	776	744	731	742	772
Enrollment		656	696	774	782	806	771	741	733	776	827
Total Alternative Education Programs/Locations: Roberts at Chemeketa (2005)	-										
ADM		81	7	16	-	-	-	-	-	-	-
Enrollment		81	7	19	-	-	-	-	-	-	-
MIDDLE SCHOOL TOTALS:											
Square Feet	1,375,690										
ADM		9,477	9,708	10,214	9,853	9,711	9,478	9,250	9,033	9,004	9,121
Enrollment		9,431	9,772	10,226	10,341	9,994	9,576	9,354	9,134	9,237	9,436

Source: Salem-Keizer Public Schools

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHOOL BUILDING, STUDENT ENROLLMENT AND AVERAGE DAILY MEMBERSHIP (ADM) INFORMATION (CONCLUDED)
LAST TEN FISCAL YEARS

	Square Feet	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
HIGH SCHOOLS											
McKay (1978)	342,089										
ADM		2,172	2,253	2,235	2,311	2,318	2,342	2,227	2,130	1,980	1,877
Enrollment		2,158	2,275	2,267	2,328	2,436	2,455	2,334	2,228	1,968	1,824
McNary (1964)	322,625										
ADM		1,920	1,903	1,951	1,948	1,938	1,936	1,956	1,952	2,006	1,956
Enrollment		1,899	1,822	2,002	2,091	2,070	2,051	2,046	2,062	2,037	2,053
North (1936)	327,381										
ADM		2,024	1,969	1,800	1,750	1,689	1,737	1,747	1,744	1,760	1,759
Enrollment		1,950	1,958	1,789	1,889	1,853	1,815	1,867	1,855	1,889	1,923
South (1954)	342,140										
ADM		2,067	2,078	1,969	1,839	1,825	1,805	1,821	1,811	1,885	1,882
Enrollment		2,090	2,103	2,009	2,059	1,936	1,884	1,881	1,902	1,951	2,029
Sprague (1972)	305,904										
ADM		1,672	1,624	1,596	1,647	1,673	1,654	1,644	1,634	1,571	1,652
Enrollment		1,673	1,593	1,625	1,701	1,736	1,751	1,706	1,695	1,730	1,756
West (2002)	265,528										
ADM		1,582	1,598	1,648	1,655	1,736	1,709	1,734	1,676	1,627	1,666
Enrollment		1,591	1,572	1,698	1,745	1,748	1,799	1,773	1,730	1,738	1,728
Total Alternative Education Programs/Locations: Riverfront Learning Center (1989) and Roberts (2005)											
ADM	45,752	697	778	732	848	794	712	750	741	836	895
Enrollment		656	826	721	649	401	916	823	975	1,096	987
HIGH SCHOOL AND ALTERNATIVE EDUCATION TOTALS:											
Square Feet	1,951,419										
ADM		12,134	12,203	11,931	11,998	11,973	11,896	11,879	11,688	11,665	11,687
Enrollment		12,017	12,149	12,111	12,462	12,180	12,671	12,430	12,447	12,409	12,300
DISTRICT FACILITIES											
Baker (1951)	6,487										
Career Technical Education Center (2019)	145,666										
Centennial (1897)	13,244										
Central Kitchen/Nutrition Center (1994)	25,400										
Central Services (1974)	73,550										
Paulus Complex (1953)	21,230										
Lancaster Professional Center (1989)	35,265										
Reprographics (1991)	26,550										
Support Services (1955)	22,580										
Technology Data Center (1975)	11,664										
Transportation Gaffin (2022)	41,246										
Transportation Hawthorne (1964)	12,640										
Other District Facilities (various)	30,179										
DISTRICT FACILITIES TOTALS:											
	465,701										
GRAND TOTALS:											
	6,165,664										
ADM		38,705	39,010	41,085	41,255	41,416	41,178	40,799	40,181	39,974	39,664
Enrollment		38,633	39,192	41,216	41,672	41,691	42,094	41,464	41,099	40,970	40,742

