



District 24J

Salem-Keizer Public Schools

In Marion & Polk Counties in the State of Oregon

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



Annual Comprehensive Financial Report

For the year ended June 30, 2023

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

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

SALEM-KEIZER SCHOOL DISTRICT 24J
Salem, Oregon

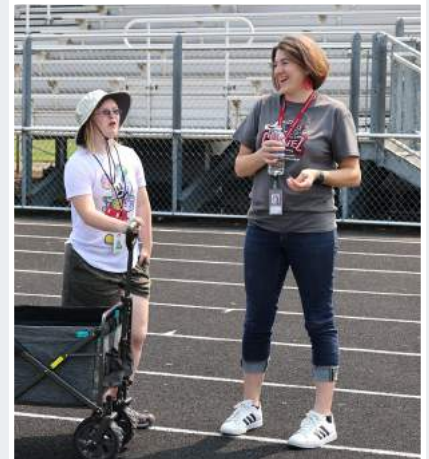
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Christy Perry, Superintendent (Through June 30, 2023)
Andrea Castañeda, Superintendent (As of July 1, 2023)

Prepared by:
Financial Services Department

Our Vision:

All students graduate and are prepared for a successful life.



District 24J

2450 Lancaster Drive NE • Salem, Oregon 97305

SALEM-KEIZER SCHOOL DISTRICT 24J
TABLE OF CONTENTS

	<u>Page</u>
<u>INTRODUCTORY SECTION</u>	
Letter of Transmittal	1
Certificate of Achievement for Excellence in Financial Reporting	7
The Certificate of Excellence in Financial Reporting.....	8
Board of Directors	9
Leadership Organizational Chart	10
<u>FINANCIAL SECTION</u>	
<i>Independent Auditor's Report</i>	13
<i>Management's Discussion and Analysis</i>	19
<i>Basic Financial Statements</i>	
Government-Wide Financial Statements.....	31
Statement of Net Position	32
Statement of Activities	33
Fund Financial Statements.....	35
Balance Sheet - Governmental Funds.....	36
Reconciliation of Governmental Funds Balance Sheet to Statement of Net Position	39
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds	40
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities	42
Statement of Net Position - Proprietary Funds	43
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	44
Statement of Cash Flows - Proprietary Funds	45
Statement of Net Position - Fiduciary Fund.....	46
Statement of Changes in Net Position – Fiduciary Fund.....	47
Notes to the Basic Financial Statements.....	48
<i>Required Supplementary Information</i>	81
General Fund, Grants Fund and Asset Replacement Fund	82
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	83
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Grants Fund.....	84
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual – Asset Replacement Fund	85
Schedule of the District's Proportionate Share of the Net Pension Liability for PERS.....	86
Schedule of the District's Contributions for PERS.....	86
Schedule of the District's Proportionate Share of the Net OPEB Liability for RHIA	87
Schedule of the District's Contributions for RHIA.....	87
Schedule of Changes in the Total OPEB Liability for RHIS.....	88
Schedule of Total OPEB Liability and Related Ratios for RHIS	88
Notes to the Required Supplementary Information	89

SALEM-KEIZER SCHOOL DISTRICT 24J
TABLE OF CONTENTS (CONTINUED)

	<u>Page</u>
<u>FINANCIAL SECTION (CONTINUED)</u>	
<i>Other Supplementary Information</i>	91
<i>Debt Service Funds and 2018 Bond Capital Projects Fund</i>	92
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - GO Debt Service Fund	93
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - PERS Pension Debt Service Fund	94
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - 2018 Bond Capital Projects Fund	95
<i>Nonmajor Governmental Funds</i>	96
Combining Balance Sheet - Nonmajor Governmental Funds	97
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Nonmajor Governmental Funds	98
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual:	
Fee Based Programs Fund	99
Food Services Fund	100
Energy Efficiency Fund	101
Special Capital Projects Fund	102
Preventative & Deferred Maintenance Fund	103
<i>Internal Service Funds</i>	105
Combining Statement of Net Position - Internal Service Funds	106
Combining Statement of Revenues, Expenses and Changes in Net Position - Internal Service Funds	107
Combining Statement of Cash Flows - Internal Service Funds	108
Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual:	
Risk Management Fund	109
Auxiliary Services Fund	110
Charter Schools Services Fund	111
<i>Other Financial Schedules</i>	113
Revenue Summary by All Funds	114
Expenditure Summaries:	
General Fund (100)	116
Special Revenue Funds (200)	118
Debt Service Funds (300)	121
Capital Projects Funds (400)	122
Internal Service Funds (600)	124
Fiduciary Fund (700)	127
Schedule of Full Faith & Credit Obligations and Interest Transactions	128
Schedule of General Obligation Bonds and Interest Transactions	128
Schedule of Limited Tax Pension Obligation Bonds and Interest Transactions	128
Schedule of Future Debt Service Requirement of Full Faith & Credit Obligation Bonds	130
Schedule of Future Debt Service Requirement of General Obligation Bonds	131
Schedule of Future Debt Service Requirement of Limited Tax Pension Obligation Bonds	132
Supplemental Information, 2022-2023 (Required by the Oregon Department of Education)	133

SALEM-KEIZER SCHOOL DISTRICT 24J
TABLE OF CONTENTS (CONTINUED)

	<u>Page</u>
STATISTICAL SECTION	135
Overview	136
Table of Contents	137
<i>Financial Trends</i>	
Condensed Statement of Net Position by Component - Last Ten Fiscal Years	138
Changes in Net Position - Last Ten Fiscal Years	140
Fund Balances of Governmental Funds - Last Ten Fiscal Years	143
Primary Government-Wide Revenues - Last Ten Fiscal Years	144
Governmental Funds Revenues, Expenditures, Other Financing Sources (Uses) and Debt Service Ratio - Last Ten Fiscal Years	146
Revenues and Other Financing Sources by Source (Non-GAAP Basis) - General Fund - Last Ten Fiscal Years	148
Expenditures and Other Financing Uses by Program (Non-GAAP Basis) - General Fund - Last Ten Fiscal Years	150
<i>Revenue Capacity</i>	
Property Tax Levies and Collections - General Fund - Last Ten Fiscal Years	152
Property Tax Levies and Collections - Debt Service Fund - Last Ten Fiscal Years	152
Comparison of General Fund Budget to Tax Levy - Last Ten Fiscal Years	153
Assessed Value and Real Market Value of Taxable Property - Last Ten Fiscal Years	155
Property Tax Rates Per \$1,000 of Assessed Valuation - Direct and Overlapping Governments - Last Ten Fiscal Years	156
Principal Taxpayers - Current and Nine Years Prior	158
<i>Debt Capacity</i>	
Legal Debt Margin Information - Last Ten Fiscal Years	159
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years	160
Direct and Overlapping Governmental Activities Debt	161
Ratio of Annual Debt Service Requirements for General Obligation Bonded Debt to Total Budgeted General Fund Expenditures and Transfers - Last Ten Fiscal Years	162
Ratio of Net General Obligation Bonded Debt to True Cash Value and Net General Bonded Debt per Capita and per Student - Last Ten Fiscal Years	163
<i>Demographic and Economic Information</i>	
Demographic and Economic Statistics - Last Ten Calendar Years	164
Major Area Employers - Current and Nine Years Prior	165
Salem Metropolitan Area Employment - Largest to Smallest - Current and Nine Years Prior	166
Salem Metropolitan Area - Average Annual Employment - Last Ten Calendar Years	167
Population Ethnicity and Other Related Data	168
<i>Operating Information</i>	
School Building, Student Enrollment and Average Daily Membership (ADM) Information - Last Ten Fiscal Years	169
Average Daily Membership (ADM) - Last Ten Fiscal Years	174
Licensed, Classified and Administrative Full-Time Employees Staff Levels - Last Ten Fiscal Years	176
Teacher Base Salaries - Last Ten Fiscal Years	177
Operating Statistics - Last Ten Fiscal Years	178
Miscellaneous Statistical Data - Last Ten Fiscal Years	179

SALEM-KEIZER SCHOOL DISTRICT 24J
TABLE OF CONTENTS (CONTINUED)

	<u>Page</u>
<u>COMPLIANCE SECTION</u>	181
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	182
Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance	184
Schedule of Expenditures of Federal Awards	186
Notes to the Schedule of Expenditures of Federal Awards	190
Schedule of Findings and Questioned Costs	191
Schedule of Prior Year Findings and Questioned Costs	192
Independent Auditor's Report Required by State Regulations	193

INTRODUCTORY SECTION





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

December 13, 2023

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

Dear Stakeholders:

Oregon Revised Statutes regarding Municipal Audit Law and State Financing of Public Schools require that school districts publish audited financial statements within six months of the close of each fiscal year. A Securities Exchange Commission rule requires that a district that has issued municipal bonds file annual financial statements with the Municipal Securities Exchange Repository through Electronic Municipal Market Access (EMMA). Pursuant to these requirements, Salem-Keizer School District 24J (District) hereby issues its annual comprehensive financial report for the fiscal year ended June 30, 2023. This report is presented in conformity with accounting principles generally accepted in the United States of America. The financial statements of the District were audited in accordance with auditing standards generally accepted in the United States of America by a certified public accounting firm licensed in the State of Oregon.

This report consists of District management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with accounting principles generally accepted in the United States of America. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free of material misstatement. Management asserts that, to the best of its knowledge and belief, this financial report is complete and reliable in all material respects.

The District's financial statements have been audited by Grove, Mueller & Swank, P.C., a certified public accounting firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2023, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2023, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The Independent Auditor's Report is presented as the first component of the financial section of this report.

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

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

District Profile

The District is one of 19 public school districts located in Marion and Polk counties, Oregon. It is one of the top three largest of the 197 school districts in Oregon. The District provides public education programs from preschool through grade 12, as well as community transition programs for students ages 18-21. The District is required to report the number of students per school year to the state based on Average Daily Membership (ADM). ADM is the average number of full-time students enrolled in District schools and programs every day over the course of the entire school year, compared to student enrollment, which is a snapshot on a given day of the headcount of all students enrolled. The District's ADM was 38,343 in fiscal year 2022-23.

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

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

In 2022-23, management staff included the superintendent, assistant superintendent of secondary, assistant superintendent of elementary, chief operations officer, director of community relations & communications, executive director of human resources, three directors of elementary education, director of middle school education, director of high school education, director of curriculum and instruction for elementary, director of curriculum and instruction for secondary, director of student services, director of student equity, access and advancement, director of technology and information services, director of budget and financial services, and director of strategic initiatives. The District employed 192 management staff, which included the positions described above, as well as principals, assistant principals, athletic directors, department managers, and supervisors. It employed 2,579 licensed staff (teachers, counselors, and other licensed professionals) and 2,553 classified staff (instructional assistants, custodians, bus drivers, and support staff).

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

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

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

The State of Oregon requires the District to adopt an annual budget per Oregon Revised Statutes (294.305 through 294.565 inclusive). Oregon Budget Law specifies a process and format for a district's annual budget preparation and presentation. A school district is required to publish a budget using at least a "minimum chart of accounts," which includes fund, function, and object. Each year, the District follows a process to develop and adopt a budget for the following school year. The District's budget committee receives the proposed budget from the superintendent, takes public testimony, deliberates, and approves the budget with a recommendation to the school board for final adoption. The school board normally adopts the budget in early June. Once adopted, the budget represents the financial plan for the District. It contains estimates of revenues and expenditures needed to support the program offerings of the District for a single fiscal year. The budget is prepared for all funds, which include governmental funds and the fiduciary fund. The annual expenditure budget serves as the foundation for the District's financial planning and control since revenue is an estimate. Actual expenditures may not exceed the appropriated amount of the budget by function and fund. Changes to the budget must be adopted by the school board if expenditures will adjust any one fund by 10% or less per ORS 294.471. If fund expenditures will be increased by more than 10%, a supplemental budget must be adopted per ORS 294.473.

The Oregon Department of Education provides report cards of school and district data called the “Oregon At-A-Glance District Profile”. The reports include, but are not limited to, student enrollment, District and State academic goals, demographics, and outcomes. The “District Environment”, “Academic Success” and “High School Success” sections of these reports compare to the Oregon averages. In the Salem-Keizer SD 24J report card for 2022-23, the District was within two percentage points of the Oregon averages for the three “High School Success” metrics relating to graduation and five-year completion. The “Demographics” section highlights that there are 112 languages spoken in Salem-Keizer schools. The District’s “At-A-Glance Profile” and reports by district or by school can be found on the following website:

<https://www.ode.state.or.us/data/reportcard/reports.aspx>.

