ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2023



12700 SW 72nd Ave.
Tigard, OR 97223

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

2022-2023 FINANCIAL REPORT

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

2022-2023 FINANCIAL REPORT

BOARD OF EDUCATION	TERM EXPIRES
Bill Amos, Vice Chair	June 30, 2027
Trinity Monahan	June 30, 2025
Melody Killens, Chair	June 30, 2027
Ryan Scholl	June 30, 2025
Kellie Smith	June 30, 2025

Board members receive mail at the District Office address listed below

ADMINISTRATION

Scot Stockwell, Superintendent
Jessica Seay, Director of Fiscal Services
474 North 16th Street
St. Helens, Oregon 97051

ST. HELENS SCHOOL DISTRICT
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December 21, 2023

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
St. Helens School District
Columbia County, Oregon

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of St. Helens School District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the St. Helens School District, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Change in Accounting Principle

The District adopted new accounting guidance, *GASB Statement No. 96 – Subscription-based Information Technology Arrangements,* during the fiscal year under audit. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the other information, as listed in the table of contents, and the listing of board members containing their term expiration dates, located before the table of contents, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2023 on our consideration of the internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 21, 2023, on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

Tara M. Kamp, CPA

Tara M. Kamp, CPA
PAULY, ROGERS AND CO., P.C.

ST. HELENS SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023

As management of St. Helens School District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2023.

FINANCIAL HIGHLIGHTS

- In the government-wide statements, the net position of the District at June 30, 2023, was $2.9 million. Of this amount, $24.1 million represents the District's net investment in capital assets, $755 thousand was restricted for debt service, and -$22.1 million was unrestricted.
- The District's total net position increased by $3.3 million.
- The District's total liabilities increased by $2.6 million (1.8 percent) during the 2022-23 fiscal year.
- The District's governmental funds report a combined ending fund balance of $52.4 million at June 30, 2023, a decrease of $20.8 million from the prior year due primarily to expenditures pertaining to the St. Helens High School renovation project.
- At the end of the fiscal year ended June 30, 2023, fund balance for the General Fund was $8.2 million, which represents approximately 23.4 percent of total General Fund revenues.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. 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. These statements include:

The S*tatement of Net Position.* The *statement of net position* presents information on all of the assets and liabilities of the District as of the date on the statement. Net position is what remains after the liabilities have been paid off or otherwise satisfied. 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, expenses and other transactions that increase or reduce net position. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned, unused vacation leave).

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

Fund financial statements. The *fund financial statements* provide more detailed information about the

District's funds, focusing on its most significant or "major" funds – not the District as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The St. Helens School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the 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 four individual governmental funds. Information is presented separately in the governmental funds balance sheet and the governmental fund's statement of revenues, expenditures and changes in fund balances for the General Fund, the Special Revenue Fund, the Debt Service Fund, and the Capital Projects Fund, which are all considered to be major funds.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* related to PERS and other postemployment benefit obligations and schedules of revenues, expenditures and changes in fund balance - budget and actual for the General Fund and the Special Revenue Fund. The budgetary information for the Debt Service Fund and the Capital Projects Fund, as well as budgetary information on all funds and other schedules required by the Department of Education and the Secretary of State, are presented as *other supplementary information.*

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, net position was $2.9 million as of June 30, 2023.

Capital assets, which consist of the District's land, buildings, building improvements, vehicles, and equipment, represent 60.8 percent of total assets and deferred outflows. The remaining assets consist mainly of investments, cash, and grants and property taxes receivable.

The District's largest liability (81.5 percent) is for the repayment of long-term liabilities (general obligation bonds, pension bonds, and other postemployment benefit obligations). Current liabilities, representing 2.6 percent of the District's total liabilities, are made up of payables on accounts, salaries and benefits, and interest on long-term liabilities.

A large portion of the District's fund balance reflect general obligation bond proceeds on hand restricted for facility construction projects as approved by voters in May 2020 which are offset by the District's

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

St. Helens School District
Statements of Net Position
June 30,

	2023	2022	Change
Current and other assets	$ 56,822,577	$ 76,301,481	$ (19,478,904)
Net OPEB asset for RHIA	604,160	554,923	49,237
Capital assets, net	97,937,708	76,485,829	21,451,879
Total assets	155,364,445	153,342,233	2,022,212
Stipend deferred outflows	-	971	(971)
PERS deferred outflows	5,380,218	5,918,152	(537,934)
RHIA OPEB deferred outflows	8,793	62,782	(53,989)
Medical OPEB deferred outflows	205,963	238,186	(32,223)
Total assets and deferred outflows	160,959,419	159,562,324	1,397,095
Current liabilities	7,785,337	5,130,893	2,654,444
Long-term debt	125,160,942	129,212,909	(4,051,967)
Total pension liability for stipends	11,771	16,629	(4,858)
PERS net pension liability	15,783,500	11,680,879	4,102,621
Total OPEB liability for medical subsidy	1,164,284	1,280,384	(116,100)
Total liabilities	149,905,834	147,321,694	2,584,140
Stipend deferred inflows	4,989	11,226	(6,237)
PERS deferred inflows	7,957,851	12,264,391	(4,306,540)
RHIA OPEB deferred inflows	148,117	283,687	(135,570)
Medical OPEB deferred inflows	51,781	57,350	(5,569)
Total liabilities and deferred inflows	158,068,572	159,938,348	(1,869,776)
Net position			
Net investment in capital assets	24,190,393	22,464,684	1,725,709
Restricted	754,583	299,349	455,234
Unrestricted	(22,054,129)	(23,140,057)	1,085,928
Total net position	$ 2,890,847	$ (376,024)	$ 3,266,871

Statement of Activities. During the current fiscal year, the District's net position increased by $3.3 million, compared to an increase of $3.7 million in the prior year. The key elements of the increase in the District's net position for the year ended June 30, 2023, are as follows:

- Revenues increased $5.5 million. Factors impacting the District's General Purpose Grant from Oregon Department of Education (ODE) led to revenue increases totaling $3.5 million primarily from property taxes ($2.6 million) and the State School Fund grant ($997 thousand) tied to the district's growth as a percentage of total ADMw statewide. Favorable investment performance

resulted in an increase of revenue totaling $2.5 million over the prior year. Program revenue from fees, fines, and charges for services also increased by $232 thousand primarily due to the expiration of United States Department of Agriculture (USDA) COVID 19 waivers and a return to a pay-per-meal model for student meals. Whereas as operating grants experienced a significant increase in the prior year, these revenues in the fiscal year ending June 30, 2023 decreased $1.1 million. Significant decreases in operating grants were tied to COVID 19 relief, specifically in food service aid programs and Elementary and Secondary School Emergency Relief III funds ($2.8 million decrease) and the discontinuation of Oregon Department of Education's (ODE) Summer Enrichment/Academic Programs ($898 thousand). These decreases were offset by increases in Student Investment Account revenues totaling $450 thousand, targeted grants for English Language Learning instruction of $477 thousand, state grants supporting high school technical education totaling $624 thousand and specific funding for employee recruitment and retention totaling $335 thousand.

St. Helens School District
Statements of Activities
Years ended June 30,

	2023	2022	Change
Revenues			
Program revenues			
Fees, fines and charges for services	$ 602,759	$ 371,158	$ 231,601
Operating grants and contributions	10,320,644	11,459,512	(1,138,868)
General revenues			
Property taxes	15,370,240	12,814,107	2,556,133
Construction excise tax	76,397	286,256	(209,859)
State school fund	21,546,094	20,548,809	997,285
Common school fund	349,660	321,729	27,931
Intergovernmental	265,202	328,592	(63,390)
Unrestricted state and local funds	871,478	341,838	529,640
Earnings on investments	2,291,611	(231,920)	2,523,531
Total revenues	51,694,085	46,240,081	5,454,004
Expenses			
Instructional programs	25,386,774	24,112,519	1,274,255
Support services	16,532,494	14,841,353	1,691,141
Community services	1,697,676	1,511,016	186,660
Interest on long-term liabilities	4,810,270	2,044,790	2,765,480
Total expenses	48,427,214	42,509,678	5,917,536
Change in net position	3,266,871	3,730,403	(463,532)
Net position, beginning of year	(376,024)	(4,106,427)	3,730,403
Net position, end of year	$ 2,890,847	$ (376,024)	$ 3,266,871

- Total expenses increased $5.9 million (13.9 percent). Instructional program expenses increased

$1.3 million (5.3 percent), support services increased $1.6 million (11.4 percent) and community services increased $186 thousand (12.4 percent). Instructional expense increases are comprised of costs related to the targeted initiatives referred to earlier in this analysis including curriculum for English Language Learning, development of high school career technical safety education as well as adopting English and Language Arts curriculum. During the fiscal year ending June 30, 2023, the District implemented an early college program with expenses totaling $73 thousand in its first year. Additionally, restricted funds for instructional and support staff through the State's Recruitment and Retention grant were paid to licensed and classified employees. Support services increases were tied to additional positions in counseling, school administration, human resources, maintenance/custodial, communications, and fiscal services. Professional development expense followed the prior year trend of increasing by an additional $494 thousand. The District also opted to directly hire some licensed psychology positions instead of purchasing services through its educational service district. Finally, student transportation costs increased $583 thousand reflecting the District's first full year of operations with no COVID 19 restrictions in conjunction with a rate adjustment agreed upon in the District's extension agreement which was approved in the spring of 2022.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

Governmental funds. The focus of the District's governmental funds is to provide information on relatively short-term cash flow and funding for future basic services. Such information is useful in assessing the District's financing requirements. In particular, *fund balance* may serve as a useful measure of a government's net resources available for spending at the end of a fiscal year. At June 30, 2023, the District's governmental funds reported combined ending fund balances of $52.4 million, a decrease of $20.9 million in comparison with the prior year.

General Fund. The General Fund is the primary operating fund of the District. As of June 30, 2023, the fund balance was $8.1 million. The fund balance decreased by $445 thousand during the current fiscal year. As a measure of the fund's liquidity, it may be useful to compare total fund balance to total fund revenues. Fund balance represents 23.4 percent of total General Fund revenues. Expenditures for instruction increased $2.2 million (12.8 percent) as some expenditures shifted from the Special Revenue Fund due to the diminishing availability of federal relief funds. Support expenses increased $3.2 million (27.8 percent) for this same reason plus the increase in expenses described previously.

The budget for the General Fund was adopted by the Board on June 22, 2022. There was one change to the General Fund budget during the fiscal year which involved recognizing additional resources totaling $909 thousand among most sources (Beginning Fund Balance - $659 thousand, Local Sources - $96 thousand, Intermediate Sources - $409 thousand) offset by a reduction in State Sources totaling $255 thousand. These additional revenues were allocated among increases in Instruction totaling $666 thousand and Supporting Services totaling $289 thousand.

Special Revenue Fund. The Special Revenue Fund has a total fund balance of $1.5 million, an increase of $293 thousand from the prior year. Of this balance, all funds are committed by the Board, except for food service inventories and prepaid expenses, which are non-spendable. Commitments to student body activities total $599 thousand.

The budget for the Special Revenue Fund was adopted by the Board on June 22, 2022. A supplemental budget pertaining to the Special Revenue Fund was approved. The supplemental budget increased revenues and expenditures by $812 thousand.

Debt Service Fund. The Debt Service Fund has a total fund balance of $754 thousand, all of which is restricted and committed to the payment of debt service. During the year ending June 30, 2023, this fund contains the activity of two debt service functions which account for the general obligation bond debt service and the PERS bond debt service. The net increase in fund balance during the current year was $455 thousand.

Capital Projects Fund. The ending fund balance for the Capital Projects Fund decreased $21.2 million from $63.1 million at the end of the prior year to $41.9 million for the year ended June 30, 2023. The decrease was primarily due to construction projects at St. Helens High School made possible by voters approving the general obligation measure held in May 2020. Nearly all of the fund balance is restricted for facility improvements.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The District's investment in capital assets includes land, buildings and improvements, vehicles and equipment. As of June 30, 2023, the District had invested $97.9 million in capital assets, net of depreciation, as shown in the following table:

	2023	2022	Change
Land	$ 2,365,823	$ 2,365,823	$ -
Construction in progress	31,354,940	9,270,130	22,084,810
Building and improvements	61,457,256	62,319,143	(861,887)
Vehicles and equipment	2,139,918	1,971,812	168,106
Leased right to use equipment	460,908	558,921	(98,013)
Subscriptions intangible right to use	158,863	-	158,863
Total	$ 97,937,708	$ 76,485,829	$ 21,451,879

During the 2022-2023 fiscal year, the District's investment in capital assets increased by $21.5 million. The major capital asset events for the year ended June 30, 2023 include additions totaling $24.1 million, sales totaling $233 thousand and depreciation expense of $2.4 million.

Additional information regarding the District's capital assets can be found in the notes to basic financial statements of this report.

Long-term obligations. At the end of the current fiscal year, the District had total long-term debt outstanding of $128.8 million, consisting of general obligation bonded debt of $102.9 million, pension bonds of $13.1 million, tax exempt financing of $528 thousand, obligations related to leased equipment totaling $465 thousand, and obligations related to software subscriptions totaling $137 thousand.

Current year principal payments totaled $2.4 million.

State statutes limit the amount of general obligation debt a governmental entity may issue to 7.95 percent of its total real market valuation. The current debt limitation for the District is $247.4 million, which is in excess of the District's outstanding general obligation debt of $102.9 million. The pension bonds are not subject to the statutory debt limitation.

Additional information on the District's long-term debt can be found in the notes to the basic financial

statements of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The major source of funding for the District is the State of Oregon's school funding formula. The state formula funding includes both local and state revenue and is based largely on enrollment. For the year ended June 30, 2023, formula revenue totaled $32.6 million and accounted for approximately 93.9 percent of the District's General Fund revenue.

The 2022-23 school year reflected the second of two years comprising the 2021-23 biennium. Customary to prior years', the district received 51% of it's funding allocation. Financial results for the District after the school year are favorable with the general fund in particularly reflecting better than planned revenues and expenses totaling $4.9 million. A portion of these favorable variances were considered in the fact patterns which formed the District's 2023-24 budget which is the first of the two-year budget biennium for 2023-2025. During the spring 2023 legislative session, lawmakers allocated the largest K-12 allocation to public schools in State history in the amount of $10.2 billion. This amount is higher than the initial proposed amount of $9.9 billion that the District used in its budget document. Both of these better than expected circumstances combine with the District effectively absorbing any positions created through the federal COVID 19 assistance grants through attrition or retirement to provide financial resources that can be allocated to serve students and recruit and retain high caliber staff.

As of June 30, 2023, the District's had contracts in effect with the St. Helens Education Association (SHEA) and the Oregon School Employees Association Chapter No. 31 (OSEA). The agreement with SHEA is a three-year agreement that started on July 1, 2021, and will end on June 30, 2024. The agreement with OSEA started on July 1, 2022 and is in effect through June 30, 2024. For the 2021-23 biennium, the District's PERS rates for *Tier 1* and *Tier 2* and *OPSRP* are 5.09 percent and 1.98 percent, respectively.

REQUESTS FOR INFORMATION

This financial report is designed to present the user (citizens, taxpayers, investors, and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Financial Services, 474 North 16th Street, St. Helens, Oregon 97051.