Source: Salem-Keizer Public Schools

SALEM-KEIZER SCHOOL DISTRICT 24J
AVERAGE DAILY MEMBERSHIP (ADM)
LAST TEN FISCAL YEARS ENDED JUNE 30

School Name	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Elementary Schools										
Auburn	528	554	596	680	677	677	650	630	667	642
Battle Creek	446	494	590	635	613	586	559	525	529	460
Brush College	294	276	318	281	272	277	253	210	339	373
Bush	266	265	283	311	324	310	320	309	323	313
Candalaria	310	267	354	336	339	344	353	355	339	340
Chapman Hill	363	338	383	389	411	404	385	368	425	453
Chavez	584	567	620	581	568	583	591	556	701	649
Clear Lake	331	352	383	402	390	430	433	470	497	481
Cummings	415	420	444	417	434	436	427	414	414	394
Eagle Charter, State Sponsored	130	139	143	139	141	140	141	143	138	125
Englewood	319	326	365	352	378	382	360	376	382	362
Eyre	576	567	600	541	542	571	602	590	573	543
Forest Ridge	243	233	281	239	239	248	231	241	233	247
Four Corners	362	425	474	490	505	531	530	510	521	523
Grant	417	375	372	409	421	444	428	456	434	405
Gubser	415	465	535	552	595	550	524	486	470	474
Hallman	360	392	401	412	422	389	415	454	429	452
Hammond	524	495	524	487	514	506	532	522	504	507
Harritt	487	455	490	509	503	512	524	501	301	296
Hayesville	342	333	368	440	444	426	439	436	421	405
Highland	373	362	373	375	426	411	406	398	386	358
Hoover	398	406	411	428	444	471	499	500	531	528
Kalapuya	499	485	568	572	600	597	603	619	662	641
Keizer	524	548	628	717	737	682	654	641	624	590
Kennedy	364	357	397	412	441	449	459	455	465	457
Lamb	360	380	407	465	491	486	493	464	503	481
Lee	276	265	309	296	304	311	309	318	305	319
Liberty	451	428	454	374	386	388	372	388	376	370
McKinley	307	298	339	331	321	352	335	339	317	316
Miller	370	395	389	417	411	433	417	430	420	428
Morningside	279	266	343	365	375	382	384	379	373	355
Myers	327	366	464	550	536	532	504	480	427	425
Optimum Learning Environments Charter	128	122	130	130	128	130	130	130	130	132
Pringle	513	495	576	667	603	557	563	528	506	473
Richmond	306	273	297	313	344	386	363	396	380	350
Salem Heights	264	261	315	320	331	317	301	291	274	264
Schirle	296	329	425	500	471	417	442	453	463	455
Scott	541	536	542	547	601	638	617	621	530	539
Sumpter	484	481	551	537	545	554	534	496	494	498
Swegle	546	572	608	533	521	542	576	561	471	469
Valley Inquiry Charter	203	166	166	166	165	167	163	165	166	163
Washington	360	371	400	389	414	412	423	431	438	404
Weddle	362	377	409	432	437	442	451	459	464	446
Wright	371	354	402	411	399	412	421	424	462	457
Yoshikai	480	468	513	555	569	590	554	542	498	496
Total Elementary Schools	17,094	17,099	18,940	19,404	19,732	19,804	19,670	19,460	19,305	18,856