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

Economic Condition

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

The District receives approximately 75 percent of its General Fund revenue from state-controlled sources. The District’s largest expense is labor and associated costs, which includes the Oregon Public Employees Retirement System (PERS). Both Marion and Polk counties have tax abatements which totaled approximately \$1.2 million for the District this year. The District does not expect long-term, detrimental effects from tax abatements. The average age of the school buildings is 53 years. The projected ADM for fiscal year 2023-24 is 38,009.

The District had collective bargaining agreements with both unions that ended June 30, 2023. The District began successor bargaining with the Salem Keizer Education Association on April 6, 2023, and filed for mediation on September 26, 2023. The District began successor bargaining with the Association of Salem Keizer Education Support Professionals on April 24, 2023, and the union filed for mediation on November 1, 2023. The District and both parties have reached tentative agreements for certain articles but not collectively.

Awards and Acknowledgements

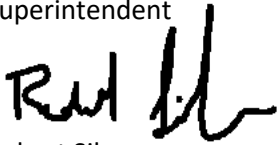
The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the Salem-Keizer School District 24J for its annual comprehensive financial report for the fiscal year ended June 30, 2022. This was the 40th consecutive year the District achieved this prestigious award. To be awarded a certificate of achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. Additionally, the Association of School Business Officials International (ASBO) awarded its Certificate of Excellence in Financial Reporting to the District for the 35th year.

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

Respectfully submitted,



Andrea Castañeda
Superintendent



Robert Silva
Chief Operations Officer



Sarah Head
Director of Budget & Financial Services





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

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

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Salem-Keizer School District 24J for its annual comprehensive financial report for the fiscal year ended June 30, 2022. This was the 40th consecutive year that the District achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting
is presented to**

Salem-Keizer Public Schools District 24J

**for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2022.**

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



A handwritten signature in black ink, reading 'John W. Hutchison'. The signature is written in a cursive style with a large 'J' and 'H'.

**John W. Hutchison
President**

A handwritten signature in black ink, reading 'Siobhán McMahon'. The signature is written in a cursive style with a large 'S' and 'M'.

**Siobhán McMahon, CAE
Chief Operations Officer/
Interim Executive Director**



School Board

The Salem-Keizer Board is the policy-making body of our school district responsible for setting goals and working collaboratively to support equitable student outcomes. Each board member is elected by local voters to serve a four-year term without pay. Even though each member represents a zone in our district, the entire board works together to serve all students in Salem and Keizer. Board members receive mail at 2450 Lancaster Drive NE, Salem, Oregon 97305.

Oswaldo F. Avila

Board Director, Zone 1

Karina Guzmán Ortiz

Second Vice Chairperson, Zone 5

Marty Heyen

Board Director, Zone 2

Robert Salazar

Board Director, Zone 6

Ashley Carson Cottingham

Board Chairperson, Zone 3

María Hinojos Pressey

First Vice Chairperson, Zone 7

Satya Chandragiri

Board Director, Zone 4

Raylin Brennan

Student Advisor to the Board

Isaac McDonald

Student Advisor to the Board



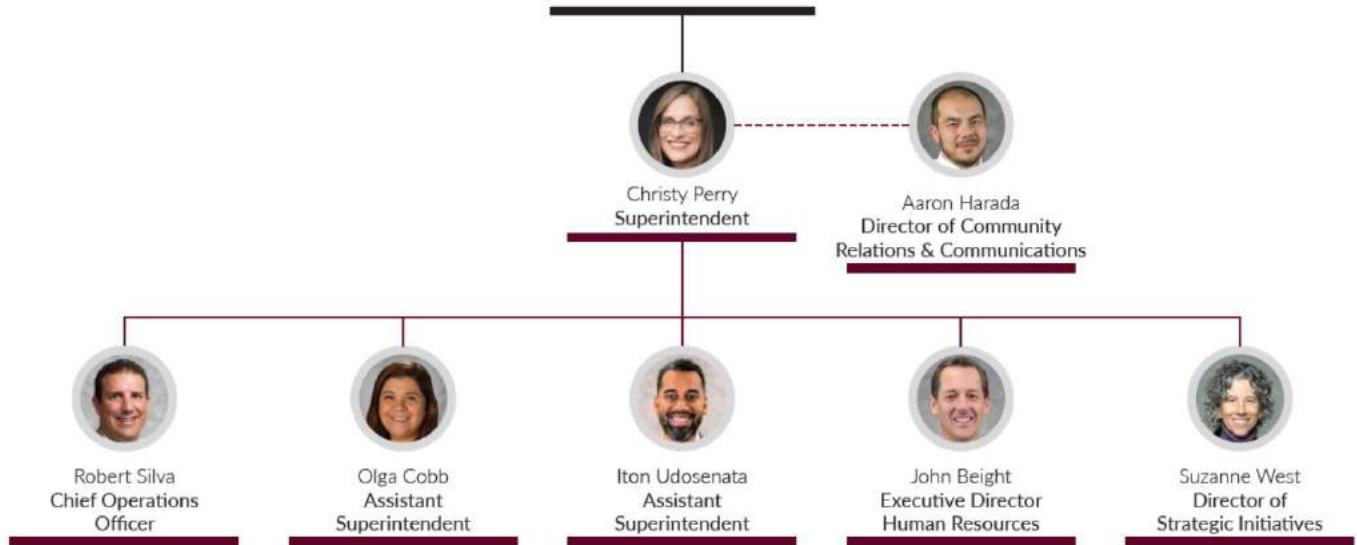
Leadership Organizational Chart

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

Board of Directors

Osvaldo F. Avila, Zone 1 | Marty Heyen, Zone 2 | Ashley Carson Cottingham, Zone 3

Satya Chandragiri, Zone 4 | Karina Guzmán Ortiz, Zone 5 | Robert Salazar, Zone 6 | María Hinojos Pressey, Zone 7



FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT





GROVE, MUELLER & SWANK

redw
Advisors & CPAs

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Salem-Keizer School District 24J (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Salem-Keizer School District 24J, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in the notes to the financial statements, the District has implemented Governmental Accounting Standards Board (GASB) Statement No. 96 *Subscription-Based Information Technology Arrangements*, in the current period, which resulted in changes to the presentation of Information Technology subscription related activity. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

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

Supplementary Information

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

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

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

Management is responsible for the other information included in the ACFR. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's 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 financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Reports on Other Legal and Regulatory Requirements

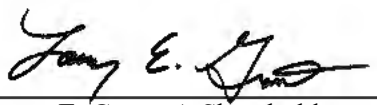
Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2023 on our consideration of Salem-Keizer School District 24J's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Other Reporting Required by Oregon Minimum Standards

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 13, 2023, on our consideration of the District's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

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

By: 
Larry E. Grant, A Shareholder
December 13, 2023



MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Salem-Keizer School District 24J, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2023. We present this information in conjunction with the information furnished in our Transmittal Letter which can be found in the introductory section of this report, and with the District’s financial statements, which follow.

Financial Highlights

- During the 2022-23 fiscal year the District’s total, restated net position increased by \$62.4 million, to \$35.7 million.
- The District’s governmental funds reported a combined ending fund balance of \$295.6 million at June 30, 2023, a decrease of \$124.7 million from the prior year fund balance of \$420.3 million.
- At the end of the fiscal year, the unassigned fund balance for the General Fund was \$84.9 million, or 16% of total General Fund expenditures compared to \$98.8 million and 19% for the prior year.
- The District’s total outstanding long-term debt decreased \$46.0 million during the 2022-23 fiscal year due to bonded debt repaid during the year, based on the repayment schedules. Additionally, bond premiums totaling \$6.7 million were amortized during the year.
- The District’s net pension liability increased \$80.3 million, to \$337.6 million, during the 2022-23 fiscal year.

Overview of the Financial Statements

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

Government-Wide Financial Statements

The *Government-Wide Financial statements* are designed to provide readers with a broad overview of the District’s finances, in a manner similar to a private-sector business. The accrual basis of accounting is used for the government-wide financial statements. These statements include:

- **The Statement of Net Position:** The *Statement of Net Position* presents information on all the District’s assets, deferred outflows of resources, liabilities and deferred inflows of resources as of the date on the statement with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.
- **The Statement of Activities:** The *Statement of Activities* presents information showing how the net position of the District changed over the most recent fiscal year by tracking revenues and expenses that increase or reduce net position. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

In the Statement of Net Position and the Statement of Activities, operations of the District consist of Governmental activities:

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

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The *Fund Financial Statements* provide more detailed information about the District’s funds, focusing on its most significant or “major” funds – not the District as a whole. The Salem-Keizer School District 24J, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the District fit into three categories: governmental funds, proprietary funds, and the fiduciary fund.

- **Governmental funds:** The *governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the Government-Wide financial statements. However, unlike the Government-Wide Financial Statements, Governmental Fund Financial Statements use the modified accrual basis of accounting and focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government’s near-term financing requirements.

Because the focus of governmental funds is narrower than that of the Government-Wide Financial Statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the Government-Wide Financial Statements. By doing so, readers may better understand the long-term impact of the District’s near-term financing decisions. Both the Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintains 11 individual governmental funds. Information is presented separately in the Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures and changes in Fund Balances for the General Fund, Grants Fund, Asset Replacement Fund, GO Debt Service Fund, PERS Pension Debt Service Fund, and 2018 Bond Capital Projects Fund, all of which the District considers major funds. Data from the other governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the combining statements elsewhere in this report.

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

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Basic Financial Statements can be found immediately following the basic financial statements.

Other Information

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

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

Government-Wide Financial Analysis

Statement of Net Position

The Statement of Net Position presents the value of all the District’s assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between them reported as net position. Net position may serve over time as an indicator of the District’s financial position, but pension liability can cause significant changes year over year. As of June 30, 2023, District assets and deferred outflows exceeded liabilities and deferred inflows by \$35.7 million, which was an increase of \$62.4 million compared to a restated deficit net position of \$26.7 million as of June 30, 2022.

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

STATEMENT OF NET POSITION

	Governmental Activities	
	2023	2022*
Assets		
Current and Other Assets	\$ 401,165,301	\$ 528,106,867
Capital Assets	1,140,861,091	1,008,186,979
Net OPEB Asset - RHIA	6,704,356	6,439,575
Total Assets	1,548,730,748	1,542,733,421
Deferred Outflows of Resources	130,833,241	145,878,370
Liabilities		
Current Liabilities	231,490,463	234,455,633
Long-term Debt	898,264,113	943,189,544
Total OPEB Liability - RHIS	38,024,671	36,325,547
Net Pension Liability - PERS	337,565,369	257,260,647
Total Liabilities	1,505,344,616	1,471,231,371
Deferred Inflows of Resources	138,521,325	244,106,067
Net Position		
Net Investment in Capital Assets	415,623,395	408,195,811
Restricted for Special Purposes	519,550	950,455
Restricted for OPEB - RHIA	6,949,565	6,629,100
Unrestricted	(387,394,462)	(442,501,013)
Total Net Position, as Restated	\$ 35,698,048	\$ (26,725,647)

* FY 2022 restated: see Note 13 in the Basic Financial Statements

- Current and Other Assets declined \$126.9 million, primarily due to spend down of debt proceeds for construction.
- Capital Assets, which consist of the District’s land, buildings, building improvements, vehicles, equipment, subscription assets and lease assets increased \$132.7 million and represent 74% of total assets.
- Deferred Outflows of Resources represent deferred amounts on PERS pension and OPEB plans.
- The District’s largest liability is for the repayment of long-term debt, which consists of bonds payable, financed purchase, leases, and unamortized bond premiums, and represents 60% of total liabilities. Net Pension Liability – PERS represents 22% of total liabilities.
- Deferred Inflows of Resources mainly represent the differences between projected and actual investment earnings of the District’s pension and OPEB plans. See note 1 O (Deferred Outflows/Inflows of Resources) of the Notes to the Basic Financial Statements.

Statement of Activities

The District’s Change in Net Position on the Statement of Activities for fiscal year 2022-23 was an increase of \$62.4 million. This increase includes pension expense of (\$11.4) million and earnings on investments of \$14.7 million.