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

STATEMENT OF NET POSITION
June 30, 2023

ASSETS:		
Cash and Cash Equivalents	$	51,696,532
Property Taxes Receivable		732,099
Other Receivables		3,363,852
Inventories		28,714
Prepaid Expenses		1,001,380
Capital Assets Not Being Depreciated		
Land		2,365,823
Construction in Progress		31,354,940
Capital Assets - Net of Depreciation		
Buildings and Land Improvements		61,457,256
Equipment and Vehicles		2,139,918
Subscriptions Right to Use Assets		158,863
Leased Right to Use Assets		460,908
Total OPEB Asset for RHIA		604,160
Total Assets		155,364,445
DEFERRED OUTFLOWS OF RESOURCES:		
PERS Deferred Outflows		5,380,218
RHIA OPEB Deferred Outflows		8,793
Medical OPEB Deferred Outflows		205,963
Total Deferred Outflows of Resources		5,594,974
LIABILITIES:		
Accounts Payable		3,228,224
Accrued Payroll, Taxes, and Employee Withholdings		377,309
Unearned Revenue		230,937
Interest Payable		150,907
Accrued Compensated Absences		123,413
Current Portion of Long-Term Debt		3,674,547
Non-current Liabilities		
Long-Term Debt, due within more than one year		125,160,942
Total Pension Liability For Stipends		11,771
PERS Net Pension Liability		15,783,500
Total OPEB Liability For Medical Subsidy		1,164,284
Total Liabilities		149,905,834
DEFERRED INFLOWS OF RESOURCES:		
Stipend Deferred Inflows		4,989
PERS Deferred Inflows		7,957,851
RHIA OPEB Deferred Inflows		148,117
Medical OPEB Deferred Inflows		51,781
Total Deferred Inflows of Resources		8,162,738
NET POSITION:		
Net Investment in Capital Assets		24,190,393
Restricted for Debt Service		754,583
Unrestricted		(22,054,129)
Total Net Position	$	2,890,847

See accompanying notes to basic financial statements

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	PROGRAM REVENUES: CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE CHANGES IN NET POSITION
Instruction	$ 25,386,774	$ -	$ 9,143,478	$ -	$ (16,243,296)
Support Services	16,532,494	238,309	144,291	-	(16,149,894)
Community Services	1,697,676	364,450	1,032,875	-	(300,351)
Interest on Long-Term Debt	4,810,268	-	-	-	(4,810,268)
Total Governmental Activities	$ 48,427,212	$ 602,759	$ 10,320,644	$ -	(37,503,809)

General Revenues:	
Property Taxes	15,370,240
Construction Excise Tax	76,397
State School Fund	21,546,094
Common School Fund	349,660
Intergovernmental	265,202
Unrestricted State and Local Funds	871,478
Earnings and Investments	2,291,609
Total General Revenues	40,770,680
Change in Net Position	3,266,871
Net Position - Beginning	(376,024)
Net Position - Ending	$ 2,890,847

See accompanying notes to basic financial statements

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2023

	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE	CAPITAL PROJECTS	TOTALS
ASSETS:					
Cash and Investments	$ 7,449,330	$ -	$ 712,957	$ 43,534,245	$ 51,696,532
Property Taxes Receivable	533,976	-	198,123	-	732,099
Due From Other Funds	119,153	-	-	-	119,153
Other Receivables	700,290	2,659,977	-	3,585	3,363,852
Inventories	-	28,714	-	-	28,714
Prepaid Expenditures	402,118	61,107	-	538,155	1,001,380
TOTAL ASSETS:	$ 9,204,867	$ 2,749,798	$ 911,080	$ 44,075,985	$ 56,941,730
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND EQUITY:					
Liabilities:					
Salaries and Benefits Payable	$ 314,432	$ 62,877	$ -	$ -	$ 377,309
Accounts Payable	335,933	799,479	-	2,092,812	3,228,224
Unearned Revenue	-	230,937	-	-	230,937
Due to Other Funds	-	119,153	-	-	119,153
Total Liabilities	650,365	1,212,446	-	2,092,812	3,955,623
Deferred Inflows of Resources:					
Unavailable Revenue - Property Taxes	402,757	-	156,497	-	559,254
Total Deferred Inflows of Resources	402,757	-	156,497	-	559,254
Fund Balances:					
Non-Spendable:					
Inventory	-	28,714	-	-	28,714
Prepaid Expenses	402,118	61,107	-	538,155	1,001,380
Restricted For:					
Facility Improvements	-	-	-	41,445,018	41,445,018
Debt Service	-	-	754,583	-	754,583
Committed to:					
Special Revenue Fund Activities	-	1,447,531	-	-	1,447,531
Unassigned	7,749,627	-	-	-	7,749,627
Total Fund Balances	8,151,745	1,537,352	754,583	41,983,173	52,426,853
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND EQUITY:	$ 9,204,867	$ 2,749,798	$ 911,080	$ 44,075,985	$ 56,941,730

See accompanying notes to basic financial statements

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2023

Total Fund Balances - Governmental Funds		$ 52,426,853
The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the District as a whole.		
Cost	$ 124,958,356	
Accumulated depreciation	(27,020,648)	97,937,708
A portion of the District's property taxes are collected after year-end, but are not available soon enough to pay for the current year's operations, and therefore are not reported as revenue in the District's governmental activities.		559,254
Long-term pension liabilities not payable in the current year are not reported as governmental fund liabilities. Actuarial changes create deferred outflows and inflows of resources. These consist of:		
Total pension liability for stipends	(11,771)	
Stipend deferred inflows of resources	(4,989)	
PERS net pension liability	(15,783,500)	
PERS deferred outflows of resources	5,380,218	
PERS deferred inflows of resources	(7,957,851)	(18,377,893)
Long-term OPEB assets/(liabilities) not payable in the current year are not reported as governmental fund liabilities. Actuarial changes create deferred outflows and inflows of resources. These consist of:		
Net OPEB asset for RHIA	604,160	
RHIA OPEB deferred outflows of resources	8,793	
RHIA OPEB deferred inflows of resources	(148,117)	
Total OPEB liability for medical subsidy	(1,164,284)	
Medical OPEB deferred outflows of resources	205,963	
Medical OPEB deferred inflows of resources	(51,781)	(545,266)
Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long term, are reported in the Statement of Net Position.		
Long term liabilities		
Accrued interest	(150,907)	
Accrued compensated absences	(123,413)	
Long-term debt	(128,835,489)	
		(129,109,809)
Net Position		$ 2,890,847

See accompanying notes to basic financial statements

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2023

REVENUES:	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE	CAPITAL CONSTRUCTION FUND	TOTALS
Property Taxes	$ 10,375,453	$ -	$ 4,930,086	$ -	$ 15,305,539
Construction Excise Tax	-	-	-	76,397	76,397
Intergovernmental:					
Intermediate Sources	658,359	148,567	-	9,900	816,826
State Sources	22,870,932	4,864,566	-	109,192	27,844,690
Federal Sources	24,491	4,257,490	-	-	4,281,981
Charges for Services	63,372	640,032	-	11,217	714,621
Charges to Other Funds	-	-	3,023,272	-	3,023,272
Contributions	9,425	18,072	-	-	27,497
Investment Earnings	580,451	797	(7,451)	1,717,812	2,291,609
Miscellaneous	144,038	126,184	-	-	270,222
Total Revenues	34,726,521	10,055,708	7,945,907	1,924,518	54,652,654
EXPENDITURES:					
Current:					
Instruction	19,562,510	5,824,912	-	-	25,387,422
Support Services	14,755,562	2,249,661	-	-	17,005,223
Community Services	-	1,697,720	-	-	1,697,720
Facilities Acquisition and Construction	-	22,864	-	1,676,417	1,699,281
Debt Service					
Principal	173,000	-	2,076,243	-	2,249,243
Interest	5,531	-	5,414,430	-	5,419,961
Capital Outlay	124,514	588,960	-	21,751,397	22,464,871
Total Expenditures	34,621,117	10,384,117	7,490,673	23,427,814	75,923,721
Excess (deficiency) of Revenues over (under) Expenditures	105,404	(328,409)	455,234	(21,503,296)	(21,271,067)
Other Financing Sources, (Uses):					
Subscription Proceeds	14,588	-	-	-	14,588
Transfers In	-	215,166	-	350,000	565,166
Transfers Out	(565,166)	-	-	-	(565,166)
Sale of Capital Asset	-	406,500	-	-	406,500
Total Other Financing Sources, (Uses)	(550,578)	621,666	-	350,000	421,088
Net Change in Fund Balance	(445,174)	293,257	455,234	(21,153,296)	(20,849,979)
Beginning Fund Balance	8,596,919	1,244,095	299,349	63,136,469	73,276,832
Ending Fund Balance	$ 8,151,745	$ 1,537,352	$ 754,583	$ 41,983,173	$ 52,426,853

See accompanying notes to basic financial statements

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
For the Year Ended June 30, 2023

Total Net Changes in Fund Balances - Governmental Funds		$ (20,849,979)
Capital asset additions are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives as depreciation and amortization expense. This is the amount by which capital assets additions exceeds depreciation and amortization.		
Capital Asset Additions, Net	$ 23,699,088	
Depreciation and Amortization Expense	(2,435,859)	21,263,229
Long-term lease and 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 repayments exceeded proceeds:		
Subscription Proceeds	(14,588)	
Amortization of Bond Premium	514,862	
Debt Principal Paid	2,408,863	2,909,137
In the Statement of Activities interest is accrued on long-term debt, whereas in the governmental funds it is recorded as an interest expense when due.		1,007
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.		64,701
In the Statement of Activities, pension expense is adjusted based on actuarially determined contribution changes:		
Net change in stipend net pension liability	10,124	
Net change in PERS net pension liability	(334,015)	(323,891)
In the Statement of Activities, OPEB expense is adjusted based on actuarially determined contribution changes:		
Net change in RHIA net OPEB liability/asset and deferred outflows/inflows of resources	130,818	
Net change in medical net OPEB liability	89,446	220,264
In the Statement of Activities compensated absences are recognized as expenditures when earned.		(17,597)
Change in Net Position of Governmental Activities		$ 3,266,871

See accompanying notes to basic financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies are described below.

A. REPORTING ENTITY

St. Helens School District (the District), also known as Columbia County School District No. 502, is a municipal corporation governed by a separately elected five-member Board of Directors. Administrative officials are approved by the Board. The daily functioning of the District is under the supervision of the Superintendent-Clerk. As required by accounting principles generally accepted in the United States of America, all activities of the District have been included in the basic financial statements.

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

The District has granted charter to a public charter school, The Mastery Learning Institute – Arthur Academy. This public charter school is a legally separate, tax-exempt organization governed by its own board of directors and its financial statements may be obtained at its administrative office.

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

The Statement of Activities presents a comparison between direct expenses and program revenues for each of its functions/programs. Direct expenses are those that are specifically associated with a function and, therefore, are clearly identifiable to that function. Eliminations have been made to minimize the double counting of internal activities in the Statement of Activities. Program revenues include: (1) charges to students or others for tuition, fees, rentals, material, supplies or services provided and (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. Net position is reported as restricted when constraints placed on the use of resources are either externally restricted, imposed by creditors (such as through grantors, contributors or laws) or through constitutional provisions or enabling resolutions.

FUND FINANCIAL STATEMENTS

The fund financial statements provide information about the District’s funds. Separate statements for each governmental fund category are presented. The emphasis of fund financial statements is on major governmental funds, each being displayed in a separate column. All remaining governmental funds are

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUND FINANCIAL STATEMENTS (CONTINUED)

aggregated and reported as other governmental funds. For the current year, all of the District's funds are reported as major funds.

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.

SPECIAL REVENUE FUNDS

This is a combined fund to account for special revenues intended for grants, food service, and student activities. The revenue sources vary from local food service receipts to receipts from state and federal sources.

DEBT SERVICE FUNDS

This fund accounts for the payment of principal and interest on general obligation bonded debt, where the principal revenue sources are property taxes. It also accounts for payments of principal and interest on bonded debt issued to fund a portion of the District's unfunded actuarial liability to Oregon Public Employees Retirement System (PERS). Principal revenue sources for PERS bond payments are charges to other funds.

CAPITAL PROJECTS FUND

This fund accounts for funds intended to be used for capital outlay.

USE OF ESTIMATES

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

CASH, CASH EQUIVALENTS AND INVESTMENTS

The cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The District's investments consist of State of Oregon Treasurer's Local Government Investment Pool (LGIP). The District's investments are reported at fair value based upon quoted market rates.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Changes in the fair value of investments are recorded as investment earnings. The LGIP investment is stated at cost which approximates fair value. Fair value of the LGIP is the same as the District's value in pool shares.

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

FAIR VALUE INPUTS METHODOLOGIES AND HIERARCHY

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based up on the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

Level 1 – unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Fund has the ability to access
Level 2 – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market–corroborated inputs)
Level 3 – unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Fund's own assumptions used in determining the fair value of investments)

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PROPERTY TAXES

Uncollected real and personal property taxes are reflected on the statement of net position and the balance sheet as receivables. Uncollected taxes are deemed by management to be substantially collectible or recoverable through liens; therefore no allowance for uncollectible taxes has been established. All property taxes receivable are due from property owners within the District boundaries. Under state law, county governments are responsible for extending authorized property tax levies, computing tax rates, billing and collecting all property taxes, and making periodic distributions of collections to entities levying taxes.

Property taxes become a lien against the property when levied on July 1 of each year and are payable in three installments due on November 15, February 15 and May 15. Property tax collections are distributed monthly except for November, when such distributions are made weekly.

ACCOUNTS AND OTHER RECEIVABES

Accounts and other receivables are comprised primarily of State school support and claims for reimbursement of costs under various federal and state grants. Amounts are periodically reviewed for collectability. At June 30, 2023, no allowance for doubtful accounts is considered necessary.

GRANTS

Unreimbursed expenditures due from grantor agencies are reflected in the basic financial statements as receivables and revenues. Grant revenues are recorded at the time eligible expenditures are incurred. Cash received from grantor agencies in excess of related grant expenditures is recorded as a liability in the balance sheet and statement of net position.

SUPPLIES INVENTORIES

Inventories of supplies and materials in the governmental funds are stated at cost. Inventories of food and supplies are valued at invoice cost (first-in, first-out). 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.

CAPITAL ASSETS

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

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

Land improvements	12 to 20 years
Buildings and improvements	20 to 50 years
Equipment and vehicles	3 to 20 years

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

LEASE ASSETS

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

LEASES PAYABLE

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

SUBSCRIPTION ASSETS

Subscription assets are assets in which the government obtains control of the right to use the underlying IT asset. The value of the subscription asset is initially measured as the sum of initial subscription liability amount, any payments made to the IT software vendor before commencement of the subscription term, and any capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. The subscription asset is amortized in a straight-line manner over the course of the subscription term.

SUBSCRIPTIONS LIABILITY

In the government-wide financial statements, subscription liabilities are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of subscription payments expected to be made during the subscription term is reported as other financing sources. The subscription liability should be initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments should be discounted using the interest rate the SBITA vendor charges the government, which may be implicit or the governments incremental borrowing rate if the interest rate is not readily determinable. A government should recognize amortization of the discount on the subscription liability as an outflow of resources (for example, interest expense) in subsequent financials reporting periods.

RETIREMENT PLANS

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

EARLY RETIREMENT HEALTHCARE BENEFITS

The Board of Directors, through contract negotiation, previously authorized the District to offer early retirement health insurance benefits to all non-temporary employees. Expenditures are recorded in the

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

governmental funds as insurance premiums are incurred. The actuarially determined total pension and OPEB liabilities are recorded in the Statement of Net Position.