Source: Salem-Keizer Public Schools

SALEM-KEIZER SCHOOL DISTRICT 24J
AVERAGE DAILY MEMBERSHIP (ADM)
LAST TEN FISCAL YEARS ENDED JUNE 30

<u>School Name</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Middle School										
Claggett Creek	881	950	995	981	955	940	919	917	890	932
Crossler	828	821	932	852	833	764	725	692	701	751
Houck	1,044	1,029	1,052	1,024	1,036	995	950	953	949	950
Howard Street Charter	184	187	181	174	165	160	156	157	161	161
Jane Goodall										
Environmental Charter	92	97	97	97	97	97	97	97	98	98
Judson	849	884	977	984	959	966	941	914	908	953
Leslie	738	744	771	764	784	766	774	756	759	764
Parrish	664	701	726	703	693	691	682	649	661	675
Stephens	1,081	1,099	1,111	1,110	1,094	1,091	1,046	1,037	991	919
Straub	557	611	660	660	612	618	600	589	722	723
Waldo	1,207	1,227	1,212	1,035	1,027	974	979	922	917	902
Walker	604	647	710	679	677	640	637	619	505	521
Whiteaker	667	704	774	790	779	776	744	731	742	772
Alternative Education	81	7	16	-	-	-	-	-	-	-
Total Junior High/ Middle Schools	9,477	9,708	10,214	9,853	9,711	9,478	9,250	9,033	9,004	9,121
High Schools										
McKay	2,172	2,253	2,235	2,311	2,318	2,342	2,227	2,130	1,980	1,877
McNary	1,920	1,903	1,951	1,948	1,938	1,936	1,956	1,952	2,006	1,956
North	2,024	1,969	1,800	1,750	1,689	1,737	1,747	1,744	1,760	1,759
South	2,067	2,078	1,969	1,839	1,825	1,805	1,821	1,811	1,885	1,882
Sprague	1,672	1,624	1,596	1,647	1,673	1,654	1,644	1,634	1,571	1,652
West	1,582	1,598	1,648	1,655	1,736	1,709	1,734	1,676	1,627	1,666
Alternative Education	537	610	617	661	619	538	580	505	676	723
Total High Schools	11,974	12,035	11,816	11,811	11,798	11,721	11,709	11,452	11,505	11,515
Other Special Programs	160	168	115	187	175	175	170	236	160	172
Total Average Daily Membership	38,705	39,010	41,085	41,255	41,416	41,178	40,799	40,181	39,974	39,664
Percentage increase from previous year	-0.78%	-5.05%	-0.41%	-0.39%	0.58%	0.93%	1.54%	0.52%	0.78%	0.67%

Source: Salem-Keizer Public Schools

SALEM-KEIZER SCHOOL DISTRICT 24J
LICENSED, CLASSIFIED AND ADMINISTRATIVE FULL-TIME EMPLOYEES STAFF LEVELS
LAST TEN FISCAL YEARS ENDED JUNE 30

Fiscal Year	Licensed	Classified	Administrative	Total FTE	General Fund		Percent of Total
					Total General Fund	All Other Funds	
2022	2,512	2,446	179	5,137	4,437	700	86.37%
2021	2,445	2,339	173	4,957	4,470	487	90.18%
2020	2,471	2,382	168	5,021	4,635	386	92.31%
2019	2,465	2,398	162	5,025	4,772	253	94.97%
2018	2,506	2,473	167	5,146	4,640	506	90.17%
2017	2,442	2,294	167	4,903	4,552	351	92.84%
2016	2,317	2,147	181	4,645	4,255	390	91.60%
2015	2,161	2,025	157	4,343	3,936	407	90.63%
2014	1,998	1,935	136	4,069	3,691	378	90.71%
2013	2,094	1,987	150	4,231	3,779	452	89.32%

Source: District Payroll Records

Note: FTE does not include non-district employees of District sponsored public charter schools.

Collective Bargaining Unit	Membership	Termination Date of Current Contract	Status of Negotiations
Salem-Keizer Education Association (SKEA)	2,182	June 30, 2023	Settled
Association of Salem-Keizer Education Support Professionals (ASK ESP)	1,670	June 30, 2023	Settled

Source: Salem-Keizer Public Schools

**SALEM-KEIZER SCHOOL DISTRICT 24J
TEACHER BASE SALARIES
LAST TEN FISCAL YEARS ENDED JUNE 30**

Fiscal Year	Minimum Salary¹	Maximum Salary¹	Average Salary¹	Marion County Average Salary²	Polk County Average Salary²	Statewide Average Salary²
2022	\$ 43,501	\$ 85,620	\$ 70,302	\$ 69,200	\$ 65,288	\$ 70,344
2021	42,440	83,532	69,175	67,801	65,621	68,565
2020	41,204	81,099	66,923	65,440	65,107	66,825
2019	40,297	79,314	63,389	63,775	61,562	64,589
2018	39,507	77,759	61,075	62,532	59,672	63,061
2017	38,732	76,234	60,055	61,190	57,366	61,862
2016	38,066	74,923	58,073	60,353	53,500	60,407
2015	37,320	73,454	58,245	59,420	54,202	59,477
2014	36,588	72,014	57,838	58,907	53,084	58,595
2013	36,083	71,020	57,027	56,379	53,029	57,590

Sources:

¹ Salem-Keizer Public Schools. The minimum, maximum, and average salary amounts do not include differentials, additional workdays, or fringe benefits such as retirement.