CHANGES IN NET POSITION

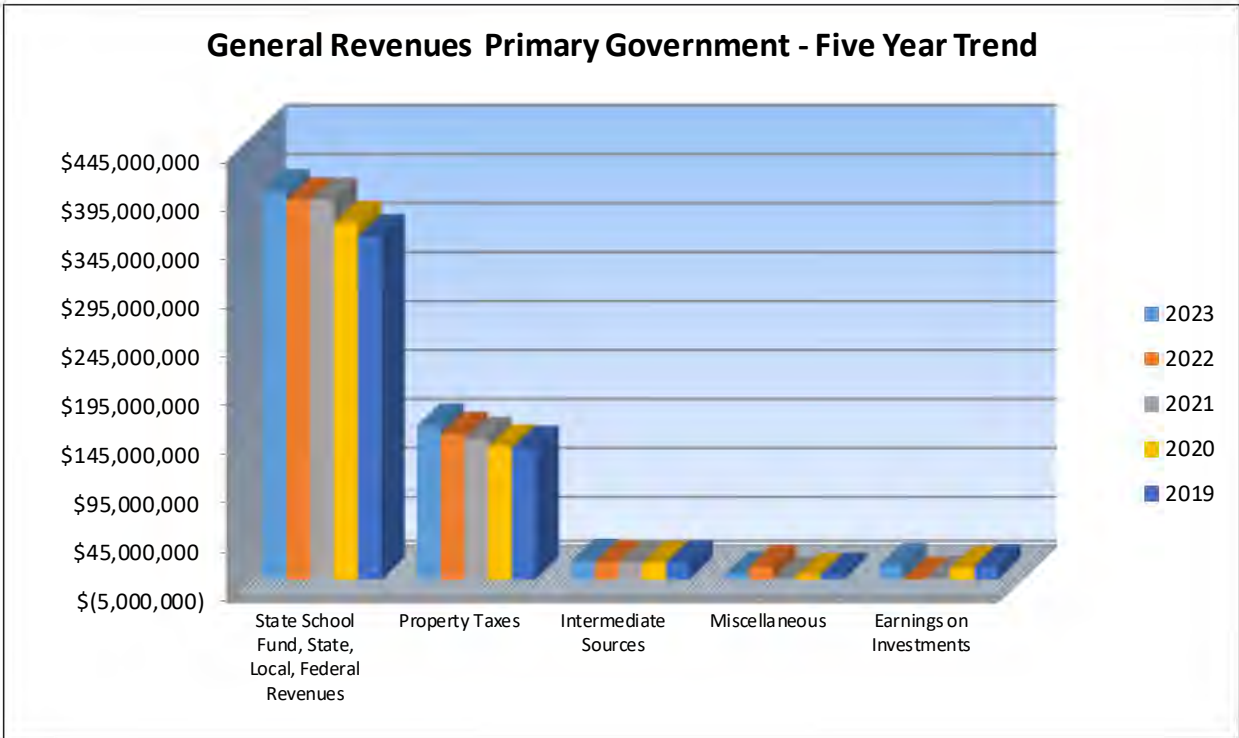
	Governmental Activities	
	2023	2022*
Revenues:		
Program Revenues:		
Charges for Services	\$ 29,897,043	\$ 26,334,288
Operating Grants and Contributions	148,943,200	131,911,910
Capital Grants and Contributions	8,464,924	23,881,582
General Revenues:		
Property Taxes	157,372,909	149,225,687
Revenue from Intermediate Sources	19,346,536	18,180,639
State School Fund - General Support	387,024,024	378,106,583
Other State and Local Sources	8,071,233	7,948,989
Federal - General Support	1,131,248	198,256
Unrestricted State and Local Sources	368,592	2,179,782
Gain on Sale of Capital Assets	40,247	141,719
Earnings on Investments	14,743,905	919,645
Miscellaneous	6,257,341	13,238,694
Total Revenues	<u>781,661,202</u>	<u>752,267,774</u>
Expenses:		
Instructional Services	386,987,524	373,548,655
Support Services	267,633,699	226,179,630
Community Services	4,240,867	3,523,672
Food Services	16,758,438	13,845,858
Facilities Services	4,575,412	4,988,379
Interest on Long-term Debt	39,041,567	41,085,225
Total Expenses	<u>719,237,507</u>	<u>663,171,419</u>
Change in Net Position	62,423,695	89,096,355
Net Position, Beginning of Year, as Restated	(26,725,647)	(115,822,002)
Net Position, End of Year	<u>\$ 35,698,048</u>	<u>\$ (26,725,647)</u>

* FY 2022 restated: see Note 13 in the Basic Financial Statements

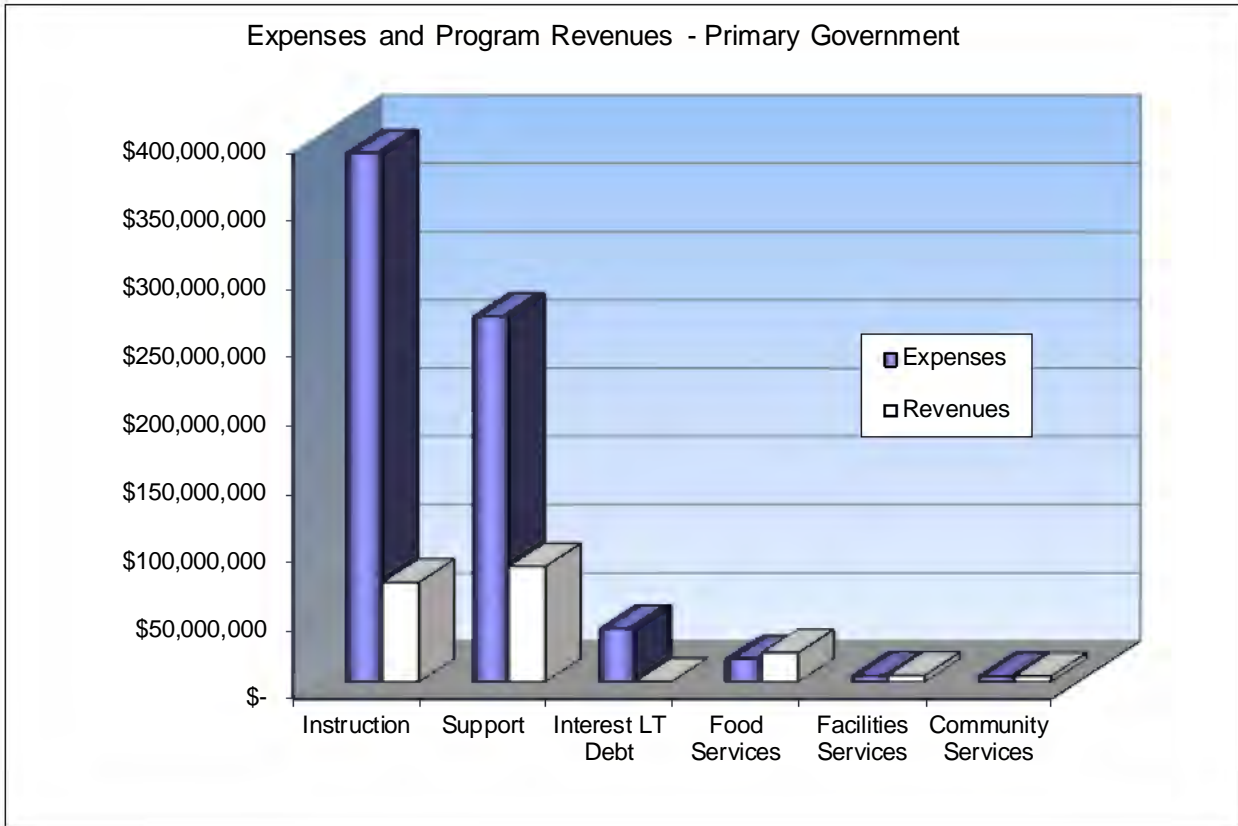
Other key elements of the change in the District’s net position for the year ended June 30, 2023 are as follows:

- Revenue from Operating Grants and Contributions increased by \$17.0 million, or 13%, for fiscal year 2022-23 related to the continuation of temporary grant funding relating to the COVID-19 pandemic. This revenue is expected to decline in subsequent years.
- State School Fund (SSF) revenue increased \$8.9 million year over year due to SSF allocations being allocated at 51% in the second year of the biennium.

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



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



Financial Analysis of the District’s Funds

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

Governmental funds

The focus of the District’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District’s financing requirements. In particular, fund balance may serve as a useful measure of a government’s net resources available for spending at the end of a fiscal year.

At the end of June 30, 2023, the District’s governmental funds reported combined ending fund balances of \$295.6 million, a decrease of \$124.7 million in comparison with the prior year. This decrease was mainly from the decrease of pooled cash and investments of \$120.3 million during the 2022-23 fiscal year for construction projects funded by debt issuances from 2018 to 2021. The District had \$84.9 million of unassigned balance as of June 30, 2023.

General Fund

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

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

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

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

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

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

As of June 30, 2023, unassigned fund balance in the General Fund was \$84.9 million compared to \$98.8 million as of June 30, 2022. The District has less than a million dollars remaining as committed for the completion of the Gaffin Road transportation facility. The District budgeted to spend a significant amount of the unassigned fund balance in the fiscal year 2023-24 Budget, so the unassigned fund balance is expected to continue to decline. The School Board has set a targeted annual fund balance of seven to twelve percent (7% to 12%) of the annual operating revenues.

Grants Fund

The Grants Fund represents funding received from state and federal agencies for the purpose of expanding educational opportunities as well as targeted support related to COVID-19 relief. Use of resources in this fund is restricted by federal and state statutes, state administrative rules, and the provisions of each individual grant. Per the terms of the grants, the District incurs expenditures for the grant programs and is reimbursed for the expenses primarily from the Oregon Department of Education as the fiduciary agency receiving the funds from the federal government and the state, or from other agencies that issued the grants. For fiscal year 2022-23, the District received \$131.4 million in funding compared to the prior year of \$113.0 million. The 2022-23 increase in spending and revenue on various reimbursable grants was primarily caused by issues related to the COVID-19 pandemic.

Asset Replacement Fund

The Asset Replacement Fund has a fund balance of \$46.0 million including \$18.7 million in committed fund balance from the unspent portion of Full Faith and Credit Obligations (FFCO) issued in 2021 to purchase buses and transportation equipment. The Asset Replacement Fund increased spending relating to the FFCO debt service payments. In the 2022-23 fiscal year there were \$17.4 million transferred in relating to the replacement of buses and educational curriculum. The District is working on several significant curriculum adoptions, which will be supported by this fund.

GO Debt Service Fund

The GO Debt Service Fund has a fund balance of \$1.6 million, all of which is restricted for the payment of debt service. The net increase in fund balance during the current year was \$0.7 million from the tax revenues received in the 2022-23 fiscal year.

PERS Pension Debt Service Fund

The PERS Pension Debt Service Fund has a fund balance of \$37.4 million. The fund was set up in fiscal year 2002-03 to account for the payment of principal and interest on long-term pension bonds. The major source of revenue for the fund is charges to other funds. The District maintained the fund balance in anticipation of the future debt payments while sustaining a large increase in the percentage of payroll contributions for the Oregon Public Employees Retirement Plan (PERS). In addition, the fund balance may be utilized to mitigate payroll contributions in future periods to PERS based on the expectation that rates will rise significantly over the next three biennia.

2018 Bond Capital Projects Fund

The 2018 Bond Capital Projects Fund has a total fund balance of \$85.8 million, all of which is restricted for construction-related expenditures. This fund balance was from the GO bonds issued in July 2018 and July 2020. Capital outlay expenditures in this fund totaled \$124.5 million for the fiscal year 2022-23 from the construction work funded by these bond dollars.

Other Nonmajor Governmental Funds

Other Nonmajor Governmental Funds include the Fee Based Programs Fund, Food Services Fund, Energy Efficiency Fund, Special Capital Projects Fund, and the Preventative & Deferred Maintenance Fund. The total fund balance for the Other Nonmajor Governmental Funds was \$36.7 million as of June 30, 2023.