COMPENSATED ABSENCES

It is policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since there is no policy to pay any amounts when employees separate from service. All vacation pay is accrued in the government-wide 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.

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 net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred.

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

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) so will not be recognized as an outflow of resources (expense) until that time. The District's deferred outflows are clearly labeled on the face of the financial statements.

In addition to liabilities, the statement of net position and balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) so will not be recognized as an inflow of resources (revenue) until that time. The District has four items that qualify for reporting in this category. The District's deferred inflows are clearly labeled on the face of the financial statements.

NET POSITION

Net position comprises the various net earnings from operations, nonoperating revenues, expenses and contributions of capital. Net position is classified in the following three categories.

- Net investment in capital assets – consists of all capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted – consists of external constraints placed on asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Unrestricted net position – consists of all other net position items that are not included in the other categories previously mentioned.

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

FUND EQUITY

In March 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund-type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. Under this standard, the fund balance classifications of reserved, designated, and unreserved/undesignated were replaced with five new classifications – nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable fund balance represents amounts that are not in a spendable form.
- Restricted fund balance represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).
- Committed fund balance represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution.
- Assigned fund balance represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body. Authority to classify portions of ending fund balance as Assigned was granted to the Superintendent and the Business Manager.
- Unassigned fund balance is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the District's policy is to first apply the expense toward restricted resources and then toward unrestricted resources. In governmental funds, the District's policy is to first apply the expenditure toward restricted fund balance and then to other, less-restrictive classifications committed and then assigned fund balances before using unassigned fund balances.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

A budget is prepared and legally adopted for each fund in accordance with Oregon Local Budget Law. The budget is prepared using the modified accrual basis of accounting. Financial position, results of operations, and changes in fund balance/net position are reported on the basis of accounting principles generally accepted in the United States of America (GAAP). The budgetary statements provided as part of supplementary

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

information elsewhere in this report are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The budgetary basis of accounting is substantially the same as generally accepted accounting principles in the United States of America with the exception that capital outlay expenditures are expensed when purchased, depreciation is not calculated, inventories of supplies are budgeted as expenditures when purchased, debt, compensated absences, OPEB liabilities are expensed when paid and debt borrowed is recorded as revenue when received, and tax revenues are not recorded as revenue until received.

Budget recommendations are developed by management through spring, with the Budget Committee meeting and approving the budget document in late spring. Public notices of the budget hearing are generally published in May or June, and the hearing is held in June. The budget is adopted, appropriations are made and the tax levy is declared no later than June 30. Expenditure budgets are appropriated at the major function level (instruction, support services, community services, debt service, contingency, and transfers) for each fund. Expenditure appropriations may not legally be over expended, except in the case of grant receipts which could not be reasonably estimated at the time the budget was adopted.

Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriation resolution. Supplemental budgets less than 10% of the fund's original budget may be adopted by the Board of Directors at a regular meeting.

A supplemental budget greater than 10% of the fund's original budget requires hearings before the public, publication in newspapers and approval by the Board. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control (major function levels). Such transfers require approval by the Board. Budget amounts shown in the basic financial statements include the original budget amounts, plus appropriation transfers and appropriation increases. Appropriations lapse at the end of each fiscal year. Expenditures of the various funds were within authorized appropriations.

3. CASH AND INVESTMENTS

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

Cash and investments are comprised of the following as of June 30, 2023:

Local Government Investment Pool	$	21,684,385
Other investments		29,265,092
Demand deposits		746,153
Petty cash		902
Total cash and investments	$	51,696,532

DEPOSITS

The bank balance of the District's bank deposit account with Bank of the West was $2,013,953, of which $254,021 is covered by federal depository insurance. The District also has $44,502 in deposits at In Roads Credit Union, all of which is covered by NCUA. Bank deposits are secured to legal limits by federal deposit

3. CASH AND INVESTMENTS (CONTINUED)

insurance. The remaining amount is secured in accordance with ORS 295 under a collateral program administered by the Oregon State Treasurer.

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 for up to $250,000 each for the aggregate of all demand accounts and the aggregate of all time and savings deposits accounts at each institution. Deposits in excess of FDIC coverage are with institutions participating in the Oregon Public Funds Collateralization Program (PFCP).

The PFCP is a shared liability structure for participating bank depositories, better protecting public funds though still not guaranteeing that all funds are 100 percent protected. Barring any exceptions, a bank depository is required to pledge collateral valued at least 10 percent of their quarter-end public fund deposits if they are well capitalized, 25 percent of their quarter-end public fund deposits if they are adequately capitalized or 110 percent of their quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110 percent 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. The District's bank balances with Bank of the West exceeded FDIC limits by $1,759,932, as of June 30, 2023, but were covered by PFCP. All of the District's bank balances with In Roads Credit Union were covered under NCUA.

INVESTMENTS

The policy is to follow state statutes governing cash management. Statutes authorize investing in banker's acceptances, time certificates of deposit, repurchase agreements, obligations of the United States and its agencies and instrumentalities, and the Oregon State Treasurer's Local Government Investment Pool. Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund's compliance with all portfolio guidelines can be found in their annual report when issued.

The LGIP seeks to exchange shares at $1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at $1.00 per share, it is possible to lose money by investing in the pool. As of June 30, 2023, the fair value of the position in the LGIP is 99.63% of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements. The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized. The audited financial reports of the Oregon Short Term Fund can be found here:

http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-(OSTF).aspx

3. CASH AND INVESTMENTS (CONTINUED)

INVESTMENTS (CONTINUED)

If the link has expired, please contact the Oregon Short Term Fund directly.

Investments and maturities are as follows:

Investment Type	Fair Value	Less than 3 months	More than 3 Months
Other Investments	$ 29,265,092	$ 11,911,426	$ 17,353,666
State Treasurer's Investment Pool	21,684,385	21,684,385	-
Total	$ 50,949,477	$ 50,949,477	$ -

Investment Type	Fair Value	Maturity	% of Investment Portfolio	Weighted Average until Maturity
US Treasury Note	$ 3,993,372	7/15/2023	7.84%	1
US Treasury Note	1,987,883	8/15/2023	3.90%	2
Federal Home Loan Banks	1,985,977	8/24/2023	3.90%	2
US Treasury Note	1,975,678	9/30/2023	3.88%	3
US Treasury Note	1,968,516	9/30/2023	3.86%	3
Federal Home Loan Banks	2,553,188	11/10/2023	5.01%	5
Federal Home Loan Banks	2,538,670	12/20/2023	4.98%	6
Federal Home Loan Banks	2,139,254	1/16/2024	4.20%	7
US Treasury Note	1,475,508	2/15/2024	2.90%	8
US Treasury Note	1,254,043	3/15/2024	2.46%	9
US Treasury Note	961,172	4/15/2024	1.89%	10
US Treasury Note	1,338,859	5/15/2024	2.63%	11
Federal Home Loan Banks	1,193,045	6/14/2024	2.34%	12
US Treasury Note	949,531	7/15/2024	1.86%	13
US Treasury Note	1,064,078	8/15/2024	2.09%	14
Federal Home Loan Banks	1,886,317	9/13/2024	3.70%	15
Other Investments	29,265,092		57.44%	7.6
State Investment Pool	21,684,385			
Total Investment Portfolio	**$ 50,949,477**			

3. CASH AND INVESTMENTS (CONTINUED)

INVESTMENTS (CONTINUED)

Interest Rate Risk

The District minimizes interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by limiting their investments to U.S. Government Treasury securities and the LGIP in accordance with the District's investment policy.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the value of the investment will not be able to be recovered by collateral securities that are in the possession of an outside party. There is no formal investment policy for custodial credit risk.

Concentration Risk

At June 30, 2023, 43% of total investments were in the State Treasurer’s Investment Pool. State statutes do not limit the percentage of investments in this instrument.

4. GRANTS RECEIVABLE

Special revenue fund grants receivable are comprised of claims for reimbursement of costs under various federal and state grant programs.

5. CAPITAL ASSETS

The changes in capital assets for the fiscal year ended June 30, 2023 are as follows:

	Governmental Capital Assets 7/1/2022	Additions	Deletions	Governmental Capital Assets 6/30/2023
Capital assets not being depreciated:				
Land	$ 2,365,823	$ -	$ -	$ 2,365,823
Construction in progress	9,270,130	22,318,181	233,371	31,354,940
Total capital assets not being depreciated	11,635,953	22,318,181	233,371	33,720,763
Capital assets being depreciated:				
Land improvements	2,657,770	172,541	-	2,830,311
Buildings & improvements	79,529,170	978,130	-	80,507,300
Equipment	6,740,965	449,020	242,748	6,947,237
Vehicles	93,941	-	-	93,941
Capital assets being amortized:				
Leases - intangible right to use	655,567	-	-	655,567
Subscriptions - intangible right to use	-	203,237	-	203,237
Total capital assets being depreciated	89,677,413	1,802,928	242,748	91,237,593
Less: accumulated depreciation				
Land improvements	2,113,908	145,719	-	2,259,627
Buildings & improvments	17,753,889	1,866,839	-	19,620,728
Equipment	4,843,503	271,520	242,748	4,872,275
Vehicles	19,591	9,394	-	28,985
Less: accumulated amortization				
Leases - intangible right to use	96,646	98,013	-	194,659
Subscriptions - intangible right to use	-	44,374	-	44,374
Total accumulated depreciation and amortization	24,827,537	2,435,859	242,748	27,020,648
Total capital assets being depreciated and amortized	64,849,876	(632,931)	-	64,216,945
Total capital assets, net	$ 76,485,829			$ 97,937,708

Depreciation is allocated as a direct expense to the governmental programs as follows:

Instruction	$ 1,402,578
Support Services	939,487
Food Services	93,794
Total	$ 2,435,859

6. LONG-TERM OBLIGATIONS

The following is a summary of long-term obligations transactions during the year ended June 30, 2023:

	Original Issue	Outstanding 7/1/2022	Issued	Matured/ Redeemed During Year	Outstanding 6/30/2023	Due Within One Year
Governmental Activities:						
General Obligation Bonds						
Pension Bonds - Series 2002	$ 10,722,217	$ 6,450,001	$ -	$ 915,000	$ 5,535,001	$ 1,025,000
Pension Bonds - Series 2003	14,312,440	7,948,036	-	378,036	7,570,000	1,400,000
General Obligation Bonds -						
Series 2017	46,910,000	46,025,000	-	495,000	45,530,000	590,000
Series 2020A	32,190,427	32,095,852	-	-	32,095,852	-
Series 2020 B	25,531,401	25,531,400	-	288,206	25,243,194	370,551
Total General Obligation Bonds		118,050,289	-	2,076,242	115,974,047	3,385,551
Issuance Premium - Series 2017		12,245,440	-	514,862	11,730,578	-
Total General Obligation Bonds with Premium		130,295,729	-	2,591,103	127,704,626	3,385,551
Direct Placements						
QZAB Bond - 2015	1,377,000	701,000	-	173,000	528,000	174,000
Other Debt						
Leased Equipment		559,247	-	93,825	465,422	69,714
Subscriptions		-	203,237	65,796	137,441	45,282
Total Liabilities		$ 131,555,976	$ 203,237	$ 2,923,724	$ 128,835,489	$ 3,674,547

General obligation bonds and tax-exempt financing agreements 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 District school facilities. The general obligation bonds will be paid from general property tax revenues from the Debt Service Fund.

Pension obligation bonds will be paid from revenues in the Debt Service Fund generated by charges to other funds.

In October 2002, St. Helens School District participated as one of forty-one Oregon school districts and education service districts in issuing limited tax pension bonds, the proceeds of which were used to finance a portion of the estimated unfunded actuarial liability of each participating school district in the Oregon Public Employees Retirement Systems (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 school district has no obligation or liability to any other participating school district's pension bonds or liabilities to PERS. In April 2003, OSBA sponsored another pooled limited tax pension bond program with thirty school districts and education service districts. The District anticipates that the total costs of financing the District's actuarial obligation in this way will result in a significant savings to the District when compared to paying for such costs in additional contributions to PERS. These prepayments are contemplated in the actuarially determined net pension asset or liability as reported on the Statement of Net Position.

6. LONG-TERM OBLIGATIONS (CONTINUED)

DIRECT BORROWINGS AND PLACEMENTS

QZAB Bond 2015: The District entered into this loan on April 22, 2015 for improvements to construction, rehabilitation or repair of school facilities. The loan is payable at a rate of 0.90%. The loan is secured by the full faith and credit of the District. The District's ad valorem property taxes, subject to the limitations of Sections 11 and 11b, Article XI of the Oregon Constitution, and the full faith and credit of the District, including all unobligated revenues in the District's general fund and any other funds which may be available for that purpose, shall be irrevocably pledged to the punctual payment of all principal and interest on the Agreement and the Note and amounts due upon prepayment and/or a Loss of QZAB Status and/or Change in Law Affecting QZAB Status on the Agreement or Note. Interest is payable on a semiannual schedule on each July and January 16th following issuance through the closing date of July 16, 2025.

Future debt service requirements for direct borrowings and placements are as follows:

By Fiscal Year:	Principal	Interest	Total
2023-24	$ 174,000	$ 3,969	$ 177,969
2024-25	176,000	2,394	178,394
2025-26	178,000	801	178,801
	$ 528,000	$ 7,164	$ 535,164

BONDS

Pension Bond 2002: The District issued $10,722,217 Limited Tax Pension Obligations, Series 2002 (federally taxable), of which $2,747,217 are Series 2002A (deferred interest obligations) and $7,975,000 are Series 2002B (current interest obligations). The 2002 series Limited Tax Pension Obligations were issued on October 31, 2002, and are payable annually through June of 2028. Interest on the deferred interest bonds is accreted semiannually at yields ranging from 2.06 percent to 6.10 percent. Interest on the current coupon bonds is payable semiannually at rates ranging from 5.48 percent to 5.55 percent. The 2021 maturity was refunded in 2011 according to the early prepayment provisions of the bonds. The remaining bonds are federally taxable and are not subject to optional prepayment prior to their stated maturities. The Trustee may waive any Event of Default under a Pension Bond and its consequences, except a failure to pay principal, interest or premium, when due. If an Event of Default occurs and is continuing, the Trustee may exercise any remedy available at law or in equity; however, the Pension Bond Payments will not be subject to acceleration, and each Issuer is responsible solely for its Pension Bond Payments and any fees and other charges of the Trustee (" Additional Charges") reasonably allocated to it.

Pension Bond 2003: The District issued $14,312,440 Limited Tax Pension Obligations, Series 2003 (federally taxable), of which $6,742,440 are Series 2003A (deferred interest obligations) and $7,570,000 are Series 2003B (current interest obligations). The Series 2003 Limited Tax Pension Obligations were issued on April 30, 2003, and are payable annually through June of 2028. Interest on the deferred interest bonds is accreted semiannually at yields ranging from 1.50 percent to 6.27 percent. Interest on the current coupon bonds is payable semiannually at rates ranging from 5.63 percent to 5.68 percent. The bonds are federally taxable and are not subject to optional prepayment prior to their stated maturities. The Trustee may waive any Event of Default under a Pension Bond and its consequences, except a failure to pay principal, interest

6. LONG-TERM OBLIGATIONS (CONTINUED)

BONDS (CONTINUED)

or premium, when due. If an Event of Default occurs and is continuing, the Trustee may exercise any remedy available at law or in equity; however, the Pension Bond Payments will not be subject to acceleration, and each Issuer is responsible solely for its Pension Bond Payments and any fees and other charges of the Trustee (" Additional Charges") reasonably allocated to it.