² Oregon Department of Education, Office of Analysis and Reporting.

SALEM-KEIZER SCHOOL DISTRICT 24J
OPERATING STATISTICS
LAST TEN FISCAL YEARS ENDED JUNE 30

Fiscal Year	Average Daily Membership	Governmental Fund Expenditures	Cost per Pupil	% Change	Governmental Fund Expenditures Less Debt Service-General Obligation Bonds	Cost per Pupil	% Change	Teaching Staff	Pupil-Teacher Ratio
2022	38,705	\$ 919,496,129	\$ 23,757	11.4%	\$ 861,077,579	\$ 22,247	12.0%	2,512	15.4
2021	39,010	831,739,525	21,321	14.4%	775,139,035	19,870	15.9%	2,445	16.0
2020	41,085	765,414,548	18,630	23.9%	704,659,848	17,151	22.0%	2,471	16.6
2019	41,255	620,276,345	15,035	8.4%	579,839,036	14,055	6.3%	2,465	16.7
2018	41,416	574,516,654	13,872	11.3%	547,820,281	13,227	7.4%	2,506	16.5
2017	41,178	533,244,697	12,466	-0.1%	507,117,433	12,315	-0.6%	2,442	16.9
2016	40,799	538,412,889	12,477	2.0%	505,419,908	12,388	8.4%	2,317	17.6
2015	40,181	491,550,470	12,233	5.1%	459,385,857	11,433	5.2%	2,161	18.6
2014	39,974	465,071,226	11,634	2.3%	434,330,820	10,865	2.5%	1,998	20.0
2013	39,664	451,064,582	11,372	-7.6%	420,480,786	10,601	-8.2%	2,094	18.9

Notes:

1. The teaching staff includes all licensed staff - teachers, counselors, and librarians.
2. Average Daily Membership for the current year are estimates. Finalized numbers are available the following year.

Source: Salem-Keizer Public Schools

**SALEM-KEIZER SCHOOL DISTRICT 24J
MISCELLANEOUS STATISTICAL DATA
LAST TEN FISCAL YEARS ENDED JUNE 30**

NUMBER OF SCHOOL BUILDINGS:

High Schools	8
Middle Schools	11
Elementary Schools	42

SUPPORT FACILITIES:

Baker
 Career Technical Education Center
 Centennial
 Central Kitchen/Nutrition Center
 Central Services
 Paulus Complex
 Lancaster Professional Center
 Reprographics
 Support Services
 Technology Data Center
 Transportation Gaffin
 Transportation Hawthorne
 Other District Facilities

NUMBER OF TYPE A MEALS SERVED:

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Paid lunches	-	-	706,723	820,885	845,791	820,643	813,221	704,861	816,839	844,229
Free lunches	3,088,622	1,028,954	1,838,964	2,917,497	3,039,073	3,073,840	3,138,828	2,948,233	2,613,510	2,540,132
Reduced lunches	-	-	101,986	165,814	167,238	163,344	162,010	174,689	277,296	274,058
	<u>3,088,622</u>	<u>1,028,954</u>	<u>2,647,673</u>	<u>3,904,196</u>	<u>4,052,102</u>	<u>4,057,827</u>	<u>4,114,059</u>	<u>3,827,783</u>	<u>3,707,645</u>	<u>3,658,419</u>
Paid breakfast	-	-	213,315	220,046	219,033	197,325	191,819	161,505	231,040	214,897
Free breakfast	1,193,968	873,486	726,747	1,175,751	1,202,873	1,151,793	1,171,952	1,127,288	1,037,571	977,764
Reduced breakfast	-	-	30,432	51,911	52,418	50,282	51,943	58,341	98,980	93,044
	<u>1,193,968</u>	<u>873,486</u>	<u>970,494</u>	<u>1,447,708</u>	<u>1,474,324</u>	<u>1,399,400</u>	<u>1,415,714</u>	<u>1,347,134</u>	<u>1,367,591</u>	<u>1,285,705</u>