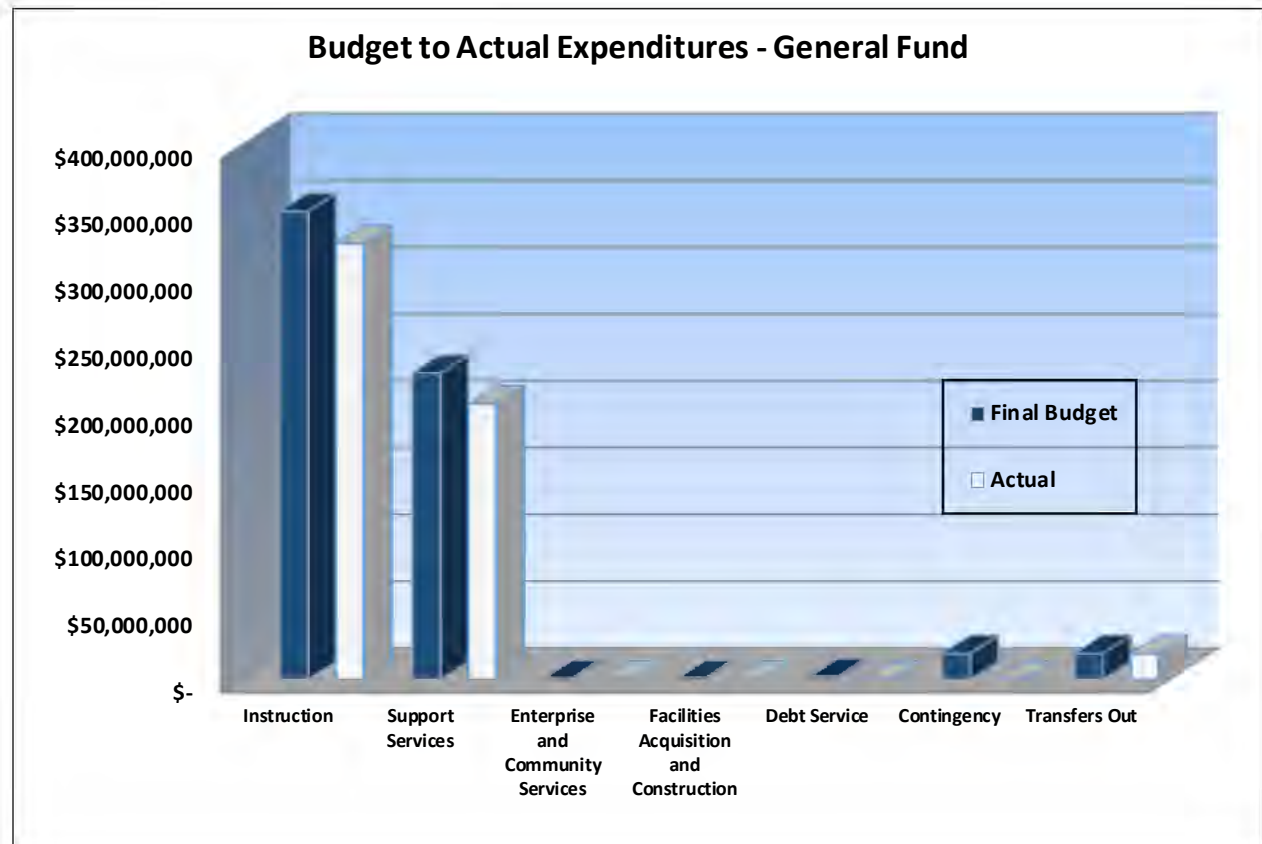
General Fund Budgetary Highlights

All General Fund expenditures were within budgeted appropriations. The following table and chart show the budgeted expenditures to actual expenditures for the General Fund for fiscal year 2022-23.

The District amended the original budget for fiscal year 2022-23 with a budgetary transfer of appropriation of \$8.7 million from the contingency. The changes in the amended budget reflect the compensation modifications that were made in August in Instruction and Support. Enterprise and Community Services also increased due to the elimination of federal nutrition waivers that were available in previous years.

General Fund			Variances	
Expenditures & Transfers Out	Final Budget	Actual	Dollars	Percent
Instruction	\$ 350,107,605	\$ 325,945,960	\$ 24,161,645	6.9%
Support Services	229,209,082	206,058,241	23,150,841	10.1%
Enterprise and Community Services	400,000	73,084	326,916	81.7%
Facilities Acquisition and Construction	239,375	19,312	220,063	91.9%
Debt Service	2,045,001	-	2,045,001	100.0%
Contingency	19,246,159	-	19,246,159	100.0%
Transfers Out	19,340,001	19,180,451	159,550	0.8%
Total	\$ 620,587,223	\$ 551,277,048	\$ 69,310,175	11.2%

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



Capital Assets

The District’s investment in capital assets includes land, buildings and improvements, vehicles and equipment, and construction in progress. As of June 30, 2023, the District had invested \$1.1 billion in capital assets and lease assets, net of accumulated amortization and depreciation, respectively, as shown in the following table:

	2023	2022*
Land and Construction In Progress	\$ 349,458,881	\$ 255,135,556
Subscription Assets, net	3,228,543	3,099,033
Lease Assets, net	13,742,720	2,689,178
Buildings and Improvements, net	731,681,255	705,041,716
Vehicles and Equipment, net	42,749,692	42,221,496
Total	\$ 1,140,861,091	\$ 1,008,186,979

* FY 2022 restated: see Note 13 in the Basic Financial Statements

During fiscal year 2022-23, the District’s net investment in capital assets, subscription assets and lease assets increased by \$132.7 million. The major capital asset events for the year were the various bond construction projects which increased Buildings and Improvements by \$26.6 million paired with an increase in Construction in Progress of \$94.3 million.

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

Long-Term Debt

At the end of the current fiscal year, the District had total long-term debt outstanding of \$898.3 million versus \$943.2 million, as restated at the end of fiscal year 2021-22. This debt includes the non-current portion of all debt obligations, the unamortized premiums on General Obligation bonds, subscription liability, lease liability and financed purchase. The decrease in long-term debt was mainly from the payment of scheduled principal.

State statute ORS 328.245 limits the amount of general obligation debt a school district may issue up to 7.95% of its real market value. The current debt limitation for the District is \$3.3 billion which is significantly in excess of the District’s outstanding general obligation and pension bonded debt of \$839.6 million. Additional information on the District’s long-term debt can be found in Note 1V and Note 6 in the Notes to the Basic Financial Statements of this report.

Economic Factors in Current and Next Year’s Budget

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

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

Since ADM is based on enrollment, the data is available sooner than ADMw. The District receives their SSF allocation based on Extended ADMw which is the greater of the current or prior year’s ADMw number. The annual ADMw figures are finalized by the Oregon Department of Education the following spring. The ADMw for 2022-23 was 49,221 and the most recent estimated ADMw figure for 2023-24 was 48,597. The District’s ADM decreased by 353 in fiscal year 2022-23, and a decrease of 334 is estimated for fiscal year 2023-24.

<u>Year Ended</u>	<u>ADM</u>	<u>ADMw</u>	<u>Extended ADMw</u>
2014	39,974	49,133	n/a
2015	40,181	50,242	50,242
2016	40,799	52,557	52,557
2017	41,178	53,054	53,054
2018	41,416	52,629	53,054
2019	41,255	52,340	52,629
2020	41,085	52,120	52,340
2021	39,010	49,724	52,120
2022	38,696	49,446	49,724
2023	38,343 **	49,221 **	49,446 **
2024	38,009 *	48,597 *	49,221 *
2025	37,147 *	n/a	n/a
2026	36,509 *	n/a	n/a
2027	35,533 *	n/a	n/a
2028	34,781 *	n/a	n/a

Source: Salem-Keizer Public Schools.

* Projected

** Pending certification by Oregon Department of Education

Requests for Information

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

BASIC FINANCIAL STATEMENTS
GOVERNMENT-WIDE FINANCIAL STATEMENTS

SALEM-KEIZER SCHOOL DISTRICT 24J
STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities
ASSETS	
Pooled Cash and Investments	\$ 358,178,357
Accounts Receivable	
Property Taxes	5,758,431
Other Receivables	35,710,934
Prepaid Items	82,414
Inventories	1,435,165
Total Current Assets	401,165,301
Capital Assets, Not Being Depreciated	349,458,881
Capital Assets, Net of Accumulated Amortization and Depreciation	791,402,210
Net OPEB Asset - RHIA	6,704,356
TOTAL ASSETS	1,548,730,748
DEFERRED OUTFLOWS OF RESOURCES	
OPEB Deferred Outflows - RHIA	1,179,228
OPEB Deferred Outflows - RHIS	5,290,248
Pension Deferred Outflows - PERS	124,363,765
TOTAL DEFERRED OUTFLOWS OF RESOURCES	130,833,241
LIABILITIES	
Accounts Payable	19,019,929
Accrued Salaries and Benefits	41,783,593
Accrued Interest Payable	103,873,567
Accrued Compensated Absences Payable	3,169,930
Accrued Claims Losses	1,917,855
Unearned Revenue	10,416,824
Due within One Year	
Bonds Payable	49,340,625
Subscription Liability	806,910
Lease Liability	480,194
Financed Purchase	681,036
Due in More than One Year	
Bonds Payable	883,717,786
Subscription Liability	658,018
Lease Liability	13,193,103
Financed Purchase	695,206
Total OPEB Liability - RHIS	38,024,671
Net Pension Liability - PERS	337,565,369
TOTAL LIABILITIES	1,505,344,616
DEFERRED INFLOWS OF RESOURCES:	
OPEB Deferred Inflows - RHIA	934,019
OPEB Deferred Inflows - RHIS	10,618,747
Pension Deferred Inflows - PERS	124,132,426
Lease Related Deferred Inflows	2,836,133
TOTAL DEFERRED INFLOWS OF RESOURCES	138,521,325
NET POSITION	
Net Investment in Capital Assets	415,623,395
Restricted for Special Purposes	519,550
Restricted for OPEB - RHIA	6,949,565
Unrestricted	(387,394,462)
TOTAL NET POSITION	\$ 35,698,048

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

SALEM-KEIZER SCHOOL DISTRICT 24J
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental Activities:				
Instructional Services	\$ 386,987,524	\$ 10,568,415	\$ 62,207,775	\$ -
Support Services:				
Student Transportation Services	26,860,258	-	-	3,783,710
Other Support Services	240,773,441	19,046,095	61,626,128	-
Community Services	4,240,867	6,775	4,132,174	-
Food Services	16,758,438	275,758	20,977,123	-
Facilities Services	4,575,412	-	-	4,681,214
Interest on Long-term Debt	39,041,567	-	-	-
Total Governmental Activities	\$ 719,237,507	\$ 29,897,043	\$ 148,943,200	\$ 8,464,924
General Revenues:				
Property Taxes Levied for General Purposes				96,404,098
Property Taxes Levied for Debt Service				60,968,811
Revenue from Intermediate Sources				19,346,536
State School Fund (SSF) - General Support				387,024,024
SSF - Unrestricted High Cost Disability Grant				2,834,409
Common School Fund				5,236,824
Federal - General Support				1,131,248
Unrestricted State and Local Sources				368,592
Gain on Sale of Capital Assets				40,247
Earnings on Investments				14,743,905
Miscellaneous				6,257,341
Total General Revenues				594,356,035
CHANGE IN NET POSITION				62,423,695
Net Position, June 30, 2022, as Restated				(26,725,647)
Net Position, June 30, 2023				\$ 35,698,048

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



BASIC FINANCIAL STATEMENTS
FUND FINANCIAL STATEMENTS

SALEM-KEIZER SCHOOL DISTRICT 24J
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2023

	General Fund	Grants Fund	Asset Replacement Fund
ASSETS			
Pooled Cash and Investments	\$ 109,948,126	\$ -	\$ 46,568,503
Property Tax Receivable	3,626,462	-	-
Accounts and Other Receivables	4,832,462	25,827,362	1,297
Lease Receivable	2,900,577	-	-
Prepaid Items	434,281	1,298,625	-
Inventories	540,897	-	-
Due from Other Funds	12,252,363	-	-
Total Assets	<u><u>\$ 134,535,168</u></u>	<u><u>\$ 27,125,987</u></u>	<u><u>\$ 46,569,800</u></u>
LIABILITIES			
Accounts Payable	\$ 2,731,712	\$ 1,440,899	\$ 546,287
Accrued Payroll	16,141,752	2,254,883	-
Payroll Taxes and Withholding Payable	23,340,728	-	-
Due to Other Funds	-	12,252,363	-
Unearned Revenue	87,530	9,879,217	1,297
Total Liabilities	<u><u>42,301,722</u></u>	<u><u>25,827,362</u></u>	<u><u>547,584</u></u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Property Taxes	2,760,641	-	-
Unavailable Revenue - Leases	2,836,133	-	-
Total Deferred Inflows of Resources	<u><u>5,596,774</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
FUND BALANCES			
Nonspendable for Inventories and Prepaids	975,178	1,298,625	-
Restricted for:			
Debt Service	-	-	-
Capital Projects	-	-	-
Special Purposes	-	-	-
Committed	763,990	-	18,674,852
Assigned	-	-	27,347,364
Unassigned	84,897,504	-	-
Total Fund Balances	<u><u>86,636,672</u></u>	<u><u>1,298,625</u></u>	<u><u>46,022,216</u></u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u><u>\$ 134,535,168</u></u>	<u><u>\$ 27,125,987</u></u>	<u><u>\$ 46,569,800</u></u>