General Obligation Bond 2017: In March 2017, the District issued General Obligation Bonds in the amount of $46.9 million with proceeds totaling $53.8 million. A portion of the bond proceeds (approximately $3 million) was transferred from the Capital Projects Fund to the Debt Service Fund and was used to make the initial debt service payments.

General Obligation Bond 2020: In August 2020, the District issued General Obligation Bonds Series A in the amount of $32,190,427. The entirety of the proceeds were transferred to the Capital Projects Fund reserve fund balance.

In August 2020, the District issued General Obligation Bonds Series B in the amount of $25,531,401 with an associated premium of $7,265,158. The entirety of the proceeds were transferred to the Capital Projects Fund reserve fund balance.

The Bond is payable annually through June 2053. Coupon rates vary from .35% to 5%. The State Treasurer may, by issuing a certificate of qualification to a school district, pledge the full faith and credit and power of the state to guarantee full and timely payment of the principal of, either at the stated maturity or by advancement of maturity pursuant to a mandatory sinking fund payment, and interest on school bond as such payments shall become due, except that in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration.

Future debt service requirements are as follows:

Fiscal Year:	Principal	Interest	Total
2023-2024	$ 3,385,551	$ 4,404,289	$ 7,789,840
2024-2025	3,853,746	4,231,815	8,085,561
2025-2026	4,356,941	4,033,931	8,390,872
2026-2027	4,899,711	3,802,005	8,701,716
2027-2028	3,342,057	3,550,358	6,892,415
2028-2033	12,342,205	16,187,795	28,530,000
2033-2038	18,231,515	14,851,985	33,083,500
2038-2043	28,226,885	10,114,869	38,341,754
2043-2048	28,126,034	16,287,213	44,413,247
2048-2053	9,209,402	10,480,747	19,690,149
	$ 115,974,047	$ 87,945,007	$ 203,919,054

6. LONG-TERM OBLIGATIONS (CONTINUED)

OTHER DEBT – LEASES

On July 1, 2021, the District entered into a 38 month lease as Lessee for the use of Mailing System - District Office. An initial lease liability was recorded in the amount of $6,435. As of June 30, 2023, the value of the lease liability is $2,160. The District is required to make quarterly fixed payments of $543. The lease has an interest rate of 0.7270%. The Equipment estimated useful life was 38 months as of the contract commencement. The value of the right to use asset as of June 30, 2023 of $6,438 with accumulated amortization of $4,055 is included in the Capital Asset Note.

On July 1, 2021, the District entered into a 38 month lease as Lessee for the use of Mailing System - Pitney Bowes. An initial lease liability was recorded in the amount of $6,586. As of June 30, 2023, the value of the lease liability is $2,210. The District is required to make quarterly fixed payments of $555. The lease has an interest rate of 0.7270%. The Equipment estimated useful life was 38 months as of the contract commencement. The value of the right to use asset as of June 30, 2023 of $6,586 with accumulated amortization of $4,148 is included in the Capital Asset Note.

On July 1, 2021, the District entered into a 24 month lease as Lessee for the use of WillScot Modular Bathroom Trailer. An initial lease liability was recorded in the amount of $50,160. As of June 30, 2023, the value of the lease liability is $0. The District is required to make monthly fixed payments of $2,100. The lease has an interest rate of 0.4980%. The Equipment estimated useful life was 24 months as of the contract commencement. The value of the right to use asset as of June 30, 2023 of $53,533 with accumulated amortization of $52,715 is included in the Capital Asset Note.

On July 1, 2021, the District entered into a 105 month lease as Lessee for the use of Dark Fiber - Communication Services. An initial lease liability was recorded in the amount of $589,010. As of June 30, 2023, the value of the lease liability is $461,052. The District is required to make monthly fixed payments of $6,414. The lease has an interest rate of 1.5270%. The Equipment estimated useful life was 105 months as of the contract commencement. The value of the right to use asset as of June 30, 2023 of $589,010 with accumulated amortization of $133,739 is included in the Capital Asset Note.

Future payments are as follows:

By Fiscal Year:	Principal	Interest	Total
2023-24	$ 69,714	$ 6,604	$ 76,318
2024-25	66,349	5,579	71,928
2025-26	67,369	4,559	71,928
2026-27	68,405	3,523	71,928
2027-28	69,457	2,471	71,928
2028-32	124,128	1,745	125,873
	$ 465,422	$ 24,482	$ 489,904

6. LONG-TERM OBLIGATIONS (CONTINUED)

OTHER DEBT – SUBSCRIPTIONS

On July 1, 2022, the District entered into a 32 month subscription for the use of Right Systems Sophos software. An initial subscription liability was recorded in the amount of $30,694. The District is required to make annual fixed payments of $15,791. The subscription has an interest rate of 2.3543%.

On July 1, 2022, the District entered into a 37 month subscription for the use of Edupoint software. An initial subscription liability was recorded in the amount of $9,657. The District is required to make annual fixed payments of $3,223. The subscription has an interest rate of 2.3543%.

On July 1, 2022, the District entered into a 24 month subscription for the use of Naviance at St. Helens Middle School. An initial subscription liability was recorded in the amount of $9,287. The District is required to make annual fixed payments of $3,164. The subscription has an interest rate of 2.4453%.

On July 1, 2022, the District entered into a 72 month subscription for the use of Titan School Solutions - EMS Linq. An initial subscription liability was recorded in the amount of $54,383. The District is required to make annual fixed payments of $8,930. The subscription has an interest rate of 2.3543%. The District has 5 extension option(s), each for 12 months.

On July 1, 2022, the District entered into a 60 month subscription for the use of Ednetics Meraki. An initial subscription liability was recorded in the amount of $14,065. The District is required to make annual fixed payments of $14,065. The subscription has an interest rate of 0.00%. The District has 1 extension option(s), each for 60 months.

On July 1, 2022, the District entered into a 22 month subscription for the use of Naviance at St. Helens High School. An initial subscription liability was recorded in the amount of $3,108. The District is required to make annual fixed payments of $3,164. The subscription has an interest rate of 2.1937%.

On July 1, 2022, the District entered into a 72 month subscription for the use of Canva. An initial subscription liability was recorded in the amount of $658. The District is required to make annual fixed payments of $119. The subscription has an interest rate of 2.9370%. The District has 5 extension option(s), each for 12 months.

On July 1, 2022, the District entered into a 72 month subscription for the use of ParentSquare. An initial subscription liability was recorded in the amount of $66,797. The District is required to make annual fixed payments of $11,068. Additionally, there are annual other reasonably certain payments of $898. The subscription has an interest rate of 2.3543%. The District has 5 extension option(s), each for 12 months.

On May 20, 2023, the District entered into a 36 month subscription for the use of DebtBook software. An initial subscription liability was recorded in the amount of $14,588. The District is required to make annual fixed payments of $4,000. The subscription has an interest rate of 2.5033%.

6. LONG-TERM OBLIGATIONS (CONTINUED)

Future payments are as follows:

By Fiscal Year:	Principal	Interest	Total
2023-24	$ 45,282	$ 3,261	$ 48,543
2024-25	28,765	2,180	30,945
2025-26	20,350	1,494	21,844
2026-27	21,122	1,014	22,136
2027-28	21,922	516	22,438
	$ 137,441	$ 8,466	$ 145,907

7. INTER-FUND ACTIVITY

The District completed the following inter-fund transactions during the year ended June 30, 2023:

	Transfers In	Transfers Out	Due From	Due To
General Fund	$ -	$ 565,166	$ 119,153	$ -
Special Revenue Funds	215,166	-	-	119,153
Capital Construction Fund	350,000	-	-	-
	$ 565,166	$ 565,166	$ 119,153	$ 119,153

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Inter-fund activities occasionally include inter-fund borrowings. The District typically loans resources between funds for the purpose of providing cash flow. These inter-fund receivables and payables are expected to be repaid within one year.

On March 11th, 2020, the District approved an interfund loan in the amount of $225,000 from the General Fund to the Special Revenue Fund in order to purchase property for improvement by the St. Helens High School Renovation and Remodeling program. The intent of the District was to loan the funds at a zero percentage rate during the period these funds are outstanding. The loan was made with the stipulation it was budgeted for repayment in the year ended June 30, 2021, however the District deferred the repayment until the year ended June 30, 2023. The loan was paid off in fiscal year under audit.

8. DEFINED BENEFIT PENSION PLAN

Plan Description – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employer defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Annual Comprehensive Financial Report which can be found at: https://www.oregon.gov/pers/Documents/Financials/CAFR/2022-Annual-Comprehensive-Financial-Report.pdf

If the link is expired please contact Oregon PERS for this information.

a. **PERS Pension (Chapter 238)**. The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
   i. **Pension Benefits**. The PERS 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, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results.
   A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 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.
   ii. **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 contributions are met:
      - member was employed by 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 a PERS-covered job, or
      - member was on an official leave of absence from a PERS-covered job at the time of death.
   iii. **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.
   iv. **Benefit Changes After Retirement**. Members may choose to continue participation in their variable account after retiring and may experience annual benefit fluctuations due to changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.

8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

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

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

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

A member of the 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.

ii. **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. The surviving spouse may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.

iii. **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.

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The 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, which became effective July 1, 2021. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2023 were $715,144, excluding amounts to fund employer specific liabilities. In addition, approximately $1,294,464 in employee contributions were paid or picked up by the District in fiscal 2023. At June 30, 2023, the District reported a net pension liability of $15,783,500 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2020. 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 employers, actuarially determined. As of the measurement date of June 30, 2022 and 2021, the District's proportion was .098 percent and .103 percent, respectively. Pension expense for the year ended June 30, 2023 was $334,015.

The rates in effect for the year ended June 30, 2023 were:

(1) Tier 1/Tier 2 – 5.09%

(2) OPSRP general services – 1.98%

8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ 766,162	$ 98,429
Changes in assumptions	2,476,516	22,626
Net difference between projected and actual earnings on pension plan investments	-	2,821,784
Net changes in proportionate share	1,422,396	591,445
Differences between contributions and proportionate share of contributions	-	4,423,567
Subtotal - Amortized Deferrals (below)	4,665,074	7,957,851
Contributions subsequent to measuring date	715,144	-
Deferred outflow (inflow) of resources	$ 5,380,218	$ 7,957,851

The amount of contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the fiscal year ended June 30, 2024.

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

Year ending June 30,	Amount
2024	$ (1,071,821)
2025	(1,019,703)
2026	(1,823,593)
2027	815,647
2028	(193,307)
Thereafter	-
Total	$ (3,292,777)

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated February 2, 2023. Oregon PERS produces an independently audited ACFR which can be found at: https://www.oregon.gov/pers/Documents/Financials/CAFR/2022-Annual-Comprehensive-Financial-Report.pdf

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

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer 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 funding 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.

8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Methods and Assumptions:

Valuation date	December 31, 2020
Experience Study Report	2020, Published July 20, 2021
Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll
Asset valuation method	Market value of assets
Inflation rate	2.40 percent
Investment rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increase	3.40 percent
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/0.15%) in accordance with *Moro* decision; blend based on service
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 Employee, 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.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2020 Experience Study which is reviewed for the four-year period ending December 31, 2020.

Assumed Asset Allocation:

Asset Class/Strategy	**Low Range**	**High Range**	**OIC Target**
Debt Securities	15.0%	25.0%	20.0%
Public Equity	25.0%	35.0%	30.0%
Real Estate	7.5%	17.5%	12.5%
Private Equity	15.0%	27.5%	20.0%
Risk Parity	0.0%	3.5%	2.5%
Real Assets	2.5%	10.0%	7.5%
Diversifying Strategies	2.5%	10.0%	7.5%
Opportunity Portfolio	0.0%	5.0%	0.0%
Total			100.0%

(Source: June 30, 2022 PERS ACFR; p. 104)

8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in 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 table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. 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.

Asset Class	Target Allocation	Compound Annual (Geometric) Return
Global Equity	30.62%	5.85%
Private Equity	25.50%	7.71%
Core Fixed Income	23.75%	2.73%
Real Estate	12.25%	5.66%
Master Limited Partnerships	0.75%	5.71%
Infrastructure	1.50%	6.26%
Commodities	0.63%	3.10%
Hedge Fund of Funds - Multistrategy	1.25%	5.11%
Hedge Fund Equity - Hedge	0.63%	5.31%
Hedge Fund - Macro	5.62%	5.06%
US Cash	-2.50%	1.76%
Assumed Inflation - Mean		*2.40%*

(Source: June 30, 2022 PERS ACFR; p. 74)

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

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

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Proportionate share of the net pension liability	$ 27,990,672	$ 15,783,500	$ 5,566,661

8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Changes Subsequent to the Measurement Date

As described above, GASB 67 and GASB 68 require the Total Pension Liability to be determined based on the benefit terms in effect at the Measurement Date. Any changes to benefit terms that occurs after that date are reflected in amounts reported for the subsequent Measurement Date. However, Paragraph 80f of GASB 68 requires employers to briefly describe any changes between the Measurement Date and the employer's reporting date that are expected to have a significant effect on the employer's share of the collective Net Pension Liability, along with an estimate of the resulting change, if available.

There are no changes subsequent to the June 30, 2022 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

Deferred Compensation Plan

A deferred compensation plan is available to employees wherein they may execute an individual agreement with the District for amounts earned by them to not be paid until a future date when certain circumstances are met. These circumstances are: termination by reason of resignation, death, disability, or retirement; unforeseeable emergency; or by requesting a de minimis distribution from inactive accounts valued less than $5,000. Payment to the employee will be made over a period not to exceed 15 years. The deferred compensation plan is one which is authorized under IRC Section 457 and has been approved in its specifics by a private ruling from the Internal Revenue Service. The assets of the plan are held by the administrator for the sole benefit of the plan participants and are not considered assets or liabilities of the District.

OPSRP Individual Account Program (OPSRP IAP)

Plan Description:
Employees of the District are provided with pensions through OPERS. All the benefits of OPERS are established by the Oregon legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003. Chapter 238A created the Oregon Public Service Retirement Plan (OPSRP), which consists of the Defined Benefit Pension Program and the Individual Account Program (IAP). Membership includes public employees hired on or after August 29, 2003. PERS members retain their existing defined benefit plan accounts, but member contributions are deposited into the member's IAP account. OPSRP is part of OPERS, and is administered by the OPERS Board.

Pension Benefits:
Participants in OPERS defined benefit pension plans also participate in their defined contribution plan. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. Upon retirement, a member of the OPSRP IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a $200 minimum distribution limit.

8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

Contributions:
Employees of the District pay six (6) percent of their covered payroll. Effective July 1, 2020, currently employed Tier 1/Tier 2 and OPSRP members earning $2,500 or more per month (increased to $3,333 per month in 2022) will have a portion of their 6 percent monthly IAP contributions redirected to an Employee Pension Stability Account. The Employee Pension Stability Account will be used to pay part of the member's future benefit. Of the 6 percent monthly IAP contribution, Tier 1/Tier 2 will have 2.5 percent redirected to the Employee Pension Stability Account and OPSRP will have 0.75 percent redirected to the Employee Pension Stability Account, with the remaining going to the member's existing IAP account. Members may voluntarily choose to make additional after-tax contributions into their IAP account to make a full 6 percent contribution to the IAP. The District did not make any optional contributions to member IAP accounts for the year ended June 30, 2023.