Percentage of students eligible for free or reduced meals	100%	100%	68%	57%	57%	58%	61%	58%	61%	59%
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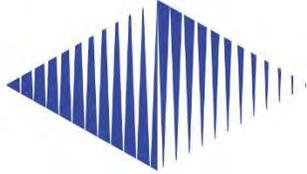
GRADUATION STATISTICS:

High Schools	2,422	2,619	2,482	2,320	2,350	2,172	2,065	2,101	2,095	2,165
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Note: Graduates for the current year are estimates. Finalized numbers are available from ODE the following spring.
 Source: Salem-Keizer Public Schools



COMPLIANCE SECTION



GROVE, MUELLER & SWANK, P.C.

Certified Public Accountants and Consultants

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

School Board
Salem-Keizer School District 24J
Salem, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Salem-Keizer School District 24J, (the District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 21, 2022.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 were not identified.

Report on Compliance and Other Matters

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

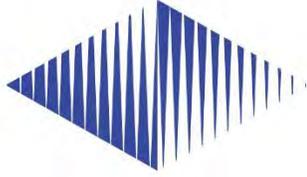
Purpose of This Report

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

Grove, Mueller & Swank, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

December 21, 2022



GROVE, MUELLER & SWANK, P.C.

Certified Public Accountants and Consultants

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

School Board
Salem-Keizer School District 24J
Salem, Oregon

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Salem-Keizer School District 24J (the 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 District's major federal programs for the year ended June 30, 2022. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Salem-Keizer School District 24J complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Salem-Keizer School District 24J and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from

error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

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

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

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

Report on Internal Control over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal 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.

Grove, Mueller & Swank, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

December 21, 2022

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2022

Federal Grantor/ Pass Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Expenditures 2021-22
U.S. Department of Education			
Direct Programs			
Indian Education Grants to Local Educational Agencies			
Indian Education 20-21	84.060	S060A201098	\$ 18,422
Indian Education 21-22	84.060	S060A211098	171,806
Subtotal Indian Education Grants to Local Educational Agencies			<u>190,228</u>
Total U.S. Department of Education			
Direct Programs			<u>190,228</u>
Passed-Through Oregon Department of Education			
Title I Grants to Local Educational Agencies			
Title IA 20-21	84.010	58356	7,923,643
Title ID 20-21	84.010	58909	29,529
Title ID 21-22	84.010	66909	128,691
Title IA 21-22	84.010	67066	6,769,158
ESSA Partnerships 20-21	84.010	60426	456,454
ESSA Partnerships 19-20 Supplemental	84.010	65149	123,969
Subtotal Title I Grants to Local Educational Agencies			<u>15,431,444</u>
Migrant Education State Grant Program			
Title I C Regular 18-19	84.011	49219	32,141
Title I C Regular 19-20	84.011	53729	65,722
Title I C Summer 19-20	84.011	57322	65,608
Title I C Preschool 20-21	84.011	58925	25,599
Title I C Regular 20-21	84.011	58943	282,484
Title I C Supplemental 20-21	84.011	61778	318
Title I C Summer 20-21	84.011	66117	194,333
Title I C Regular 21-22	84.011	68117	1,147,372
Title I C Preschool 21-22	84.011	68146	109,069
Title I C Summer 21-22	84.011	70947	150,602
Subtotal Migrant Education State Grant Program			<u>2,073,248</u>
Supporting Effective Instruction State Grants			
Title IIA	84.367	67500	1,394,913
Subtotal Supporting Effective Instruction State Grants			<u>1,394,913</u>