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

GO Debt Service Fund	PERS Pension Debt Service Fund	2018 Bond Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 1,054,805	\$ 37,059,021	\$ 95,808,050	\$ 37,598,135	\$ 328,036,640
2,131,969	-	-	-	5,758,431
-	375,542	-	1,616,835	32,653,498
-	-	-	-	2,900,577
-	-	-	-	1,732,906
-	-	-	-	540,897
-	-	-	-	12,252,363
<u>\$ 3,186,774</u>	<u>\$ 37,434,563</u>	<u>\$ 95,808,050</u>	<u>\$ 39,214,970</u>	<u>\$ 383,875,312</u>
\$ -	\$ -	\$ 9,957,088	\$ 2,001,607	\$ 16,677,593
-	-	6,754	23,956	18,427,345
-	-	-	-	23,340,728
-	-	-	-	12,252,363
-	-	-	448,323	10,416,367
-	-	9,963,842	2,473,886	81,114,396
1,594,942	-	-	-	4,355,583
-	-	-	-	2,836,133
<u>1,594,942</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,191,716</u>
-	-	-	-	2,273,803
1,591,832	-	-	-	1,591,832
-	-	85,844,208	-	85,844,208
-	-	-	519,550	519,550
-	3,000,000	-	23,888,904	46,327,746
-	34,434,563	-	12,332,630	74,114,557
-	-	-	-	84,897,504
<u>1,591,832</u>	<u>37,434,563</u>	<u>85,844,208</u>	<u>36,741,084</u>	<u>295,569,200</u>
<u>\$ 3,186,774</u>	<u>\$ 37,434,563</u>	<u>\$ 95,808,050</u>	<u>\$ 39,214,970</u>	<u>\$ 383,875,312</u>



SALEM-KEIZER SCHOOL DISTRICT 24J
RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO STATEMENT OF NET POSITION
JUNE 30, 2023

TOTAL GOVERNMENTAL FUND BALANCES		\$ 295,569,200
Capital assets are not financial resources and therefore are not reported in the governmental funds:		
Non-depreciable Assets	\$ 349,458,881	
Amortizable and Depreciable Assets	1,073,687,972	
Accumulated Amortization and Depreciation	<u>(283,404,723)</u>	1,139,742,130
Subscription related prepaid items are reported as subscription assets in the Statement of Net Position.		
		(1,693,643)
Lessee related prepaid items are not financial resources and therefore are not reported in the governmental funds.		
		7,700
Long-term pension/OPEB assets/liabilities and related deferred inflows/outflows of resources not payable in the current year are not reported as governmental fund liabilities. These consist of:		
OPEB Deferred Outflows - RHIA	1,168,384	
OPEB Deferred Outflows - RHIS	5,241,601	
Pension Deferred Outflows - PERS	123,220,169	
Net OPEB Asset - RHIA	6,642,706	
Net Pension Liability - PERS	(334,461,259)	
OPEB Deferred Inflows - RHIA	(925,429)	
OPEB Deferred Inflows - RHIS	(10,521,102)	
Pension Deferred Inflows - PERS	(122,990,956)	
Total OPEB Liability - RHIS	<u>(37,675,012)</u>	(370,300,898)
Deferred inflows of resources related to property taxes and miscellaneous revenues that will be collected after year-end, but are not available soon enough to pay for the current period's expenditures are deferred in the funds.		
		4,355,583
Internal service funds are used by the District to charge the costs of district services and insurance costs to the individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.		
		24,513,148
Long-term liabilities not payable in the current year are not reported as governmental fund liabilities. Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due. These liabilities consist of:		
Accrued Interest Payable	(103,873,317)	
Bonds Payable	(839,592,208)	
Premium on Bonds Payable	(93,466,203)	
Subscription Liability	(1,453,366)	
Lease Liability	(13,673,297)	
Financed Purchase	(1,376,242)	
Compensated Absences Payable	<u>(3,060,539)</u>	(1,056,495,172)
NET POSITION OF GOVERNMENTAL ACTIVITIES		<u><u>\$ 35,698,048</u></u>

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

SALEM-KEIZER SCHOOL DISTRICT 24J
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023

	General Fund	Grants Fund	Asset Replacement Fund
Revenues			
Taxes	\$ 96,325,014	\$ -	\$ -
Charges for Services Provided to Other Funds	-	-	-
Local Sources	11,124,340	-	11,400
Earnings on Investments	5,869,818	-	1,174,378
Intergovernmental Revenues:			
Intermediate Sources	18,831,163	396,692	-
State Sources	394,634,584	68,614,634	3,783,710
Federal Sources	1,131,248	62,343,694	-
Total Revenues	527,916,167	131,355,020	4,969,488
Expenditures			
Current:			
Instruction	325,810,025	61,199,105	23,269
Support Services	195,461,405	61,125,957	487,755
Enterprise and Community Services	73,084	4,252,320	-
Facilities Acquisition and Construction	19,312	2,572	-
Debt Service:			
Principal	-	-	6,192,478
Interest	-	-	107,192
Capital Outlay	23,410,905	5,342,177	3,204,766
Total Expenditures	544,774,731	131,922,131	10,015,460
Excess (deficiency) of revenues over (under) expenditures	(16,858,564)	(567,111)	(5,045,972)
Other Financing Sources and Uses:			
Subscription Financing	401,670	392,693	-
Lease Financing	12,276,464	3,053	-
Loss on Termination of Lease	(8,896)	-	-
Sale of Capital Assets	51,989	-	-
Transfers In	-	-	17,390,000
Transfers Out	(19,180,451)	-	-
Total Other Financing Sources and Uses	(6,459,224)	395,746	17,390,000
Net Change in Fund Balance	(23,317,788)	(171,365)	12,344,028
Fund Balances, July 1, 2022	109,954,460	1,469,990	33,678,188
Fund Balances, June 30, 2023	\$ 86,636,672	\$ 1,298,625	\$ 46,022,216

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

GO Debt Service Fund	PERS Pension Debt Service Fund	2018 Bond Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 60,879,275	\$ -	\$ -	\$ -	\$ 157,204,289
-	32,534,654	-	-	32,534,654
-	-	176,821	6,096,997	17,409,558
30,959	1,381,269	4,091,639	1,119,360	13,667,423
59,749	-	-	-	19,287,604
-	-	-	4,403,866	471,436,794
-	-	-	16,913,784	80,388,726
60,969,983	33,915,923	4,268,460	28,534,007	791,929,048
-	-	-	4,028,737	391,061,136
-	-	-	1,282,684	258,357,801
-	-	-	16,777,859	21,103,263
-	-	6,246,632	109,581	6,378,097
21,023,317	19,455,000	-	-	46,670,795
39,257,483	7,832,090	-	-	47,196,765
-	-	124,517,027	2,583,735	159,058,610
60,280,800	27,287,090	130,763,659	24,782,596	929,826,467
689,183	6,628,833	(126,495,199)	3,751,411	(137,897,419)
-	-	-	-	794,363
-	-	-	-	12,279,517
-	-	-	-	(8,896)
-	-	-	-	51,989
-	-	-	3,084,094	20,474,094
-	-	-	(1,293,643)	(20,474,094)
-	-	-	1,790,451	13,116,973
689,183	6,628,833	(126,495,199)	5,541,862	(124,780,446)
902,649	30,805,730	212,339,407	31,199,222	420,349,646
\$ 1,591,832	\$ 37,434,563	\$ 85,844,208	\$ 36,741,084	\$ 295,569,200

SALEM-KEIZER SCHOOL DISTRICT 24J
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

NET CHANGES IN FUND BALANCES		\$ (124,780,446)
<i>Amounts reported for governmental activities in the Statement of Activities are different because:</i>		
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period these amounts are:		
Net Additions to Capital Assets	\$ 157,301,549	
Less Current Year Amortization and Depreciation Expense	<u>(26,348,399)</u>	130,953,150
Long-term debt proceeds are reported as other financing sources in governmental funds. In the Statement of Net Position, however, issuing long-term debt increases liabilities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the Statement of Net Position. This is the amount by which repayment exceed proceeds:		
Bonded Debt Financing	46,003,640	
Subscription Financing	3,444	
Lease Financing	(11,036,398)	
Financed Purchase	667,155	
Accrued Interest	<u>1,455,522</u>	37,093,363
In the governmental funds amortization is not recognized for bond premiums.		6,667,481
Governmental Funds report pension contributions as expenditures. In the Statement of Activities, the cost of pension benefits earned net of employer contributions is reported as pension expense.		
Net Change in Pension Liability/Asset	(79,646,155)	
Net Change in Deferred Outflows of Resources	(11,713,441)	
Net Change in Deferred Inflows of Resources	<u>102,542,048</u>	11,182,452
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.		
		168,620
Internal service funds are used by the District to charge the costs of printing services and insurance premiums and claims to the individual funds. The change in net position of the internal service funds is reported with governmental activities.		
		2,951,316
Compensated absences are recognized as an expenditure in the governmental funds when they are paid. In the Statement of Activities compensated absences are recognized as expenditures when earned.		
		421,553
Governmental Funds report OPEB contributions as expenditures. In the Statement of Activities, the cost of OPEB benefits earned net of employer contributions is reported as OPEB expense.		
Net Change in OPEB Liability/Asset	(1,430,433)	
Net Change in Deferred Outflows of Resources	(3,148,042)	
Net Change in Deferred Inflows of Resources	<u>2,344,681</u>	<u>(2,233,794)</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		<u><u>\$ 62,423,695</u></u>

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

SALEM-KEIZER SCHOOL DISTRICT 24J
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023

	Governmental Activities - Internal Service Funds
ASSETS	
Current Assets	
Cash, Cash Equivalents and Investments	\$ 30,141,717
Receivables	156,859
Prepaid Items	35,451
Inventories	894,268
Total Current Assets	31,228,295
Capital Assets, Net of Accumulated Amortization and Depreciation	1,118,961
Net OPEB Asset - RHIA	61,650
Total Noncurrent Assets	1,180,611
TOTAL ASSETS	32,408,906
DEFERRED OUTFLOWS OF RESOURCES	
OPEB Deferred Outflows - RHIA	10,844
OPEB Deferred Outflows - RHIS	48,647
Pension Deferred Outflows - PERS	1,143,596
Total Deferred Outflows of Resources	1,203,087
LIABILITIES	
Current Liabilities	
Accounts Payable	2,342,336
Accrued Salaries & Benefits	15,520
Accrued Interest Payable	250
Accrued Claims Liability	1,917,855
Accrued Compensated Absences	109,391
Subscription Liability	11,562
Unearned Revenue	457
Total Current Liabilities	4,397,371
Noncurrent Liabilities	
Net Pension Liability - PERS	3,104,110
Total OPEB Liability - RHIS	349,659
Total Noncurrent Liabilities	3,453,769
TOTAL LIABILITIES	7,851,140
DEFERRED INFLOWS OF RESOURCES	
OPEB Deferred Inflows - RHIA	8,590
OPEB Deferred Inflows - RHIS	97,645
Pension Deferred Inflows - PERS	1,141,470
Total Deferred Inflows of Resources	1,247,705
NET POSITION	
Investment in Capital Assets	1,118,961
Restricted for OPEB - RHIA	63,904
Unrestricted	23,330,283
TOTAL NET POSITION	\$ 24,513,148

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

SALEM-KEIZER SCHOOL DISTRICT 24J
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2023

	Governmental Activities - Internal Service Funds
Operating Revenues	
State Sources	\$ 32,482
Charges for Services	20,957,873
Total Operating Revenues	<u>20,990,355</u>
Operating Expenses	
Salaries	3,308,112
Employee Benefits	1,899,923
Purchased Services	6,079,224
Supplies and Materials	7,653,499
Depreciation	141,681
Amortization	21,340
Total Operating Expenses	<u>19,103,779</u>
Total Operating Income	1,886,576
Nonoperating Revenues	
Earnings on Investments	1,076,482
Loss on Sale of Capital Assets	(11,742)
Total Nonoperating Revenues	<u>1,064,740</u>
Change in Net Position	2,951,316
Net Position, July 1, 2022	<u>21,561,832</u>
Net Position, June 30, 2023	<u><u>\$ 24,513,148</u></u>

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

SALEM-KEIZER SCHOOL DISTRICT 24J
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2023