Additional disclosures related to Oregon PERS not applicable to specific employers are available online, or by contacting PERS at the following address: PO Box 23700 Tigard, OR 97281-3700.

http://www.oregon.gov/pers/EMP/Pages/GASB.aspx

9. SINGLE EMPLOYER PENSION PLAN (GASB NO. 73)

Description
The District maintains a single-employer early retirement supplement plan for teachers or administrators who retire with 15 years of regular service to the District. The program provides a stipend that, depending on age and years of service at retirement, ranges from $250 to $450 per month for a full-time employee until age 65, when the employee becomes eligible for Medicare. This pension-type benefit is required to be valued under GASB No. 73. The District does not issue a standalone report for this plan.

Funding Policy
The District provides payments in accordance with current contracts on a pay-as-you-go basis. At June 30, 2023, the District was providing early retirement benefits to 26 former teachers or administrators.

Total Pension Liability for Stipends
The District's total pension liability of $11,771 was measured as of June 30, 2023, and was determined by an actuarial valuation as of that date using the Entry Age Normal Level Percent of Pay Cost Method.

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

9. SINGLE EMPLOYER PENSION PLAN (GASB NO.73) (CONTINUED)

Inflation rate	2.50%
Salary increases, average, including inflation	3.50%
Discount rate	3.54%

- The discount rate assumption is the June 30, 2022 rate in the 20-year General Obligation Municipal Bond Index published by Bond Buyer.
- Employer funding policy is on a pay-as-you-go cash basis.
- Rates of mortality, retirement, and withdrawal are the same rates that were used for school district employees in the December 31, 2021 actuarial valuation of the Oregon Public Employees Retirement System. Once an active employee has satisfied the requirements for early retirement, it is assumed that they do not terminate employment other than for retirement or death.
- The actuarial assumptions used in the June 30, 2022 valuation were based on experience for the period July 1, 2021 to June 30, 2022.

Changes in the Total Pension Liability for Stipends:

Total Pension Liability	2023	2022	2021
Beginning of year, July 1	$ 16,629	$ 49,739	$ 64,076
Benefit payments	(5,578)	(17,400)	(15,898)
Service cost	230	300	321
Interest on total pension liability	490	1,453	1,240
Change in assumptions	-	(616)	-
Experience (gain)/loss	-	(16,847)	-
End of year, June 30	$ 11,771	$ 16,629	$ 49,739

Sensitivity of the Total Pension Liability to Changes in the Discount Rate –
The following presents the total pension liability of the District, as well as what the District's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.54 percent) or 1-percentage-point higher (4.54 percent) than the current discount rate:

	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Total pension liability	$ 11,838	$ 11,771	$ 11,683

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Stipends

For the year ended June 30, 2023, the District recognized stipend pension expense of $10,124. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to stipends from the following sources:

9. SINGLE EMPLOYER PENSION PLAN (GASB NO.73) (CONTINUED)

	Deferred Outflow of Resources	Deferred Inflow of Resources
Changes in assumptions (gain)/loss	$ -	$ 4,813
Experience (gain)/loss	-	176
Total	$ -	$ 4,989

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

Year ending June 30,	Amount
2024	$ (4,989)
2025	-
2026	-
2027	-
All Subsequent Years	-
Total	$ (4,989)

10. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75)

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

	Medical Subsidy	RHIA	Net
Total OPEB liability	$ 1,164,284	$ -	$ 1,164,284
Total OPEB Asset	-	604,160	554,923
OPEB deferred outflows of resources	205,963	8,793	268,745
OPEB deferred inflows of resources	51,781	148,117	335,468

Post-Employment Healthcare Benefits (Medical Subsidy)

The Post-Employment Healthcare Benefits (Medical Subsidy) for the District combines two separate plans. The District provides an implicit rate subsidy for retiree health insurance premiums, and a contribution toward eligible participants' medical premiums.

Plan Description – Explicit Subsidy – The District maintains a single-employer early retirement supplement program for its employees. This program covers full-time certified, confidential, classified and administrative personnel of the District hired prior to the date on which the program closed to new enrollees. The District does not issue a standalone report for this plan.

10. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75) (CONTINUED)

These programs have generally been established under separate collective bargaining agreements and provide provisions for early retirement after 17 years regular service and 30 years of participation in Oregon PERS (if under age 58). This optional early retirement program provides the employee with the following:

- For eligible certified employees a monthly payment toward group medical, dental and vision insurance of $400 is provided until retiree qualifies for Medicare.
- For eligible classified employees a monthly payment toward group medical, dental and vision insurance of $250 is provided until retiree qualifies for Medicare.
- For eligible administrators a monthly payment toward group medical, dental and vision insurance of $450 is provided until retiree qualifies for Medicare.

Plan Description – Implicit Subsidy – The District operates a single-employer defined benefit plan that provides postemployment health, dental, vision and life insurance benefits to eligible employees and their spouses. Benefits and eligibility for members are established through the collective bargaining agreements and Oregon State law. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB No. 75. The District's post-retirement healthcare plan was established in accordance with Oregon Revised Statutes (ORS) 243.303. ORS stipulate that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees.

Eligible retirees and their dependents under age 65 are allowed to continue to enroll in the same healthcare coverage as offered to active employees. The retiree's coverage selection is available only upon retirement although coverage can continue until the retiree's age 65. The spouse's coverage is available until the spouse's age 65 but also must be selected at the time of retirement. Following the retiree's death or attainment of age 65, the retiree's spouse can continue full coverage until the spouse's age 65. The retiree or surviving spouse is responsible for paying the full premium at the applicable tier. The difference between retiree claims costs, which because of the effect of age is generally higher in comparison to all plan members, and the amount of retiree healthcare premiums represents the District's implicit employer subsidy. Eligibility is determined by:

- For certified members, the employee must retire with an immediate service benefit under OPERS, or be eligible for a benefit under the District's Long Term Disability program.

- For administrators and classified members, the employee must retire with an immediate service or disability retirement benefit under the Oregon Public Employees Retirement System (OPERS).

As of the valuation date of June 30, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries receiving benefits	18
Active employees	349
	375

Total OPEB Liability for Medical Subsidy

The District's total OPEB liability for Medical Subsidy of $1,164,284 was measured as of June 30, 2023, and was determined by an actuarial valuation as of that date using the Entry Age Normal Level Percent of Pay Cost Method.

10. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75) (CONTINUED)

Actuarial Assumptions and Other Inputs

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

Valuation Date	June 30, 2022
Measurement Date	June 30, 2022
Experience	2021-2022 actual experience
Actual Cost Method	Entry Age Normal
Actuarial Assumptions	
Inflation rate	2.50 percent
Discount Rate	3.54 percent
Projected salary increase	3.50 percent overall payroll growth
Cost of Living Adjustment	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with Moro decision; blend based on service.
Mortality	**Healthy retirees and beneficiaries:** RP-2000 Sex-distinct, generational per Scale BB, with collar adjustments and set-backs as described in the valuation. **Active members:** Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation. **Disabled retirees:** Mortality rates are a percentage (70% for males, 95% for females) of the RP-2000 Six-distinct, generational per Scale BB, disabled mortality table.

Discount Rate - Under GASB No. 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 3.54 percent, reflecting the Bond Buyer 20-Year General Obligation Bond Index.

Healthcare Cost Trend – The actuarial calculations used an assumption that medical costs will increase 3.4 percent over the remainder of the projection period. These trends are based on a model circulated by the Society of Actuaries that considers current trends in health care costs, the potential impacts of certain well-defined aspects of the Affordable Care Act, and long-term constraints on trend such as growth in per capita income. It also assumes that dental costs will increase by 3.50 percent in each future year.

10. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75) (CONTINUED)

Changes in the Total OPEB Liability for Medical Subsidy

	2021	2022	2023
Balance at July 1	$ 1,621,925	$ 1,422,759	$ 1,280,384
Changes for the year:			
Service cost	36,728	39,593	40,979
Interest on total OPEB liability	32,875	47,070	41,805
Experience (Gain)/Loss	-	20,097	-
Effect of assumptions changes or inputs	-	(62,919)	-
Benefit payments	(268,769)	(186,216)	(198,884)
Net changes	(199,166)	(142,375)	(116,100)
Balance at June 30	$ 1,422,759	$ 1,280,384	$ 1,164,284

Sensitivity of the Total OPEB Liability for Medical Subsidy to Changes in the Discount Rate

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.54 percent) or 1-percentage-point higher (4.54 percent) than the current discount rate:

	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB liability at June 30, 2023	$ 1,220,246	$ 1,164,284	$ 1,111,165
Health Care Trend Sensitivity at June 30, 2023	$ 1,087,413	$ 1,164,284	$ 1,253,233

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Medical Subsidy

For the year ended June 30, 2023, the District recognized OPEB expense/(income) of $114,485 At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to the medical benefits plan from the following sources:
Amounts reported as deferred outflows of resources and deferred inflows of resources related to medical benefits will be recognized in OPEB expense as follows:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ 64,102	$ -
Changes of assumptions and other inputs	141,861	51,781
Total deferred outflow (inflow) of resources	$ 205,963	$ 51,781

10. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75) (CONTINUED)

Year ending June 30,	Amount
2024	$ 26,654
2025	26,654
2026	26,654
2027	26,654
2028	22,393
All Subsequent Years	25,173
Total	$ 154,182

11. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75) RETIREMENT HEALTH INSURANCE ACCOUNT (RHIA)

Plan Description:
As a member of Oregon Public Employees Retirement System (OPERS) the District contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute (ORS) 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants after January 1, 2004. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700.

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

Participating districts are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the District currently contributes 0.00% of annual covered OPERF payroll and 0.05% of OPSRP payroll under a contractual requirement in effect until June 30, 2023. Consistent with GASB Statement 75, the OPERS Board of Trustees sets the employer contribution rates as a measure of the proportionate relationship of the employer to all employers consistent with the manner in which contributions to the OPEB plan are determined. The basis for the employer's portion is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the plan with the total actual contributions made in the

11. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75) RETIREMENT HEALTH INSURANCE ACCOUNT (RHIA) (CONTINUED)

fiscal year of all employers. The District's contributions to RHIA for the years ended June 30, 2021, 2022 and 2023 were $4,323, $4,191, and $4,063 respectively, which equaled the required contributions each year.

At June 30, 2023, the District reported a net OPEB liability/(asset) of $(604,160) for its proportionate share of the net OPEB liability/(asset). The OPEB liability/(asset) was measured as of June 30, 2022, and the total OPEB liability/(asset) used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of December 31, 2020. Consistent with GASB Statement No. 75, paragraph 59(a), the District's proportion of the net OPEB liability/(asset) is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement date of June 30, 2022 and 2021, the District's proportion was .16 percent and .17 percent, respectively. OPEB expense for the year ended June 30, 2023 was $(130,818).

Components of OPEB Expense/(Income):

Employer's proportionate share of collective system OPEB Expense/(Income)	$ (90,456)
Net amortization of employer-specific deferred amounts from:	
- Changes in proportionate share (per paragraph 64 of GASB 75)	(36,310)
- Differences between employer contributions and employer's proportionate share of system contributions (per paragraph 65 of GASB 75)	-
Employer's Total OPEB Expense/(Income)	$ (126,766)

Components of Deferred Outflows/Inflows of Resources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ -	$ 16,372
Changes in assumptions	4,730	20,138
Net difference between projected and actual		46,075
earnings on pension plan investments	-	-
Net changes in proportionate share	-	65,532
Differences between contributions		
and proportionate share of contributions	-	-
Subtotal - Amortized Deferrals (below)	4,730	148,117
Contributions subsequent to measuring date	4,063	-
Deferred outflow (inflow) of resources	$ 8,793	$ 148,117

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB liability/(asset) in the fiscal year ended June 30, 2024.

11. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75) RETIREMENT HEALTH INSURANCE ACCOUNT (RHIA) (CONTINUED)

Amounts reported as deferred outflows or inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30,	Amount
2024	$ (96,739)
2025	(32,329)
2026	(29,075)
2027	14,756
2028	-
Thereafter	-
Total	$ (143,387)

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS Retirement Health Insurance Account Cost-Sharing Multiple-Employer Other Postemployment Benefit (OPEB) Plan Schedules of Employer Allocations and OPEB Amounts by Employer report, as of and for the Year Ended June 30, 2022. That independently audited report was dated February 2, 2023 and can be found at:

https://www.oregon.gov/pers/EMP/Documents/GASB/2022/GASB-75-RHIA-2022.pdf

Actuarial Methods and Assumptions:

Valuation Date	December 31, 2020
Experience Study Report	2020, Published July 20, 2021
Actuarial cost method	Entry Age Normal
Inflation rate	2.40 percent
Investment rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increase	3.40 percent
Retiree healthcare participation	Healthy retirees: 27.5%; Disabled retirees: 15%
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 Employee, 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.

11. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75) RETIREMENT HEALTH INSURANCE ACCOUNT (RHIA) (CONTINUED)

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2020 Experience Study which is reviewed for the four-year period ending December 31, 2020.

Discount Rate:

The discount rate used to measure the total OPEB liability as of the measurement date of June 30, 2022 was 6.90 percent. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in 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 table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. 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.

Asset Class	Target Allocation	Compound Annual (Geometric) Return
Global Equity	30.62%	5.85%
Private Equity	25.50%	7.71%
Core Fixed Income	23.75%	2.73%
Real Estate	12.25%	5.66%
Master Limited Partnerships	0.75%	5.71%
Infrastructure	1.50%	6.26%
Commodities	0.63%	3.10%
Hedge Fund of Funds - Multistrategy	1.25%	5.11%
Hedge Fund Equity - Hedge	0.63%	5.31%
Hedge Fund - Macro	5.62%	5.06%
US Cash	-2.50%	1.76%
Assumed Inflation - Mean		*2.40%*

(Source: June 30, 2022 PERS ACFR; p. 74)

11. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75) RETIREMENT HEALTH INSURANCE ACCOUNT (RHIA) (CONTINUED)

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 pension liability would be if it were calculated using a discount rate that is one percent lower (5.90 percent) or one percent higher (7.90 percent) than the current rate.

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Proportionate share of the net OPEB liability (asset)	$ (544,519)	$ (604,160)	$ (655,287)

Changes Subsequent to the Measurement Date

There are no changes subsequent to the June 30, 2022 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

12. DEFERRED COMPENSATION

The District has made available to its employees a deferred compensation plan under Internal Revenue Code 403(b) where they may defer amounts earned until either termination by reason of death, resignation, disability, or retirement. This plan also has a Roth provision allowing for these deferrals to be currently taxed so that the distributions of the contributions and earnings thereon will be tax exempt. These deposits are not subject to the collateral requirements of Oregon law and are excluded from resources for budgetary purposes. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All amounts deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are held in trust for the exclusive benefit of the participants and their beneficiaries.

13. RISK MANAGEMENT

The District purchases commercial insurance to cover all commonly insurable risks, including property, liability, vehicles, fidelity bond, worker's compensation and unemployment. All policies carry a small deductible amount. No insurance claims settled in each of the prior three years have exceeded policy coverage.