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2022

Federal Grantor/ Pass Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Expenditures 2021-22
English Language Acquisition State Grants			
Title III 18-19	84.365	50283	\$ 27,184
Title III 19-20	84.365	53456	109,411
Title III 20-21	84.365	58504	145,087
Title III 21-22	84.365	67163	536,058
Subtotal English Language Acquisition State Grants			<u>817,740</u>
Student Support and Academic Enrichment Program			
Title IV-A	84.424	54614	128,718
Title IV-A	84.424	58660	674,057
Subtotal Student Support and Academic Enrichment Program			<u>802,775</u>
Education Stabilization Fund			
COVID-19 LEA ESSER Fund	84.425D	57904	66,939
COVID-19 LEA ESSER II Fund	84.425D	64675	20,873,942
COVID-19 LEA ESSER III Fund	84.425D	64979	12,083,711
COVID-19 American Rescue Plan-Homeless Children and Youth I	84.425W	69309	1,454
Subtotal Education Stabilization Fund			<u>33,026,046</u>
Special Education Cluster (IDEA)			
IDEA Part B, Section 611, Add'l Flow-Thru 2019-20	84.027	56743	106,374
IDEA Part B, Section 611 2020-21	84.027	60743	6,353,774
Pathways for Recovery and Return	84.027	61446	69,494
COVID-19 IDEA Part B, Section 611 2021-22 ARP	84.027	68474	11,361
IDEA Part B, Section 611 2021-22	84.027	68723	267,558
IDEA Part B, Section 611 2020-21	84.027	70170	24,844
IDEA Part B, Section 619 2020-21	84.173	60570	50,721
IDEA Part B, Section 619 2021-22	84.173	68995	58,202
COVID-19 IDEA Part B, Section 619 2021-22 ARP	84.173	69239	14,269
Subtotal Special Education Cluster (IDEA)			<u>6,956,597</u>
Career and Technical Education - Basic Grants to States			
Perkins 20-21	84.048	57598	106,133
Perkins 21-22	84.048	66152	263,695
Subtotal Career and Technical Education - Basic Grants to States			<u>369,828</u>
Education for Homeless Children and Youth			
McKinney Homeless	84.196	65243	24,736
McKinney Homeless	84.196	66233	49,550
Subtotal Education for Homeless Children and Youth			<u>74,286</u>
Total U.S. Department of Education Passed-Through Oregon Department of Education			<u>60,946,877</u>

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2022

Federal Grantor/ Pass Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Expenditures 2021-22
Passed-Through Oregon Department of Human Services			
Rehabilitation Services - Vocational Rehabilitation Grants to States			
Youth Transition Program 21-23	84.126	160746-01	\$ 411,737
YTP Summer Work Experience 2021	84.126	161025-2	49,546
Subtotal Rehabilitation Services - Vocational Rehabilitation Grants to States			<u>461,283</u>
Total U.S. Department of Education			<u>61,598,388</u>
U.S. Department of Homeland Security			
Passed-Through Oregon Office of Emergency Management			
Disaster Grants - Public Assistance			
COVID-19 Federal Emergency Management Agency	97.036	DR-4499-OR	73,640
COVID-19 Federal Emergency Management Agency	97.036	DR-4499-OR	105,814
Federal Emergency Management Agency (Ice Storm)	97.036	DR-4599-OR	13,084
Federal Emergency Management Agency (Ice Storm)	97.036	DR-4599-OR	5,300
Federal Emergency Management Agency (Ice Storm)	97.036	DR-4599-OR	3,256
Federal Emergency Management Agency (Ice Storm)	97.036	DR-4599-OR	274,296
Federal Emergency Management Agency (Ice Storm)	97.036	DR-4599-OR	21,721
Federal Emergency Management Agency (Ice Storm)	97.036	DR-4599-OR	5,443
Subtotal Disaster Grants - Public Assistance			<u>502,554</u>
Total U.S. Department of Homeland Security			<u>502,554</u>
U.S. Department of Agriculture			
Passed-Through Oregon Department of Education			
Child Nutrition Cluster			
National School Breakfast Program	10.553	N/A	2,978,690
National School Lunch Program	10.555	N/A	14,346,621
Commodity Value - NSLP	10.555	N/A	1,664,105
Commodity Value - SFSP	10.559	N/A	4,351
Summer Food Svc Program/Children	10.559	N/A	317,870
Subtotal Child Nutrition Cluster			<u>19,311,637</u>

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONCLUDED)
YEAR ENDED JUNE 30, 2022