	Governmental Activities - Internal Service Funds
Cash Flows from Operating Activities	
Receipts for Services Provided	\$ 20,929,488
Payments to Employees for Services	(5,413,526)
Payments to Suppliers for Goods and Services	(12,917,200)
Payments for Claims	142,940
Cash Provided (Used) by Operating Activities	2,741,702
Cash Flows from Capital and Related Financing Activities	
Purchases of Capital Assets	(134,628)
Loss on Sale of Capital Assets	(23,142)
Payments on Subscriptions	(32,500)
Payments on Leases	(6,805)
Cash Provided (Used) by Capital and Related Financing Activities	(197,075)
Cash Flows from Investing Activities	
Interest Received	1,076,482
Increase in Cash, Cash Equivalents and Investments	3,621,109
Cash, Cash Equivalents and Investments at Beginning of Year	26,520,608
Cash, Cash Equivalents and Investments at End of Year	\$ 30,141,717
Reconciliation of Operating Income to Cash Flows from Operating Activities	
Operating Income	\$ 1,886,576
Adjustments to Reconcile Operating Income to Cash Flows from Operating Activities	
Depreciation Expense	141,681
Amortization Expense	21,340
RHIA OPEB Expense Adjustment	(888)
Pension Expense Adjustment	(213,070)
RHIS OPEB Expense Adjustment	10,914
Change in Assets and Liabilities:	
Change in Receivables	(60,867)
Change in Prepaid Items	(4,723)
Change in Inventories	(76,809)
Change in Accounts Payable	781,637
Change in Accrued Salaries & Benefits	(1,957)
Change in Unearned Revenue	457
Change in Accrued Claims Liability	257,901
Change in Accrued Compensated Absences	(490)
Total Adjustments	855,126
Cash Provided (Used) for Operating Activities	\$ 2,741,702

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

SALEM-KEIZER SCHOOL DISTRICT 24J
STATEMENT OF NET POSITION
FIDUCIARY FUND
JUNE 30, 2023

	<u>Custodial Fund</u>
ASSETS	
Cash and Cash Equivalents	\$ 108,049
TOTAL ASSETS	<u>108,049</u>
NET POSITION	
Restricted for Other Groups	<u>108,049</u>
TOTAL FIDUCIARY NET POSITION	<u><u>\$ 108,049</u></u>

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

SALEM-KEIZER SCHOOL DISTRICT 24J
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUND
YEAR ENDED JUNE 30, 2023

	<u>Custodial Fund</u>
Additions	
Contributions and Miscellaneous Revenues	\$ 58,433
Deductions	
Consumable Supplies	89,199
Change in Net Position	(30,766)
Net Position, July 1, 2022	138,815
Net Position, June 30, 2023	\$ 108,049

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

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 1: Summary of Significant Accounting Policies

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

A. Financial Reporting Entity

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

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

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

B. Government-Wide and Fund Financial Statements

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

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

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

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

Government-Wide Financial Statements

Government-Wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds financial statements. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District receives value without giving equal value in exchange, include property taxes, grants, entitlements and donations. For the accrual basis of accounting, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

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

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

Fund Financial Statements

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

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

The District reports the following major governmental funds:

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

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

Asset Replacement Fund – This special revenue fund accounts for funds reserved for resources and expenditures for replacing assets of the District.

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

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

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

Nonmajor governmental funds include:

Special Revenue Funds – These funds account for the proceeds of specific revenue sources (other than trusts for individuals, private organizations, or other governments, or for major capital projects) that are restricted, committed or

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

assigned to expenditures for specific proposes. Nonmajor Special Revenue Funds of the district consist of the Fee Based Programs Fund, Food Services Fund and the Energy Efficiency Fund.

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

The District reports the following proprietary funds:

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

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

The District reports the following fiduciary fund:

Fiduciary Fund – The School District's fiduciary fund includes one custodial fund. The custodial fund of the School District accounts for activities administered by the District on behalf of others controlled directly by parent and student groups. The School District's custodial fund applies the accrual basis of accounting and uses the economic resources measurement focus.

D. Use of Estimates

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

E. Budget and Budgetary Accounting

A budget is prepared and legally adopted for each governmental fund type, and proprietary fund type, on the modified accrual basis of accounting. The budgetary basis of accounting is the same as accounting principles generally accepted in the United States of America for the governmental fund types. The exception is capital outlay expenditures, including items below the District's capitalization level and long-term financing acquisitions, which are budgeted by major function in governmental fund types. The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations.

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

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

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

F. Cash, Cash Equivalents and Investments

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

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

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

G. Property Taxes Receivable

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

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

H. Lease Receivable

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

I. Accounts and Other Receivables

Accounts and other receivables are comprised primarily of State school support and claims for reimbursement of costs under various federal and state grants. The District pursues the collection of debt to the full extent allowed by Oregon State statute. As of June 30, 2023, no allowance for bad debt was considered necessary.

J. Grants

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

K. Inventories and Prepaid Items

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

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

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

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

L. Capital Assets

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

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

- Land improvements – 10 to 75 years
- Buildings and improvements – 10 to 75 years
- Equipment and Vehicles – 5 to 25 years

M. Subscription Assets

Subscription assets are information technology arrangements the District has contractual access to for a term of more than one year. The District includes subscription assets with an initial cost of \$50,000 or more. The value of the right-to-use subscription assets is determined by the net present value of the subscriptions at a borrowing rate either explicitly described in the agreement, implicitly determined by the District or the incremental borrowing rate at the time of the subscription agreement, amortized over the term of the agreement.

N. Lease Assets

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

O. Deferred Outflows/Inflows of Resources

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

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

P. Retirement Plans

Substantially all District employees are participants in the State of Oregon Public Employees Retirement System generally referred to as PERS. It is a cost-sharing multiple-employer defined benefit pension plan. PERS is administered by the Public Employees Retirement Board as required by Oregon Revised Statutes (ORS) chapters 238 and 238A. The financial reporting information pertaining to the District's participation in PERS was prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions*

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Made Subsequent to the Measurement Date. The Net Position and additions and deductions from the Net Position relating to the District's pension obligation were calculated based on an actuarial study completed by PERS. A copy of the study may be obtained on the following website:

<http://www.oregon.gov/PERS/EMP/Pages/GASB.aspx>

The 2003 Oregon Legislature passed PERS reform legislation and essentially created a new retirement plan for employees hired on or after August 29, 2003. These employees became members of the Oregon Public Service Retirement Plan (OPSRP). OPSRP is a hybrid retirement plan with two components: The Pension Program (defined benefit plan) and the Individual Account Program (defined contribution; established and maintained as a tax-qualified governmental defined contribution plan). OPSRP is administered by PERS.

The District also offers its employees a tax deferred annuity plan established pursuant to Section 403(b) of the Internal Revenue Code, and a deferred compensation plan established pursuant to Section 457(b) of the Internal Revenue Code. For the year ended June 30, 2023 there were 1,308 employees participating in the plans. The only contribution made by the District is for one administrator position. Employees are immediately vested in their own contributions and any earnings on those contributions, but the contribution made by the District is subject to a service commitment. For the year ended June 30, 2023 the District contributed \$35,000.

Q. Other Post-Employment Benefits

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

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

R. Subscription Liability

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

S. Lease Liability

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

T. Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused sick pay benefits. There is no liability for unpaid accumulated sick leave since the District does not have a policy to pay any amounts when employees separate from service with the District.

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

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

U. Self-Insurance – Accrued Claims Losses – Current

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

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

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

V. Long-Term Obligations

In the government-wide financial statements long-term debt is reported as a liability in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported as net of the applicable bond premium or discount. Issuance costs are expensed in the year issued.

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

W. Net Position

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

X. Fund Equity

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

- **Nonspendable** fund balance includes amounts that are not in a spendable form or are legally or contractually required to be maintained intact.

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

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

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

The 2018 Bond Capital Projects Fund has a restricted fund balance reserved for capital projects. The GO Debt Service Fund has a restricted fund balance dedicated to the debt service of the General Obligation Bonds of the District. The balance is restricted due to provisions of the District's General Obligation Bonds, voter approved legislation, and state law. Nonmajor governmental funds have restricted balances that are required to be utilized for specific purposes including scholarship and memorial funds within the Fee Based Programs Fund.

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

The General Fund reports inventory and prepaid items as nonspendable fund balance. The Grants Fund reports prepaid items as nonspendable fund balance. The remaining fund balance in the Governmental Funds is unassigned General Fund balance.

Y. New Accounting Standards

For the fiscal year ended June 30, 2023, the District implemented the following new accounting standards:

- GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements.
- GASB Statement No. 99, *Omnibus 2022*. This Statement provides guidance on the accounting and financial reporting for SBITAs, leases and various other topics.

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

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 2: Pooled Cash and Investments

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

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

Petty Cash	\$ 20,037
Cash on Deposit with Financial Institutions	11,846,422
Investments	346,419,947
Total Cash and Investments	<u>\$ 358,286,406</u>
Statement of Net Position	
Cash and Investments	\$ 358,178,357
Statement of Fiduciary Assets and Liabilities	
Cash and Cash Equivalents - Custodial Fund	108,049
Total Cash and Investments	<u>\$ 358,286,406</u>

The Public Funds Collateralization Program (PFCP) of the State of Oregon is a shared liability structure for participating bank depositories, better protecting public funds though still not guaranteeing that all funds are 100% protected. A bank depository is required to pledge collateral valued at least 10% of their quarter-end public fund deposits if they are well capitalized, or 110% of their quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110% by the Office of the State Treasurer. In the event of a bank failure, the entire pool of collateral pledged by all qualified Oregon public funds bank depositories is available to repay deposits of public funds of government entities. At June 30, 2023, bank balances of \$250,000 were insured by FDIC insurance. At June 30, 2023, the net carrying amount of the District's balance was \$11,846,422 and the bank balance was \$17,937,759.

Custodial Credit Risk – Deposits

This is the risk that in the event of a bank failure, the District's deposits may not be returned. The Federal Depositary Insurance Corporation (FDIC) provides insurance for the District's deposits with financial institutions up to \$250,000 each for the aggregate of all demand deposits and the aggregate of all time deposits at each institution. As of June 30, 2023, \$17,687,759 of the District's bank balances were exposed to custodial credit risk as they were not covered by federal depository insurance; however, deposits in excess of FDIC coverage with institutions participating in the Oregon Public Funds Collateralization Program are collateralized with securities held in the name of the institution. As required and authorized by Oregon Revised Statutes, Chapter 295, all deposits not covered by Federal Depositary Insurance Corporation (FDIC) insurance are covered by the Public Funds Collateralization Program (PFCP) of the State of Oregon.

Investments

As of June 30, 2023, the District held the following investments and maturities:

Investment Type	Fair Value Amount	Weighted Average Maturity in Years	% of Investment Portfolio
State of Oregon Treasurer's Local Government Investment Pool	\$ 118,983,810	0.003	34.3%
Federal Agency Coupon Securities			
Maturing through July 15, 2024	207,726,294	1.595	60.0%
Corporate Notes			
Maturing through May 13, 2024	19,709,843	0.242	5.7%
Total	<u>\$ 346,419,947</u>	0.971	<u>100.0%</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

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

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

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

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

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

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

The District's investments include the LGIP, including LGIP balances held with the County Treasurer. Investments are stated at cost which approximates fair value of the pool shares. The Oregon State Treasury administers the LGIP. The pool is an open-ended, no-load diversified portfolio offered to any agency, political subdivision or public corporation of the State that by law is made the custodian of, or has control of, any funds. The LGIP is commingled with the State's short-term funds. In seeking to best serve local governments of Oregon, the Oregon legislature established the Oregon Short Term Fund Board. The purpose of the Board is to advise the Oregon State Treasury in the management and investment options of the LGIP.

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

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

with any one financial institution, and 10% for banks and credit unions. In addition, the combination of Banker's Acceptance, Corporate Indebtedness, Deposit Open Accounts, and Certificates of Deposit with any one financial institution or entity shall not exceed 33% of the total portfolio at settlement date.

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

At June 30, 2023, the District's investments were rated as follows:

Investment Type	Total	Aaa	A1/A2	Not Rated
State of Oregon Treasurer's LGIP	\$ 118,983,810	\$ -	\$ -	\$ 118,983,810
Federal Agency Coupon Securities				
Maturing through July 15, 2024	207,726,294	207,726,294	-	-
Corporate Notes				
Maturing through May 13, 2024	19,709,843	-	19,709,843	-
	<u>\$ 346,419,947</u>	<u>\$ 207,726,294</u>	<u>\$ 19,709,843</u>	<u>\$ 118,983,810</u>

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

Note 3: Receivables

Receivables for the District are comprised of the following as of June 30, 2023:

Governmental Funds

Property Tax Receivable	\$ 5,758,431
Grants Receivable	23,046,101
Lease Receivable	2,900,577
Other Receivables	9,607,397
	<u>41,312,506</u>

Internal Service Funds

Receivables	156,859
Total Receivables	<u><u>\$ 41,469,365</u></u>

Lease Receivable

Lease receivable activity for the year is as follows:

Governmental Activities	Outstanding July 1, 2022	Increases	Decreases	Outstanding June 30, 2023
Building Leases	\$ 33,173	\$ -	\$ 2,952	\$ 30,221
Cell Tower Leases	2,256,135	806,327	410,904	2,651,558
Parking Lot Leases	237,341	-	18,543	218,798
Total	<u>\$ 2,526,649</u>	<u>\$ 806,327</u>	<u>\$ 432,399</u>	<u>\$ 2,900,577</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Building Leases

The District entered into a lease contract as lessor for the use of a portion of North Salem High School. On July 1, 2021, there were 108 months on the lease. The lessee is required to make monthly payments of \$250. The lease has an interest rate of 1.095%. The lessee has one extension option for 60 months.