14. COMMITMENTS AND CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amounts, if any, or expenditures which may be disallowed by the grantor agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

14. COMMITMENTS AND CONTINGENCIES (CONTINUED)

There are no uninsured contingent liabilities that require disclosure or recognition in accordance with Accounting Standards Codification (ASC) 450-20. Such contingent liabilities would include, but would not be confined to: notes or accounts receivable which have been discounted; pending suits; proceedings, hearings, or negotiations possibly involving retroactive adjustments; unsatisfied judgments or claims; taxes in dispute; endorsements or guarantees; and options.

The District is committed under various accepted bid agreements and contracts for approximately $31,161,780.

15. TAX ABATEMENTS

As of June 30, 2023, St. Helens School District potentially had tax abatements through one program in Columbia County: Enterprise Zone that impacted their levied taxes.

Enterprise Zone (ORS 285C.175):

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

The Enterprise Zone program allows industrial firms that will be making a substantial new capital investment a waiver of 100% of the amount of real property taxes attributable to the new investment for a 5-year period after completion. Land or existing machinery or equipment is not tax exempt; therefore, there is no loss of current property tax levies to local taxing jurisdiction.

For the fiscal year ended June 30, 2023, the St. Helens School District abated property taxes totaling $38,219 under these programs.

Tax Abatement Program	Amount of Taxes Abated during the Fiscal Year
Enterprise Zone	$38,219
	$38,219

16. FUND BALANCE CONSTRAINTS

The specific purposes for each of the categories of fund balance as of June 30, 2023 are as follows:

Fund Balances:	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Fund	Total
Nonspendable:					
Inventory	$ -	$ 28,714	$ -	$ -	$ 28,714
Prepaid Expenses	402,118	61,107	-	538,155	1,001,380
Restricted:					
Facility Improvements	-	-	-	41,445,018	41,445,018
Debt Service	-	-	754,583	-	754,583
Committed to:					
Special Revenue	-	1,447,531	-	-	1,447,531
Unassigned	7,749,627	-	-	-	7,749,627
Total Fund Balances	$ 8,151,745	$ 1,537,352	$ 754,583	$ 41,983,173	$ 52,426,853

17. SUBSEQUENT EVENTS

On August 3, 2023, The District sold bonds for the par amount of $4,000,000, plus a premium of $439,432. The interest rate is 5.0% and the first interest payment will be made on December 15, 2023. Payments will be made semi-annually over 10 years, with principal payments occurring on June 15th.

ST. HELENS SCHOOL DISTRICT

COLUMBIA COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2023

SCHEDULE OF THE PROPORTIONATE SHARE OF NET PENSION LIABILITY

Year Ended June 30	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) District's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.10 %	$ 15,783,500	$ 21,458,622	73.6 %	84.5 %
2022	0.10	11,680,879	18,183,325	64.2	87.6
2021	0.09	21,670,510	17,729,086	122.2	75.8
2020	0.09	15,447,192	17,481,623	88.4	80.2
2019	0.10	15,807,758	15,650,307	101.0	82.1
2018	0.09	12,517,377	15,374,390	81.4	83.1
2017	0.08	11,541,722	14,581,783	79.2	80.5
2016	0.04	2,521,377	14,322,035	17.6	91.9
2015	0.04	(864,050)	13,539,070	(6.4)	103.6
2014	0.04	1,945,270	13,015,058	14.9	92.0

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information

SCHEDULE OF CONTRIBUTIONS

Year Ended June 30	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2023	$ 715,144	$ 715,144	$ -	$ 23,742,333	3.0 %
2022	652,063	652,063	-	21,458,622	3.0
2021	1,083,068	1,083,068	-	18,183,325	6.0
2020	1,019,563	1,019,563	-	17,729,086	5.8
2019	473,525	473,525	-	17,481,623	2.7
2018	230,101	230,101	-	15,650,307	1.5
2017	76,283	76,283	-	15,374,390	0.5
2016	72,907	72,907	-	14,581,783	0.5
2015	808,939	808,939	-	14,322,035	5.6
2014	769,729	769,729	-	13,539,070	5.7

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date.

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

SCHEDULE OF CHANGES IN THE TOTAL PENSION LIABILITY FOR STIPENDS

Year Ended June 30,	Service costs	Interest on total pension liability	Difference between expected and actual results	Changes of assumptions or other inputs	Benefit payments	Net changes in total pension liability
2023	$ 230	$ 490	$ -	$ -	$ (5,578)	$ (4,858)
2022	300	1,453	(16,847)	(616)	(17,400)	(33,110)
2021	321	1,240	-	-	(15,898)	(14,337)
2020	310	1,315	7,741	(3,565)	(15,502)	(3,159)
2019	500	2,815	736	(6,523)	(16,543)	(13,228)
2018	483	3,687	1,372	(12,147)	(14,953)	(21,558)

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date.

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

SCHEDULE OF TOTAL PENSION LIABILITY AND RELATED RATIOS FOR STIPENDS

Year Ended June 30,	Total pension liability beginning	Net change in total pension liability	Total pension liability ending	Employer's covered payroll	Total pension liability as percentage of covered payrol	Discount rate
2023	$ 16,629	$ (4,858)	$ 11,771	$ 346,791	3.39 %	3.54 %
2022	49,739	(33,110)	16,629	487,259	3.41	3.54
2021	64,076	(14,337)	49,739	785,124	6.34	2.21
2020	67,235	(3,159)	64,076	758,574	8.45	2.21
2019	80,463	(13,228)	67,235	1,186,045	5.70	3.90
2018	102,021	(21,558)	80,463	1,145,937	7.02	3.90

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date.

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

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2023

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY FOR RHIA

Year Ended June 30,	District's proportion of net OPEB liability (asset)	District's proportionate share of the net OPEB liability (asset)	District's covered payroll	NOL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2023	0.17 %	$ (604,160)	$ 21,458,622	(2.82) %	194.6 %
2022	0.16	(554,923)	18,183,325	(3.05)	183.9
2021	0.06	(116,632)	17,729,086	(0.66)	150.1
2020	0.16	(301,340)	17,481,623	(1.72)	144.4
2019	0.15	(167,825)	15,650,307	(1.07)	124
2018	0.15	(63,550)	15,374,390	(0.41)	108.9
2017	0.16	42,223	14,581,783	0.29	94.2

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date.

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

SCHEDULE OF CONTRIBUTIONS FOR RHIA

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2023	$ 4,063	$ 4,063	$ -	$ 23,742,333	0.02 %
2022	4,191	4,191	-	21,458,622	0.02
2021	4,323	4,323	-	18,183,325	0.02
2020	4,087	4,087	-	17,729,086	0.02
2019	77,289	77,289	-	17,481,623	0.44
2018	72,797	72,797	-	15,650,307	0.47
2017	87,321	87,321	-	15,374,390	0.57

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date.

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

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

SCHEDULE OF CHANGES IN OTHER POST EMPLOYMENT BENEFITS (OPEB) LIABILITY
For the Year Ended June 30, 2023

	2023	2022	2021	2020	2019	2018
Total OPEB Liability beginning of year	$ 1,280,384	$ 1,422,759	$ 1,621,925	$ 1,595,581	$ 1,775,600	$ 1,921,756
Changes for the year:						
Service Cost	40,979	39,593	36,728	35,486	29,107	28,122
Interest	41,805	47,070	32,875	31,774	63,924	69,312
Changes of Benefit Terms	-	-	-	-	-	-
Differences Between Expected and Actual Experience	-	20,097	-	55,973	-	31,512
Changes of Assumptions or Other Input	-	(62,919)	-	218,799	-	13,958
Benefit Payments	(198,884)	(186,216)	(268,769)	(315,688)	(273,050)	(289,060)
Net Changes for the Year	(116,100)	(142,375)	(199,166)	26,344	(180,019)	(146,156)
Total OPEB Liability end of year	$ 1,164,284	$ 1,280,384	$ 1,422,759	$ 1,621,925	$ 1,595,581	$ 1,775,600
Covered Payroll	19,110,818	18,464,558	17,237,711	16,654,793	14,513,153	14,022,370
Net Single Employer Pension Plan as a Percentage of Covered Payroll	6.09%	6.93%	8.25%	9.74%	10.99%	12.66%

Note: This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full year trend has been compiled, information is presented for the years for which the required supplementary schedule information is available. The District implemented GASB 75 in the fiscal year ending June 30, 2018.

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023

GENERAL FUND

	ORIGINAL BUDGET	FINAL BUDGET		ACTUAL	VARIANCE
REVENUES:					
Property Taxes	$ 10,172,200	$ 10,172,200		$ 10,375,453	$ 203,253
Intergovernmental					
Intermediate Sources	220,115	629,000		658,359	29,359
State Sources	21,934,001	21,678,774		22,870,932	1,192,158
Federal Sources	15,000	15,000		24,491	9,491
Charge for Services	10,200	10,200		63,372	53,172
Contributions	2,500	2,500		9,425	6,925
Investment Earnings	37,100	37,100		580,451	543,351
Miscellaneous	117,982	213,666		144,038	(69,628)
Total Revenue	32,509,098	32,758,440		34,726,521	1,968,081
EXPENDITURES:					
Current					
Instruction	20,486,555	21,153,052	(1)	19,562,510	1,590,542
Support Services	15,104,793	15,393,847	(1)	14,770,151	623,696
Facilities and Acquisition and Construction	176,931	176,931	(1)	109,925	67,006
Debt Service					
Principal	173,000	173,000	(2)	173,000	-
Interest	5,531	5,531	(2)	5,531	-
Contingency	270,000	270,000	(1)	-	270,000
Total Expenditures	36,216,810	37,172,361		34,621,117	2,551,244
Excess of Revenues Over, (Under) Expenditures	(3,707,712)	(4,413,921)		105,404	4,519,325
Other Financing Sources (Uses):					
Subscription Proceeds	-	-		14,588	14,588
Transfers In	225,000	225,000		225,000	-
Transfers Out	(611,340)	(611,340)	(1)	(565,166)	46,174
Total Other Financing Sources, (Uses)	(386,340)	(386,340)		(325,578)	60,762
Net Change in Fund Balance	(4,094,052)	(4,800,261)		(220,174)	4,580,087
Beginning Fund Balance	7,113,482	7,772,892		8,371,919	599,027
Ending Fund Balance	$ 3,019,430	$ 2,972,631		$ 8,151,745	$ 5,179,114

(1) Appropriation Level
(2) Sum Equals Appropriation Level

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023

SPECIAL REVENUE FUNDS

	ORIGINAL BUDGET	FINAL BUDGET	ACTUALS	VARIANCE
REVENUES:				
Intergovernmental				
Intermediate Sources	$ 36,085	$ 36,085	$ 148,567	$ 112,482
State Sources	5,120,051	5,887,051	4,864,566	(1,022,485)
Federal Sources	5,744,441	5,789,441	4,257,490	(1,531,951)
Charge for Services	716,504	716,504	640,032	(76,472)
Contributions	44,575	44,575	18,072	(26,503)
Investment Earnings	12	12	797	785
Miscellaneous	82,674	82,674	126,184	43,510
Total Revenues	11,744,342	12,556,342	10,055,708	2,500,634
EXPENDITURES:				
Current				
Instruction	6,038,401	6,203,401 (1)	5,824,912	378,489
Support Services	2,419,768	2,630,768 (1)	2,249,661	381,107
Enterprise and Community Services	1,698,236	1,698,236 (1)	1,697,720	516
Facilities and Construction	1,901,657	2,337,657 (1)	611,824	1,725,833
Total Expenditures	12,058,062	12,870,062	10,384,117	2,485,945
Excess of Revenues Over, (Under) Expenditures	(313,720)	(313,720)	(328,409)	14,689
Other Financing Sources (Uses):				
Transfers In	261,341	261,341	215,166	(46,175)
Transfers Out	(225,000)	(225,000) (1)	(225,000)	-
Sale of Capital Assets	460,000	460,000	406,500	(53,500)
Total Other Financing Sources, (Uses)	496,341	496,341	396,666	(53,500)
Net Change in Fund Balance	182,621	182,621	68,257	(38,811)
Beginning Fund Balance	595,430	595,430	1,469,095	873,665
Ending Fund Balance	$ 778,051	$ 778,051	$ 1,537,352	$ 759,301

(1) Appropriation Level

ST. HELENS SCHOOL DISTRICT

COLUMBIA COUNTY, OREGON

SUPPLEMENTARY INFORMATION

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023

DEBT SERVICE

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE
REVENUES:				
Property Taxes	$ 4,517,482	$ 4,517,482	$ 4,930,086	$ 412,604
Investment Earnings	-	-	(7,451)	(7,451)
Charges to Other Funds	3,016,423	3,016,423	3,023,272	6,849
Total Revenues	7,533,905	7,533,905	7,945,907	412,002
EXPENDITURES:				
Debt Service:				
Redemption of Principal	2,103,036	2,103,036 (1)	2,076,243	26,793
Interest	5,387,637	5,387,637 (1)	5,414,430	(26,793)
Total Expenditures	7,490,673	7,490,673	7,490,673	-
Net Change in Fund Balance	43,232	43,232	455,234	412,002
Beginning Fund Balance	516,050	516,050	299,349	(216,701)
Ending Fund Balance	$ 559,282	$ 559,282	$ 754,583	$ 195,301

(1) Items are combined for the appropriation level

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2023

CAPITAL CONSTRUCTION

	ORIGINAL BUDGET	FINAL BUDGET		ACTUAL	VARIANCE
REVENUES:					
Construction Excise Tax	$ 90,000	$ 90,000		$ 76,397	$ (13,603)
Intergovernmental					
Intermediate Sources	-	-		9,900	9,900
State Sources	-	-		109,192	109,192
Charge for Services	10,000	10,000		11,217	1,217
Investment Earnings	65,000	65,000		1,717,812	1,652,812
Total Revenues	165,000	165,000		1,924,518	1,759,518
EXPENDITURES:					
Current					
Facilities Acquisition and Construction	43,000,910	43,000,910	(1)	23,427,814	19,573,096
Contingency	3,000,000	3,000,000	(1)	-	3,000,000
Total Expenditures	46,000,910	46,000,910		23,427,814	22,573,096
Excess of Revenues Over, (Under) Expenditures	(45,835,910)	(45,835,910)		(21,503,296)	24,332,614
Other Financing Sources (Uses):					
Transfers In	350,000	350,000		350,000	-
Total Other Financing Sources, (Uses)	350,000	350,000		350,000	-
Net Change in Fund Balance	(45,485,910)	(45,485,910)		(21,153,296)	24,332,614
Beginning Fund Balance	61,711,890	61,711,890		63,136,469	1,424,579
Ending Fund Balance	$ 16,225,980	$ 16,225,980		$ 41,983,173	$ 25,757,193