Federal Grantor/ Pass Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Expenditures 2021-22
Pandemic EBT Administrative Costs			
COVID-19 PEBT Administrative Funds	10.649	N/A	\$ 5,814
Subtotal Pandemic EBT Administrative Costs			<u>5,814</u>
Child and Adult Care Food Program			
Child and Adult Care Food Program	10.558	N/A	457,181
Subtotal Child and Adult Care Food Program			<u>457,181</u>
Total U.S. Department of Agriculture Passed-Through Oregon State Department of Education			<u>19,774,632</u>
Passed-Through Marion County			
Forest Service Schools and Roads Cluster			
Schools and Roads - Grants to States	10.665	N/A	419
Subtotal Forest Service Schools and Roads Cluster			<u>419</u>
Total U.S. Department of Agriculture			<u>19,775,051</u>
U.S. General Services Administration			
Passed-Through Oregon Department of Administrative Services			
Donation of Federal Surplus Personal Property			
Donated Surplus Property	39.003	N/A	2,347
Subtotal Donation of Federal Surplus Personal Property			<u>2,347</u>
Total U.S. General Services Administration			<u>2,347</u>
Total Federal Programs			<u><u>\$ 81,878,340</u></u>
Reconciliation to Federal Revenue Recognized			
Federal expenditures to be recognized as revenue in subsequent year			(304,715)
Total Federal Revenue Recognized			<u><u>\$ 81,573,625</u></u>

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2022

Purpose of the Schedule

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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 allowable or are limited as to reimbursement.

Indirect Cost Rate

The District has a negotiated indirect cost rate with Oregon Department of Education. The District is therefore not allowed to use the ten percent de minimis indirect cost rate as otherwise allowed under the Uniform Guidance.

Federal Financial Assistance

Pursuant to Uniform Guidance, federal financial assistance is defined as assistance provided by a federal agency, either directly or indirectly, in the form of grants, contracts, cooperative agreements, loans, loan guarantees, property, interest subsidies, insurance or direct appropriations. Accordingly, non-monetary federal assistance, including federal surplus property, is included in federal financial assistance and, therefore, is reported on the Schedule, if applicable. Federal financial assistance does not include direct federal cash assistance to individuals. Solicited contracts between the state and federal government for which the federal government procures tangible goods or services are not considered to be federal financial assistance.

Major Programs

Uniform Guidance establishes criteria to be used in defining major federal financial assistance programs. Major programs for the District are those programs selected for testing by the auditor using a risk-assessment model, as well as certain minimum expenditure requirements, as outlined in Uniform Guidance. Programs with similar requirements may be grouped into a cluster for testing purposes.

Reporting Entity

The reporting entity is fully described in notes to the financial statements. The Schedule includes all federal programs administered by the District for the year ended June 30, 2022.

Revenue and Expenditure Recognition

The receipt and expenditure of federal awards are accounted for under the modified accrual basis of accounting. Revenues are recorded when measurable and available. Expenditures are recorded when the liability is incurred. Donated commodities are valued at their estimated fair value.

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022

SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of auditor’s report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major federal programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None reported
Type of auditor’s report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?	No

Identification of major federal programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027, 84.173	Special Education Cluster (IDEA)
84.425	Education Stabilization Fund

Dollar threshold used to distinguish between type A and type B programs:	\$2,456,350
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Auditee qualified as low-risk auditee?	Yes
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FINANCIAL STATEMENT FINDINGS

None.

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022

PRIOR YEAR FINANCIAL STATEMENT FINDINGS

None.

PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.



GROVE, MUELLER & SWANK, P.C.

Certified Public Accountants and Consultants

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INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

School Board
Salem-Keizer School District 24J
Salem, Oregon

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the basic financial statements of Salem-Keizer School District 24J, (the District) as of and for the year ended June 30, 2022, and have issued our report thereon dated December 21, 2022.

Compliance and Other Matters

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

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

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

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

Internal Control

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

Restriction on Use

This report is intended solely for the information and use of the school board and management of the Salem-Keizer School District 24J and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

GROVE, MUELLER & SWANK, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

By: 
Larry E. Grant, A Shareholder
December 21, 2022