Cell Tower Leases

The District entered into leases as lessor for the use of its properties. The agreements range from 239 to 360 months with interest rates ranging between 1.518% and 3.489%. Payments on four leases range from \$1,948 to \$1,987 per month and a \$24,000 annual payment on one lease. Extension option periods range from three to five, each for 60 months.

Parking Lot Leases

The District entered into a lease as lessor for the use of a portion of its property. On July 1, 2021, there were 155 months on the lease. The lessee is required to make monthly payments of \$1,792. The lease has an interest rate of 1.292%. The lessee has two extension options, each for 60 months.

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

Governmental Activities	Outstanding July 1, 2022	Increases	Decreases	Outstanding June 30, 2023
Building Leases	\$ 31,846	\$ -	\$ 3,980	\$ 27,866
Cell Tower Leases	2,217,023	806,327	431,379	2,591,971
Parking Lot Leases	236,109	-	19,813	216,296
Total	<u>\$ 2,484,978</u>	<u>\$ 806,327</u>	<u>\$ 455,172</u>	<u>\$ 2,836,133</u>

Future lease receivable maturities are as follows:

Fiscal Year Ending June 30,	Governmental Activities		
	Principal	Interest	Total
2024	\$ 95,736	\$ 52,759	\$ 148,495
2025	94,742	57,021	151,763
2026	99,481	55,628	155,109
2027	104,393	54,145	158,538
2028	109,484	52,566	162,050
2029-2033	612,261	235,801	848,062
2034-2038	660,887	183,385	844,272
2039-2043	585,353	121,469	706,822
2044-2048	216,092	80,130	296,222
2049-2053	322,148	35,256	357,404
Total	<u>\$ 2,900,577</u>	<u>\$ 928,160</u>	<u>\$ 3,828,737</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 4: Prepaid Items

A summary of changes in prepaid items for the year ended June 30, 2023 is as follows:

	Balance				Balance
	July 1, 2022	Additions	Reductions		June 30, 2023
Software	\$ 1,589,828	\$ 467,101	\$ (2,017,666)	\$	39,263
Insurance	-	30,326	-		30,326
Lease Deposit	7,700	-	-		7,700
Postage	30,728	-	(25,603)		5,125
Total Prepaid Items	<u>\$ 1,628,256</u>	<u>\$ 497,427</u>	<u>\$ (2,043,269)</u>		<u>\$ 82,414</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 5: Capital Assets

Capital assets activity for the year is as follows:

	Balance July 1, 2022*	Additions	Deletions	Balance June 30, 2023
Governmental Activities				
Capital Assets not Amortized or Depreciated:				
Land	\$ 39,023,179	\$ -	\$ -	\$ 39,023,179
Construction in Progress	216,112,377	136,900,622	(42,577,297)	310,435,702
<i>Total Capital Assets not Amortized or Depreciated</i>	<u>255,135,556</u>	<u>136,900,622</u>	<u>(42,577,297)</u>	<u>349,458,881</u>
Capital Assets Amortized and Depreciated:				
Subscription Assets	3,099,033	1,221,877	-	4,320,910
Right-To-Use Lease Land	10,269	310,489	-	320,758
Right-To-Use Lease Land Improvements	-	98,449	-	98,449
Right-To-Use Lease Buildings and Improvements	1,838,021	11,810,208	(44,328)	13,603,901
Right-To-Use Lease Equipment	1,967,192	60,371	(108,479)	1,919,084
Land Improvements	54,850,538	5,940,314	-	60,790,852
Buildings and Improvements	857,837,393	38,110,986	(1,142,257)	894,806,122
Equipment	54,865,759	3,897,763	(231,813)	58,531,709
Vehicles	39,151,298	3,871,842	(511,277)	42,511,863
<i>Total Capital Assets Amortized and Depreciated</i>	<u>1,013,619,503</u>	<u>65,322,299</u>	<u>(2,038,154)</u>	<u>1,076,903,648</u>
Less Accumulated Amortization for:				
Subscription Assets	-	(1,092,367)	-	(1,092,367)
Right-To-Use Lease Land	(989)	(7,144)	-	(8,133)
Right-To-Use Lease Land Improvements	-	(6,153)	-	(6,153)
Right-To-Use Lease Buildings and Improvements	(201,692)	(330,313)	44,328	(487,677)
Right-To-Use Lease Equipment	(923,623)	(882,365)	108,479	(1,697,509)
<i>Total Accumulated Amortization</i>	<u>(1,126,304)</u>	<u>(2,318,342)</u>	<u>152,807</u>	<u>(3,291,839)</u>
Less Accumulated Depreciation for:				
Land Improvements	(11,177,368)	(1,776,736)	-	(12,954,104)
Buildings and Improvements	(196,468,847)	(15,428,712)	935,944	(210,961,615)
Equipment	(27,420,489)	(4,659,204)	197,019	(31,882,674)
Vehicles	(24,375,072)	(2,527,565)	491,431	(26,411,206)
<i>Total Accumulated Depreciation</i>	<u>(259,441,776)</u>	<u>(24,392,217)</u>	<u>1,624,394</u>	<u>(282,209,599)</u>
<i>Total Capital Assets Amortized and Depreciated, Net</i>	<u>753,051,423</u>	<u>38,611,740</u>	<u>(260,953)</u>	<u>791,402,210</u>
<i>Total Capital Assets, Net</i>	<u>\$ 1,008,186,979</u>	<u>\$ 175,512,362</u>	<u>\$ (42,838,250)</u>	<u>\$ 1,140,861,091</u>

* FY 2022 restated: see Note 13 in the Basic Financial Statements

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

<i>Program</i>	
Instructional Services	\$ 14,983,339
Support Services:	
Student Transportation Services	932,694
Other Support Services	10,586,762
Community Services	133,972
Food Services	14,395
Facilities Services	59,397
Total Amortization and Depreciation Expense - Governmental Activities	<u>\$ 26,710,559</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 6: Long-Term Debt

Bonds Payable

Changes in bonds outstanding and related premium are as follows:

Issue Date	Original Issue	Outstanding July 1, 2022	Amortized and Paid Premium	Matured and Redeemed	Outstanding June 30, 2023	Amounts Due in One Year
Full Faith & Credit						
October 22, 2020	\$ 60,392,940	\$ 60,392,940	\$ -	\$ 5,525,323	\$ 54,867,617	\$ 5,468,218
General Obligation						
March 16, 2009	178,715,189	81,303,487	-	11,606,477	69,697,010	11,199,354
July 25, 2018	383,230,000	354,985,000	-	7,770,000	347,215,000	8,905,000
July 7, 2020	236,467,346	235,159,421	-	1,646,840	233,512,581	2,148,053
	<u>798,412,535</u>	<u>671,447,908</u>	<u>-</u>	<u>21,023,317</u>	<u>650,424,591</u>	<u>22,252,407</u>
Pension						
October 31, 2002	106,974,763	69,095,000	-	9,790,000	59,305,000	10,990,000
February 19, 2004	88,815,000	50,760,000	-	7,190,000	43,570,000	8,080,000
January 29, 2015	50,145,000	33,900,000	-	2,475,000	31,425,000	2,550,000
	<u>245,934,763</u>	<u>153,755,000</u>	<u>-</u>	<u>19,455,000</u>	<u>134,300,000</u>	<u>21,620,000</u>
Total Bonds		<u>885,595,848</u>	<u>-</u>	<u>46,003,640</u>	<u>839,592,208</u>	<u>49,340,625</u>
Unamortized Premium on GO Bond						
March 16, 2009		2,343,680	292,960	-	2,050,720	-
July 25, 2018		52,712,256	3,108,340	-	49,603,916	-
July 7, 2020		45,077,748	3,266,181	-	41,811,567	-
Total Unamortized Premium on GO		<u>100,133,684</u>	<u>6,667,481</u>	<u>-</u>	<u>93,466,203</u>	<u>-</u>
Total Bonds and Unamortized Premium		<u>\$ 985,729,532</u>	<u>\$ 6,667,481</u>	<u>\$ 46,003,640</u>	<u>\$ 933,058,411</u>	<u>\$ 49,340,625</u>
Full Faith & Credit obligation bonds - issued October 2020, due in annual installments of \$984,041 to \$5,525,324, plus interest paid semi-annually at 0.44% to 3.00% through 2045.					\$ 54,867,617	
General obligation bonds - issued March 2009, due in annual installments of \$1,189,388 to \$12,517,987, plus interest paid semi-annually at 4.01% to 5.84% through 2030.					69,697,010	
General obligation bonds - issued July 2018, due in annual installments of \$3,955,000 to \$38,755,000, plus interest paid semi-annually at 4.00% to 5.00% through 2039.					347,215,000	
General obligation bonds - issued July 2020, due in annual installments of \$1,307,925 to \$29,928,637, plus interest paid semi-annually at 2.59% to 5.00% through 2040.					233,512,581	
PERS bonds - issued October 2002, due in annual installments of \$2,336,508 to \$15,225,000, plus interest paid semi-annually at 2.06% to 6.10% through 2028.					59,305,000	
PERS bonds - issued February 2004, due in annual installments of \$3,135,000 to \$11,190,000, plus interest paid semi-annually at 3.67% to 5.53% through 2028.					43,570,000	
PERS bonds - issued in January 2015, due in annual installments of \$2,125,000 to \$3,475,000 plus interest paid semi-annually at 0.35% to 3.82% through 2034.					31,425,000	
Unamortized Premium on GO Bond						
March 16, 2009					2,050,720	
July 25, 2018					49,603,916	
July 7, 2020					41,811,567	
					<u>\$ 933,058,411</u>	

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Full Faith and Credit Obligation Debt

In October 2020, the District issued Full Faith and Credit Obligations of \$60,392,940 to construct a new transportation facility and replace the aging school bus fleet. The Full Faith and Credit Obligations are direct obligations and pledge the full faith and credit of the District. This borrowing is liquidated through the General Fund and the Asset Replacement Fund. As of June 30, 2023, the District had \$54,867,617 of full faith and credit obligations outstanding.

The District pledged its full faith and credit within the limitations of Sections 11 and 11b of Article XI of the Oregon Constitution for all General Obligation bonds, pension bonds and leases. The District had no lines of credit. As of June 30, 2023, the District had no assets pledged as collateral for debt, no terms specified in debt agreements related to significant (1) events of defaults with finance-related consequences, (2) termination events with finance-related consequences, and (3) subjective accelerations clauses.

General Obligation Debt

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

As of June 30, 2023, the District had outstanding general obligation bonds related to governmental activities totaling \$650,424,591.

In March 2009, the District issued general obligation bonds for \$178,715,189 to construct four new schools and renovate existing facilities. In December 2009, the District issued general obligation bonds for \$31,760,000, and in June 2011 the District issued general obligation bonds for \$31,620,000 to construct and renovate existing facilities. These issues were to fulfill the \$242,100,000 authorization approved by voters in November of 2008. The difference between the bonds issued and the authorization represents the bonding denominations sold. The December 2009 and June 2011 issuances were matured and redeemed in fiscal year 2020.

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

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

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

Pension Bonds

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

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

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

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

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

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

Future maturities are as follows:

Fiscal Year Ending				
June 30,	Principal	Interest	Total	
2024	\$ 49,340,625	\$ 46,898,581	\$ 96,239,206	
2025	52,869,426	46,505,502	99,374,928	
2026	56,606,919	45,946,782	102,553,701	
2027	60,664,389	45,190,851	105,855,240	
2028	48,165,653	44,132,050	92,297,703	
2029-2033	203,243,514	147,570,081	350,813,595	
2034-2038	274,950,750	53,929,891	328,880,641	
2039-2043	91,754,049	37,967,685	129,721,734	
2044-2045	1,996,883	2,101,209	4,098,092	
Total	<u>\$ 839,592,208</u>	<u>\$ 470,242,632</u>	<u>\$ 1,309,834,840</u>	

Other Long-Term Liabilities

Financed Purchase

Financed purchase activity for the year is as follows:

Outstanding			Outstanding	Amount Due
July 1, 2022	Increases	Decreases	June 30, 2023	In One Year
\$ 2,043,397	\$ -	\$ 667,155	\$ 1,376,242	\$ 681,036

The District's financed purchase is for bus replacements and is being paid from reimbursement from the state under a transportation grant from the Asset Replacement Fund and from General Fund revenues. Cost of financed purchase assets at June 30, 2023 totaled \$6,479,944 and had a book value net of accumulated depreciation of \$1,295,988. Depreciation expense on assets under financed purchase for the year ended June 30, 2023 was \$647,995.