(1) Appropriation Level

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2023

FEDERAL GRANTOR PROGRAM TITLE	FEDERAL AL NUMBER	PASS-THROUGH ORGANIZATION	PASS-THROUGH ENTITY NUMBER	EXPENDITURES		PASS THROUGH
U.S. DEPARTMENT OF EDUCATION						
Title I-A	84.010	ODE	67083	$ 148,943		$ -
Title I-A	84.010	ODE	72624	405,443		-
Title I-A	84.010	ODE	68017	61,955		-
Total Title I-A				616,341		-
Title IIA - Supporting Effective Instruction	84.367	ODE	67517	63,375		-
Title IIA - Supporting Effective Instruction	84.367	ODE	72821	78,174		-
Total Title IIA				141,549		-
Title IVA - Student Support & Academic Enrichment	84.424	ODE	58677	15,517		-
Title IVA - Student Support & Academic Enrichment	84.424	ODE	66873	39,768		-
Total Title IVA				55,285		-
IDEA Part B:						
IDEA Part B, Section 611	84.027	ODE	68740	84,194		-
IDEA Part B, Section 611	84.027	ODE	74136	471,624		-
IDEA Part B, Section 611	84.027	ODE	68491	102,205		-
IDEA - Pathways for Recovery and Return	84.027	ODE	75394	38,919		-
IDEA Part B, Section 619	84.173	ODE	69011	2,315		-
IDEA Part B, Section 619	84.173	ODE	69255	2,585		-
Total IDEA Part B				701,842		-
ESF Education Stabilization Fund Under CARES Act						
ESSER II - COVID19	84.425D	ODE	64692	1,103,666	(1)	191,049
ESSER III - COVID19	84.425U	ODE	64996	548,036	(1)	-
ESSER Homeless Children and Youth - COVID19	84.425W	ODE	69408	6,948	(1)	-
Total				1,658,650		191,049
Rehabilitation Services - Vocational Rehabilitation Grant	84.126	OSDHS	160753	125,892		-
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	OSU		50,419		-
TOTAL U.S. DEPARTMENT OF EDUCATION				3,349,978		191,049
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Title IV-E - Foster Care	93.658	ODE	71757	24,491		-
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				24,491		-
U.S. DEPARTMENT OF AGRICULTURE						
National School Breakfast Program	10.553	ODE	N/A	140,049		-
National School Lunch Program	10.555	ODE	N/A	581,675		-
National School Lunch Commodities - Non-Cash Assistance	10.555	ODE	N/A	107,740		-
National School Lunch Supply Chain Assistance	10.555	ODE	N/A	47,452		-
Summer Food Program	10.559	ODE	N/A	26,569		-
Summer Food Program Commodities - Non-Cash Assistance	10.559	ODE	N/A	4,027		-
Total				907,512	(1)	-
TOTAL U.S. DEPARTMENT OF AGRICULTURE				907,512		-
TOTAL GRANTS EXPENDED OR PASSED THROUGH TO SUBRECIPIENTS				$ 4,281,981		$ 191,049

(1) Major Program

ST. HELENS SCHOOL DISTRICT

COLUMBIA COUNTY, OREGON

OTHER INFORMATION

AUDIT REVENUE SUMMARY
COLUMBIA COUNTY SCHOOL DISTRICT #502

Revenue from Local Sources	**Fund 100**	**Fund 200**	**Fund 300**	**Fund 400**
1110 Ad Valorem Taxes Levied by District	$ 10,368,956	$ -	$ 4,930,073	$ -
1130 Construction Excise Tax	-	-	-	76,396
1190 Penalties and Interest on Taxes	6,497	-	13	-
1311 Regular Day School Tuition - From Individuals	-	127,340	-	-
1500 Earnings on Investments	580,451	797	(7,450)	1,717,812
1600 Food Service	-	212,510	-	-
1700 Extracurricular Activities	21,629	197,267	-	-
1800 Community Services Activities	-	93,920	-	-
1910 Rentals	-	-	-	11,217
1920 Contributions and Donations From Private Sources	9,425	18,115	-	-
1950 Textbook Sales and Rentals	-	741	-	-
1960 Recovery of Prior Years' Expenditure	41,743	1,705	-	-
1970 Services Provided Other Funds	-	-	3,023,272	-
1980 Fees Charged to Grants	-		-	-
1990 Miscellaneous	144,037	132,679	-	-
Total Revenue from Local Sources	$ 11,172,738	$ 785,075	$ 7,945,909	$ 1,805,426

Revenue from Intermediate Sources	**Fund 100**	**Fund 200**	**Fund 300**	**Fund 400**
2101 County School Funds	$ 125,742	$ -	$ -	$ -
2102 General ESD Revenue	500,000	-	-	-
2105 Natural Gas, Oil, and Mineral Receipts	20,727	-	-	-
2199 Other Intermediate Sources	1,216	-	-	-
2200 Restricted Revenue	10,674	148,567	-	9,900
Total Revenue from Intermediate Sources	$ 658,359	$ 148,567	$ -	$ 9,900

Revenue from State Sources	**Fund 100**	**Fund 200**	**Fund 300**	**Fund 400**
3101 State School Fund - General Support	$ 21,532,641	$ -	$ -	$ -
3102 State School Fund - School Lunch Match	-	13,454	-	-
3103 Common School Fund	349,660	-	-	-
3104 State Managed County Timber	223,793	-	-	-
3199 Other Unrestricted Grants-in-Aid	348,115	-	-	-
3299 Other Restricted Grants-in-Aid	416,722	4,851,112	-	109,192
Total Revenue from State Sources	$ 22,870,932	$ 4,864,566	$ -	$ 109,192

Revenue from Federal Sources	**Fund 100**	**Fund 200**	**Fund 300**	**Fund 400**
4201 Transportation Fees for Foster Children	24,491	-	-	-
4500 Restricted Revenue From the Federal Government Through the State		4,145,723	-	-
4900 Revenue for/on Behalf of the District	-	111,767	-	-
Total Revenue from Federal Sources	$ 24,491	$ 4,257,490	$ -	$ -

Revenue from Other Sources	**Fund 100**	**Fund 200**	**Fund 300**	**Fund 400**
5100 Long Term Debt Financing Sources	$ 14,588	$ -	$ -	$ -
5200 Interfund Transfers	225,000	215,166	-	350,000
5300 Sale of or Compensation for Loss of Fixed Assets	-	406,500	-	-
5400 Resources - Beginning Fund Balance	8,371,920	1,469,095	299,348	63,136,469
Total Revenue from Other Sources	$ 8,611,509	$ 2,090,761	$ 299,348	$ 63,486,469

Grand Total	$ 43,338,028	$ 12,146,460	$ 8,245,256	$ 65,410,987

DISTRICT AUDIT EXPENDITURE SUMMARY
COLUMBIA COUNTY SCHOOL DISTRICT #502

Fund: 100 General Fund

Instruction Expenditures		**Totals**	**Object 100**	**Object 200**	**Object 300**	**Object 400**	**Object 500**	**Object 600**	**Object 700**
1111	Elementary, K-5 or K-6	$ 6,248,063	$ 4,259,117	$ 1,808,003	$ 22,720	$ 156,896	$ -	$ 1,327	$ -
1121	Middle/Junior High Programs	$ 3,334,409	2,227,829	1,006,862	5,160	93,786	-	772	-
1122	Middle/Junior High School Extracurricular	$ 1,879	286	72	437	1,085	-	-	-
1131	High School Programs	$ 4,432,728	3,037,927	1,261,504	26,490	103,219	-	3,587	-
1132	High School Extracurricular	$ 253,210	172,683	69,599	4,645	3,640	-	2,643	-
1140	Pre-Kindergarten Programs	$ 6,973	5,595	1,378	-	-	-	-	-
1210	Programs for the Talented and Gifted	$ 8,634	6,915	1,604	-	114	-	-	-
1220	Restrictive Programs for Students with Disabilities	$ 2,507,305	1,600,893	806,236	87,593	12,583	-	-	-
1250	Less Restrictive Programs for Students with Disabilities	$ 1,169,181	767,449	395,943	3,273	2,516	-	-	-
1260	Treatment and Habilitation	$ 140,548	-	-	140,548	-	-	-	-
1280	Alternative Education	$ 1,205,658	-	-	1,205,658	-	-	-	-
1291	English Second Language Programs	$ 252,642	201,680	48,131	515	2,317	-	-	-
1400	Summer School Programs	$ 1,281	1,001	281	-	-	-	-	-
	Total Instruction Expenditures	$ 19,562,511	$ 12,281,374	$ 5,399,612	$ 1,497,039	$ 376,157	$ -	$ 8,329	$ -

Support Services Expenditures		**Totals**	**Object 100**	**Object 200**	**Object 300**	**Object 400**	**Object 500**	**Object 600**	**Object 700**
2110	Attendance and Social Work Services	$ 5,925	$ 2,590	$ 413	$ 203	$ 2,719	$ -	$ -	$ -
2120	Guidance Services	$ 1,130,486	759,960	360,142	2,468	1,579	-	6,338	-
2130	Health Services	$ 413,094	142,270	60,565	203,598	5,969	-	692	-
2140	Psychological Services	$ 379,743	276,431	102,834	-	478	-	-	-
2150	Speech Pathology and Audiology Services	$ 511,076	346,764	163,372	175	90		675	
2190	Service Direction, Student Support Services	$ 442,913	298,486	139,657	2,907	484	-	1,379	-
2210	Improvement of Instruction Services	$ 508,366	344,097	152,113	10,455	1,641	-	59	-
2220	Educational Media Services	$ 427,400	267,639	146,644	-	13,117	-	-	-
2230	Assessment & Testing	$ 66,364	35,390	15,993	9,748	5,233	-	-	-
2240	Instructional Staff Development	$ 120,662	5,619	57,785	48,709	8,549	-	-	-
2310	Board of Education Services	$ 312,002	50,136	19,437	146,634	6,564	-	89,231	-
2320	Executive Administration Services	$ 753,682	470,436	212,376	27,344	30,135	-	13,391	-
2410	Office of the Principal Services	$ 2,737,147	1,841,472	837,159	19,366	28,894	-	10,255	-
2520	Fiscal Services	$ 538,435	332,752	138,906	25,904	7,278	14,588	19,007	-
2540	Operation and Maintenance of Plant Services	$ 3,196,578	1,197,084	609,294	861,545	278,874	-	249,780	-
2550	Student Transportation Services	$ 2,120,172	39,076	17,335	1,907,233	156,528	-	-	-
2570	Internal Services	$ 86,054	8,795	2,384	73,445	1,430	-	-	-
2630	Information Services	$ 161,560	103,955	42,771	462	1,858	-	12,514	-
2660	Technology Services	$ 778,054	257,365	125,833	50,934	234,164	-	109,757	-
2680	Interpretation and Translation Services	$ 65	-	-	65	-	-	-	-
2700	Supplemental Retirement Program	$ 80,375	-	80,375	-	-	-	-	-
	Total Support Services Expenditures	$ 14,770,151	$ 6,780,317	$ 3,285,388	$ 3,391,195	$ 785,584	$ 14,588	$ 513,080	$ -

Facilities Acquisition and Construction Expenditures		**Totals**	**Object 100**	**Object 200**	**Object 300**	**Object 400**	**Object 500**	**Object 600**	**Object 700**
4150	Building Acquisition, Construction, and Improvement Services	$ 77,198	$ -	$ -	$ -	$ -	$ 77,198.42	$ -	$ -
4180	Other Capital Items	$ 32,727	-	-	-	-	32,727	-	-
	Total Facilities Acquisition and Construction Expenditures	$ 109,925	$ -	$ -	$ -	$ -	$ 109,925	$ -	$ -

Other Uses Expenditures		**Totals**	**Object 100**	**Object 200**	**Object 300**	**Object 400**	**Object 500**	**Object 600**	**Object 700**
5100	Debt Service	$ 178,531	$ -	$ -	$ -	$ -	$ -	$ 178,531	$ -
5200	Transfers of Funds	$ 565,166	-	-	-	-	-	-	565,166
	Total Other Uses Expenditures	$ 743,697	$ -	$ -	$ -	$ -	$ -	$ 178,531	$ 565,166
	Grand Total	$35,186,284	$19,061,691	$8,684,999	$4,888,234	$1,161,740	$124,514	$699,939	$565,166

DISTRICT AUDIT EXPENDITURE SUMMARY
COLUMBIA COUNTY SCHOOL DISTRICT #502

Fund: 200 Special Revenue Funds

Instruction Expenditures		**Totals**	**Object 100**	**Object 200**	**Object 300**	**Object 400**	**Object 500**	**Object 600**	**Object 700**
1111	Elementary, K-5 or K-6	$ 900,885	$ 637,744	$ 208,459	$ 565	$ 44,441	$ -	$ 9,675	$ -
1113	Elementary Extracurricular	$ -	-	-	-	-	-	-	-
1121	Middle/Junior High Programs	$ 661,647	303,542	145,147	193,818	14,941	-	4,199	-
1122	Middle/Junior High School Extracurricular	$ 147,708	94,620	15,906	15,434	20,088	-	1,661	-
1131	High School Programs	$ 955,070	333,313	131,545	302,266	183,422	-	4,524	-
1132	High School Extracurricular	$ 736,654	312,191	59,315	170,185	168,583	-	26,379	-
1140	Pre-Kindergarten Programs	$ 366,976	246,702	108,619	73	11,581	-	-	-
1210	Programs for the Talented and Gifted	$ -	-	-	-	-	-	-	-
1220	Restrictive Programs for Students with Disabilities	$ 149,672	67,842	53,824	3,983	24,024	-	-	-
1250	Less Restrictive Programs for Students with Disabilities	$ 645,269	367,213	195,327	1,703	30,656	-	50,371	-
1260	Treatment and Habilitation	$ -	-	-	-	-	-	-	-
1271	Remediation	$ -	-	-	-	-	-	-	-
1272	Title I	$ 513,675	325,254	115,429	57,872	15,120	-	-	-
1280	Alternative Education	$ 191,049	-	-	191,049	-	-	-	-
1291	English Second Language Programs	$ 341,063	-	-	-	341,063	-	-	-
1292	Teen Parent Program	$ -	-	-	-	-	-	-	-
1293	Migrant Education	$ -	-	-	-	-	-	-	-
1294	Youth Corrections Education	$ -	-	-	-	-	-	-	-
1299	Other Programs	$ -	-	-	-	-	-	-	-
1300	Adult/Continuing Education Programs	$ -	-	-	-	-	-	-	-
1400	Summer School Programs	$ 215,244	139,455	32,400	3,000	40,389	-	-	-
	Total Instruction Expenditures	$ 5,824,912	$ 2,827,876	$ 1,065,972	$ 939,947	$ 894,308	$ -	$ 96,809	$ -

Support Services Expenditures		**Totals**	**Object 100**	**Object 200**	**Object 300**	**Object 400**	**Object 500**	**Object 600**	**Object 700**
2110	Attendance and Social Work Services	$ 119,765	$ 76,488	$ 39,079	$ 450	$ 3,747	$ -	$ -	$ -
2120	Guidance Services	$ 650,590	416,393	219,742	699	10,592	-	3,164	-
2130	Health Services	$ 86,362	-	-	61,896	24,466	-	-	-
2140	Psychological Services	$ 14,913	-	-	4,500	10,413	-	-	-
2150	Speech Pathology and Audiology Services	$ 9,032	5,704	2,491	-	837	-	-	-
2160	Other Student Treatment Services	$ -	-	-	-	-	-	-	-
2190	Service Direction, Student Support Services	$ 11,105	905	119	-	10,081	-	-	-
2210	Improvement of Instruction Services	$ 377,236	275,393	65,803	29,335	770	-	5,935	-
2220	Educational Media Services	$ 14,428	-	-	-	14,428	-	-	-
2230	Assessment & Testing	$ 64,734	33,303	13,545	-	17,885	-	-	-
2240	Instructional Staff Development	$ 474,815	72,922	16,274	368,591	17,028	-	-	-
2310	Board of Education Services	$ 790	-	-	541	-	-	249	-
2320	Executive Administration Services	$ 66	-	-	66	-	-	-	-
2410	Office of the Principal Services	$ 72,896	53,297	19,527	-	72	-	-	-
2520	Fiscal Services	$ 5,177	-	-	-	-	-	5,177	-
2540	Operation and Maintenance of Plant Services	$ 107,508	76,729	30,215	-	441	-	123	-
2550	Student Transportation Services	$ 25,560	-	-	22,453	3,107	-	-	-
2660	Technology Services	$ 196,146	-	-	-	196,146	-	-	-
2680	Interpretation and Translation Services	$ 18,537	-	-	-	18,537	-		-
	Total Support Services Expenditures	$ 2,249,661	$ 1,011,133	$ 406,796	$ 488,532	$ 328,552	$ -	$ 14,648	$ -

Enterprise and Community Services Expenditures		**Totals**	**Object 100**	**Object 200**	**Object 300**	**Object 400**	**Object 500**	**Object 600**	**Object 700**
3100	Food Services	$ 1,450,901	$ 459,988	$ 205,145	$ 16,982	$ 751,688	$ -	$ 17,098	$ -
3300	Community Services	$ 58,436	32,653	25,701	-	83	-	-	-
3500	Custody and Care of Children Services	$ 188,382	131,512	53,690	36	3,144	-	-	-
	Total Enterprise and Community Services Expenditures	$ 1,697,720	$ 624,153	$ 284,536	$ 17,019	$ 754,914	$ -	$ 17,098	$ -

Facilities Acquisition and Construction Expenditures		**Totals**	**Object 100**	**Object 200**	**Object 300**	**Object 400**	**Object 500**	**Object 600**	**Object 700**
4150	Building Acquisition, Construction, and Improvement Services	$ 201,269	$ -	$ -	$ 22,865	$ -	$ 178,405	$ -	$ -
4180	Other Capital Items	$ 410,555	-	-	-	-	410,555	-	-
	Total Facilities Acquisition and Construction Expenditures	$ 611,824	$ -	$ -	$ 22,865	$ -	$ 588,960	$ -	$ -

Other Uses Expenditures		**Totals**	**Object 100**	**Object 200**	**Object 300**	**Object 400**	**Object 500**	**Object 600**	**Object 700**
5200	Transfers of Funds	$ 225,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 225,000
	Total Other Uses Expenditures	$ 225,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 225,000

	Grand Total	$10,609,117	$4,463,162	$1,757,304	$1,468,363	$1,977,774	$588,960	$128,555	$225,000

DISTRICT AUDIT EXPENDITURE SUMMARY
COLUMBIA COUNTY SCHOOL DISTRICT #502

Fund: 300 Debt Service Funds

Other Uses Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100	Debt Service	$ 7,490,673	$ -	$ -	$ -	$ -	$ -	$ 7,490,673	$ -
	Total Other Uses Expenditures	$ 7,490,673	$ -	$ -	$ -	$ -	$ -	$ 7,490,673	$ -
	Grand Total	$7,490,673	$0	$0	$0	$0	$0	$7,490,673	$0

DISTRICT AUDIT EXPENDITURE SUMMARY
COLUMBIA COUNTY SCHOOL DISTRICT #502

Fund: 400 Capital Projects Funds

Facilities Acquisition and Construction Expenditures		**Totals**	**Object 100**	**Object 200**	**Object 300**	**Object 400**	**Object 500**	**Object 600**	**Object 700**
4110	Service Area Direction	$ 605,503	$ -	$ -	$ 27,120	$ -	$ 46,072	$ 532,310	$ -
4150	Building Acquisition, Construction, and Improvement Services	$ 22,567,045	-	-	1,116,536	-	21,450,058	450	-
4180	Other Capital Items	$ 255,266	-	-	-	-	255,266	-	-
	Total Facilities Acquisition and Construction Expenditures	$ 23,427,813	$ -	$ -	$ 1,143,657	$ -	$ 21,751,396	$ 532,760	$ -
	Grand Total	$23,427,813	$0	$0	$1,143,657	$0	$21,751,396	$532,760	$0

FINANCIAL INFORMATION AND OPERATING DATA 2023

December 15, 2023

Name of Issuer: St. Helens School District No. 502, Columbia County, Oregon

Name of Issue: $46,910,000.00 General Obligation Bonds, Series 2017 (the "Series 2017 Bonds");
$774,662,845.50 OSBA Pension Bonds, Series 2002A and 2002B (the "Series 2002 Bonds");
$927,079,763.45 OSBA Pension Bonds, Series 2003A and 2002B (the "Series 2003 Bonds");
$32,190,427.25 General Obligation Bonds, Series 2020A (the Series 2020A Bonds")
$25,531,400.70 General Obligation Bonds, Series 2020B (the Series 2020A Bonds")

DISTRICT BONDED INDEBTEDNESS

Debt Service Outstanding General Obligation Bonds

Fiscal Year	Principal	Interest	Total Debt Service
2023	$ 783,206	$ 3,691,044	$ 4,474,250
2024	960,551	3,668,099	4,628,650
2025	1,143,746	3,631,054	4,774,800
2026	1,331,941	3,585,609	4,917,550
2027	1,539,711	3,523,839	5,063,550
2028	1,757,056	3,461,194	5,218,250
2029	1,993,975	3,378,275	5,372,250
2030	2,250,044	3,283,956	5,534,000
2031	2,525,262	3,177,238	5,702,500
2032	2,676,636	3,195,114	5,871,750
2033	2,896,288	3,153,212	6,049,500
2034	3,130,561	3,101,939	6,232,500
2035	3,374,804	3,045,196	6,420,000
2036	3,631,833	2,979,667	6,611,500
2037	3,901,915	2,904,335	6,806,250
2038	4,192,402	2,820,848	7,013,250
2039	4,498,206	2,723,795	7,222,000
2040	4,820,522	2,620,728	7,441,250
2041	5,741,788	1,918,712	7,660,500
2042	6,251,478	1,639,022	7,890,500
2043	6,914,891	1,212,609	8,127,500
2044	6,930,671	1,433,330	8,364,000
2045	7,507,083	1,108,167	8,615,250

2046	4,545,830	4,329,142	8,874,972
2047	4,561,991	4,578,491	9,140,482
2048	4,580,461	4,838,083	9,418,544
2049	4,596,622	5,103,530	9,700,152
2050	4,612,783	5,377,217	9,990,000
	$ 103,652,253	$ 89,483,447	$ 193,135,700

Debt Service Full Faith and Credit Obligations

Fiscal Year	Principal	Interest	Total Debt Service
2023	$ 1,466,036	$ 1,728,918	$ 3,194,954
2024	2,599,000	740,159	3,339,159
2025	2,886,000	603,155	3,489,155
2026	3,203,000	449,123	3,652,123
2027	3,360,000	278,166	3,638,166
2028	1,585,000	89,164	1,674,164
	$15,099,036	$3,888,683	$18,987,719

Summary of Overlapping Debt 2023

Overlapping District	Real Market Value	Percent Overlap	Overlapping Debt	
			Gross Debt (1)	Net Debt (2)
City of Columbia City	$329,553,025	100.00%	$2,064,722	$2,064,722
City of St. Helens	1,833,814,870	100.00%	18,830,000	-
Columbia County	9,602,119,191	35.01%	1,744,117	248,366
Columbia River Fire & Rescue	4,623,722,570	71.16%	1,305,814	1,305,814
Northwest Regional ESD	152,620,062,075	2.20%	319,116	301,123
Port of Columbia County	8,332,415,401	40.04%	4,307,928	4,307,928
Portland Community College	300,473,852,948	1.12%	7,998,907	7,480,714
Total			$36,560,604	$15,708,667

(1) Gross Bonded Debt includes all bonds backed by a general obligation pledge including self-supporting general obligation bonds and limited tax debt.

(2) Net Direct Debt includes all unlimited tax-supported bonds. Self-supporting bonds are excluded.

Source: Oregon State Treasury Debt Management Division.

FINANCIAL INFORMATION

Debt Ratios 2023

Real Market Value		$ 4,370,119,688
Assessed Valuation		$ 2,232,113,084
Estimated Population		22,102
Per Capita Real Market Value		$ 197,725
Debt Information	**Gross Direct Debt(1)**	**Net Direct Debt(2)**
District Direct Debt	$ 117,795,083	$ 117,795,083
Overlapping Direct Debt	$ 36,560,604	$ 15,708,667
Total Direct Debt	$ 154,335,687	$ 133,503,750
Bonded Debt Ratios		
District Direct Debt to Real Market Value	3.95%	3.95%
Total Direct Debt to Real Market Valuation	5.18%	4.448
Per Capita District Direct Debt	$ 5,379	$ 5,379
Per Capita Total Direct Debt	$ 7,049	$ 6,097

(1) Gross Bonded Debt includes all bonds backed by a general obligation pledge including self-supporting general obligation bonds and limited tax debt.
(2) Net Direct Debt includes all unlimited tax-supported bonds. Self-supporting bonds are excluded.

Source: Columbia County Assessor's Office, Oregon State Treasury Debt Management Division.

PROPERTY TAX

St. Helens School District Property Valuations

Fiscal Year	M5 Real Market Value	Real Market Value	Assessed Value	AV to RMV Percentage
2023	$4,016,603,500	$ 4,370,119,688	$ 2,232,113,084	55.6%

Source: Columbia County Assessor's Office.

District Tax Collection Record

Fiscal Year	Percent Collected as of Levy Year[(1)]	Percent Collected as of 6/30/2023[(2)]
2023	97.88	97.88
2022	97.85	98.87
2021	97.93	99.46
2020	97.51	99.79
2019	97.12	99.96

(1) The percentage of taxes collected in the "year of the levy" represents taxes collected in a single levy year, beginning July 1 and ending June 30.
(2) The percentage of taxes collected in the column represents taxes collected cumulatively from July 1 in a given levy year through 06/30/2023.
Source: Columbia County Tax Collector.

Major Taxpayers for County 2023

Taxpayer	Business/Service	Tax	Assessed Value	Percent of Total AV
Portland General Electric	Electrical Utility	$4,986,024	$670,063,000	10.5%
Northwest Natural Gas Company	Natural Gas Utility	3,727,485	309,986,700	4.8%
United States Gypsum	Wall Board	1,296,779	80,744,590	1.3%
Airpark Development LLC	Commercial	1,248,123	30,641,655	0.5%
Weyerhaeuser Timber Holdings Inc	Timberland	1,041,058	81,484,652	1.3%
Dyno Nobel Inc	Explosives Manufacturer	879,094	64,318,465	1.0%
Cascades Tissue Group Oregon	Paper Products	853,895	57,508,980	0.9%
Columbia River PUD	Utility	673,637	49,737,500	0.8%
St. Helens Place Apartments, LLC	Real Estate	399,969	24,915,680	0.4%
Cascade Kelly Holdings, LLC	Real Estate	371,487	31,145,590	0.5%
Subtotal - ten of County's largest taxpayers		$15,477,550	$1,400,546,812	21.9%
All other County taxpayers			$ 5,000,984,362	78.1%
Total District Taxpayers			$ 6,401,531,174	100.0%

Source: Columbia County Assessor's Office.

Major Taxpayers for District 2023

Taxpayer	Business/Service	Tax	Assessed Value	Percent of Total AV
Dyno Nobel Inc	Explosives Manufacturer	$879,094	$64,318,465	2.9%
Cascades Tissue Group Oregon	Paper Products	853,895	57,508,980	2.6%
St Helens Place Apartments LLC	Real Estate	399,969	24,915,680	1.1%
Columbia River PUD	Utility	328,684	23,011,500	1.0%
Northwest Natural Gas Co	Utility	295,318	19,359,000	0.9%
NWM Properties LLC	Real Estate	186,178	11,622,950	0.5%
Pacific Stainless Products Inc	Manufacturer	182,131	11,372,320	0.5%
Portland General Electric Co	Utility	166,785	11,338,000	0.5%
Letica Corporation	Manufacturer	150,888	9,437,340	0.4%
Armstrong World Industries Inc	Ceiling Tile Manufacturer	150,122	9,392,090	0.4%
Subtotal - ten of District's largest taxpayers		$3,593,064	$242,276,325	10.9%
All other District taxpayers			$ 1,989,836,759	89.1%
Total District Taxpayers			$ 2,232,113,084	100.0%

Source: Columbia County Assessor's Office.

District Levy Rates

Fiscal Year	Permanent Rate	Bond Levy Rate	Local Option Rate
2023	5.0297	2.2786	0.0000

Source: Columbia County Assessor's Office.

AVERAGE DAILY MEMBERSHIP – WEIGHTED

Fiscal Year	ADMw
2023	3,246.3
2022	3,242.7
2021	3,171.4
2020	3,254.8
2019	3,330.5

Source: Oregon Department of Education

OREGON DEPARTMENT OF EDUCATION
225 Capitol Street NE
Salem Oregon 97310

Office of Finance and Information Technology
School Finance Unit

SUPPLEMENTAL INFORMATION

School District Business Managers and Auditors:

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

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

	Objects 325 & 326 & ***327**
Function 2540	$646,277.52
Function 2550	$0 (None)

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

Exclude these functions: $5,013

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

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

ST. HELENS SCHOOL DISTRICT

COLUMBIA COUNTY, OREGON

INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS

PAULY, ROGERS, AND CO., P.C.
12700 SW 72nd Ave. Tigard, OR 97223
(503) 620-2632 (503) 684-7523 FAX
www.paulyrogersandcocpas.com

December 21, 2023

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the St. Helens School District as of and for the year ended June 30, 2023, and have issued our report thereon dated December 21, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards.

Compliance

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

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

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

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

OAR 162-10-0230 Internal Control

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

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



Tara M. Kamp, CPA
PAULY, ROGERS AND CO., P.C.

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

GRANT COMPLIANCE REVIEW

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December 21, 2023

To the Board of Directors
St. Helens School District
Columbia County, Oregon

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of St. Helens School District as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated December 21, 2023.

Report on Internal Control over Financial Reporting

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

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

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

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

Purpose of this Report

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



Tara M. Kamp, CPA
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December 21, 2023

To the Board of Directors
St. Helens School District
Columbia County, Oregon

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited St. Helens School District's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2023. The major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, St. Helens School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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



Tara M. Kamp, CPA
PAULY, ROGERS AND CO., P.C.

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2023

SECTION I – SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	☐ yes	☒ no
Significant deficiency(s) indentified that are not considered to be material weaknesses?	☐ yes	☒ none reported
Noncompliance material to financial statements noted?	☐ yes	☒ no
Any GAGAS audit findings disclosed that are required to be reporting in accordance with the Uniform Guidance?	☐ yes	☒ no

FEDERAL AWARDS

Internal control over major programs:		
Material weakness(es) identified?	☐ yes	☒ no
Significant deficiency(s) identified that are not considered to be material weaknesses?	☐ yes	☒ none reported
Type of auditors' report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	☐ yes	☒ no

IDENTIFICATION OF MAJOR PROGRAMS

CFDA NUMBER	NAME OF FEDERAL PROGRAM CLUSTER
84.425	Education Stabilization Fund
10.553, 10.555, 10.559	Child Nutrition Cluster

Dollar threshold used to distinguish between type A and type B programs:	$750,000	
Auditee qualified as low-risk auditee?	☒ yes	☐ no

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2023

SECTION II – FINANCIAL STATEMENT FINDINGS

NONE

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

NONE

SECTION IV – PRIOR AUDIT FINDINGS

NONE

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. BASIS OF PRESENTATION

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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