Future minimum payments for financed purchase is as follows:

Fiscal Year Ending			
June 30,	Principal	Interest	Total
2024	\$ 681,036	\$ 28,634	\$ 709,670
2025	695,206	14,464	709,670
Total	<u>\$ 1,376,242</u>	<u>\$ 43,098</u>	<u>\$ 1,419,340</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Lease Liability

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

Governmental Activities	Outstanding July 1, 2022*	Increases	Decreases	Outstanding June 30, 2023
Land Lease Liability	\$ 9,454	\$ 310,489	\$ 13,779	\$ 306,164
Land Improvements Lease Liability	-	98,449	6,000	92,449
Building Lease Liability	1,643,386	11,810,208	305,812	13,147,782
Equipment Lease Liability	990,863	60,371	924,332	126,902
Total	<u>\$ 2,643,703</u>	<u>\$ 12,279,517</u>	<u>\$ 1,249,923</u>	<u>\$ 13,673,297</u>

Current Portion \$ 480,194

Noncurrent Portion \$ 13,193,103

* FY 2022 restated: see Note 13 in the Basic Financial Statements

Land

The District entered into a ground lease agreement as lessee for access and parking. On July 1, 2021, there were 124 months on the lease. The lessee is required to make an annual payment of \$855. The lease has an interest rate of 1.17%. The lessee has nine extension options, each for 12 months.

The District entered into a ground lease agreement as lessee with City of Salem for use of its premises for the storage of aircraft, aviation education programs and other aviation related use. On December 29, 2022, there were 306 months on the lease. The lessee is required to make annual payments with a base rent of \$13,008. The lease has an interest rate of 4.275%.

Land Improvements

The District entered into a parking lot lease agreement as lessee. On March 1, 2023, there were 63 months on the lease. The lessee is required to make annual payments with a base rent of \$18,000. The lease has an interest rate of 2.682%.

Buildings and Improvements

The District entered into multiple building agreements as lessee with various entities for use of building spaces. The agreements range from 14 to 268 months on the leases with interest rates between 0.185% and 3.562%. Lease payments range from \$884 to \$48,596 per month. Extension option periods range from one to eight with months per extension period between six and 60.

Equipment

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

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

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Future minimum lease payments are as follows:

Fiscal Year Ending	Governmental Activities		
	Principal	Interest	Total
June 30,			
2024	\$ 480,194	\$ 414,053	\$ 894,247
2025	478,948	444,712	923,660
2026	504,155	432,099	936,254
2027	531,067	418,633	949,700
2028	370,274	406,044	776,318
2029-2033	2,016,725	1,844,529	3,861,254
2034-2038	2,794,768	1,436,147	4,230,915
2039-2043	4,077,719	829,261	4,906,980
2044-2048	2,419,447	114,321	2,533,768
Total	<u>\$ 13,673,297</u>	<u>\$ 6,339,799</u>	<u>\$ 20,013,096</u>

Subscription Liability

Changes in subscription-based information technology arrangements are as follows:

Governmental Activities	Outstanding July 1, 2022*	Increases	Decreases	Outstanding June 30, 2023
Subscription Liability	<u>\$ 1,456,808</u>	<u>\$ 809,426</u>	<u>\$ 801,306</u>	<u>\$ 1,464,928</u>
Current Portion				\$ 806,910
Noncurrent Portion				\$ 658,018

* FY 2022 restated: see Note 13 in the Basic Financial Statements

The District entered into multiple subscription-based information technology arrangements with various entities for the use of its product services. The arrangements range from 17 to 72 months with interest rates between 0.595% and 3.331%. Payments range from zero to \$160,620 per year.

Future minimum subscription-based information technology arrangement payments are as follows:

Fiscal Year Ending	Governmental Activities		
	Principal	Interest	Total
June 30,			
2024	\$ 806,910	\$ 30,737	\$ 837,647
2025	569,135	15,053	584,188
2026	88,883	2,418	91,301
Total	<u>\$ 1,464,928</u>	<u>\$ 48,208</u>	<u>\$ 1,513,136</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Compensated Absences

Compensated absences activity for the year is as follows:

Governmental Activities:

Outstanding July 1, 2022	Increases	Decreases	Outstanding June 30, 2023	Amounts Due In One Year
\$ 3,591,973	\$ 6,648,514	\$ 7,070,557	\$ 3,169,930	\$ 3,169,930

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

Note 7: Pension Plan

Oregon Public Employees Retirement System (PERS)

General Information about the Pension Plan

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

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

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

Benefits provided under Chapter 238 - Tier 1/Tier 2

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

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

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

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

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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.

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Contributions

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

Employer contribution rates during the period were based on the December 31, 2019 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2021. The State of Oregon and certain entities, including the District, have made lump sum payments to establish side accounts, and their rates have been reduced.

Employer required contributions for the year ended June 30, 2023 were \$46,566,542 excluding amounts to fund employer specific liabilities. Amounts paid by the District for the employee's IAP contributions were \$18,700,731. Approximately \$32,535,000 was charged for the year ended June 30, 2023 as PERS benefit expenditures to be used for bond payments as they become due.

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

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

As of June 30, 2023, the District reported a liability of \$337,565,369 for its proportionate share of the net pension liability. The net 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 as of December 31, 2020 rolled forward to a measurement date of June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2022, the District's proportion was 2.20% which was an increase of 0.05 percentage points from its proportion measured as of June 30, 2021. The General Fund is the primary fund in which the net pension liability is liquidated.

For the year ended June 30, 2023, the District recognized pension expense related to PERS of (\$11,395,523) in the Government-wide Financial Statements. The District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year.

As of June 30, 2023, the District recognized deferred outflows and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Differences between expected and actual experience	\$ 16,386,075	\$ (2,105,120)	
Change of assumptions	52,965,830	(483,897)	
Net difference between projected and actual earnings on pension plan investments	-	(60,350,158)	
Changes in proportionate share	7,958,412	(17,916,872)	
Differences between employer contributions and employer's proportionate share of system contributions	486,906	(43,276,379)	
Subtotal - Amortized Deferrals	77,797,223	(124,132,426)	\$ (46,335,203)
 District contributions subsequent to the measurement date	 46,566,542	 -	
 Total Deferred Outflows (Inflows) of Resources	 \$ 124,363,765	 \$ (124,132,426)	

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

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

Year Ended June 30	Amount
2024	\$ (12,926,544)
2025	(17,700,894)
2026	(34,587,200)
2027	21,418,274
2028	(2,538,839)
Total	<u>\$ (46,335,203)</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system wide GASB 68 reporting summary dated January 20, 2023, which can be found at:
<http://www.oregon.gov/pers/emp/pages/GASB.aspx>

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

Actuarial Valuations

The employer contribution rates effective July 1, 2021 through June 30, 2023, were set using the entry age normal actuarial cost method. For the Tier 1/Tier 2 component of the OPERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 10 years.

For the OPSRP Pension Program component of the OPERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an actuarially determined amount for finding a disability benefit component, and (c) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 10 years.

Actuarial Methods and Assumptions Used in Developing Total Pension Liability

Valuation Date	December 31, 2020
Measurement Date	June 30, 2022
Experience Study	2020, published July 20, 2021
Actuarial Assumptions:	
Actuarial Cost Method	Entry Age Normal
Inflation Rate	2.40 percent
Long-Term Expected Rate of Return	6.90 percent
Discount Rate	6.90 percent
Projected Salary Increases	3.40 percent
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with Moro decision; blend based on service.
Mortality	<p>Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Active members: Pub-2010 Employee, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees: Pub-2010 Disabled Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

(Source: June 30, 2022 PERS Annual Comprehensive Financial Report; page 71)

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

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

Discount Rate

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

Depletion Date Projection

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

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

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

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

(Source: June 30, 2022 Oregon PERS Annual Comprehensive Financial Report; page 70)

Long-Term Expected Rate of Return

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

(Source: June 30, 2022 Oregon PERS Annual Comprehensive Financial Report; page 70)

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

OIC Target and Actual Investment Allocation as of June 30, 2022

Asset Class/Strategy	OIC Policy Range	OIC Target Allocation	Actual Allocation ²
Debt Securities	15.0 - 25.0%	20.0%	19.8%
Public Equity	25.0 - 35.0%	30.0%	21.2%
Real Estate	7.5 - 17.5%	12.5%	13.6%
Private Equity	15.0 - 27.5%	20.0%	28.0%
Risk Parity	0.0 - 3.5%	2.5%	2.0%
Real Assets	2.5 - 10.0%	7.5%	7.9%
Diversifying Strategies	2.5 - 10.0%	7.5%	4.9%
Opportunity Portfolio ¹	0.0 - 5.0%	0.0%	2.6%
Total		100.0%	100.0%

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

² Based on the actual investment value at 6/30/2022.

(Source: June 30, 2022 Oregon PERS Annual Comprehensive Financial Report; page 104)

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

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

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

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

(Source: June 30, 2022 Oregon PERS Annual Comprehensive Financial Report; page 74)

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

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

	1% Decrease	Current Discount Rate	1% Increase
Discount Rate	5.90%	6.90%	7.90%
Proportionate Share of the Net Pension Liability (Asset)	\$598,642,980	\$337,565,369	\$119,055,461

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

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 8: Other Post-Employment Benefits

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

	Retirement Health Insurance Account	Retirement Health Insurance Subsidy	Total
Net OPEB Asset	\$ 6,704,356	\$ -	\$ 6,704,356
Total OPEB Liability	-	38,024,671	38,024,671
Deferred Outflows of Resources	1,179,228	5,290,248	6,469,476
Deferred Inflows of Resources	934,019	10,618,747	11,552,766
OPEB Expense (Revenue)	(320,465)	3,881,439	3,560,974

Retirement Health Insurance Account (RHIA)

Plan Description

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

Contributions

Participating school districts are contractually required to contribute at a rate assessed each year by PERS, currently 0.05% of annual covered OPERF (Oregon Public Employees Retirement Fund) employees' payroll and 0.00% of covered OPSRP (Oregon Public Service Retirement Plan) employees' payroll. The District's contributions to RHIA for the years ended June 30, 2023, 2022, and 2021 were \$43,616, \$46,503 and \$50,174, respectively.

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

As of June 30, 2023, the District reported an asset of \$6,704,356 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2022, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2020 rolled forward to the measurement date. The District's proportion of the net OPEB asset was based on actual amounts contributed projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2022, the District's proportion was 1.89 percent which is an increase of 0.01 percent from its proportion measured as of June 30, 2021. The General Fund is the primary fund in which the OPEB asset or liability is liquidated.

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

For the year ended June 30, 2023, the District recognized OPEB revenue of \$320,465 in the Government-wide Financial Statements. The following is a summary of the District's deferred outflows/inflows of resources related to the RHIA OPEB:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Differences between expected and actual experience	\$ -	\$ (181,683)	
Change of assumptions	52,494	(223,476)	
Net difference between projected and actual earnings on pension plan investments	-	(511,293)	
Changes in proportionate share	1,083,118	(17,567)	
Subtotal - Amortized Deferrals	1,135,612	(934,019)	\$ 201,593
Total contributions subsequent to the measurement date	43,616	-	
 Total Deferred Outflows (Inflows) of Resources	 \$ 1,179,228	 \$ (934,019)	

Deferred outflows of resources related to RHIA OPEB of \$43,616 resulting from the District's contributions subsequent to the measurement date will be recognized as either a reduction of the net OPEB liability or an increase in the net OPEB asset in the next fiscal year.

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

Year Ended June 30	Amount
2024	\$ 677,611
2025	(317,119)
2026	(322,650)
2027	163,751
2028	-
Total	\$ 201,593

Sensitivity Analysis

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

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

RHIA	1% Decrease	Current Discount Rate	1% Increase
Discount Rate	5.90%	6.90%	7.90%
Proportionate Share of the Net OPEB Liability (Asset)	\$(6,042,514)	\$(6,704,356)	\$(7,271,708)

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

The net OPEB liability (asset) for the District's Retirement Health Insurance Account is \$(6,704,356). The ORS stipulates a \$60 monthly payment, so there would be no change to the total OPEB liability if it were calculated using health care cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rates.

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Actuarial Methods and Assumptions

The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial methods and assumptions, applied to all periods included in the measurement unless otherwise specified:

Valuation Date	December 31, 2020
Measurement Date	June 30, 2022
Experience Study	2020, published July 20, 2021
Actuarial Assumptions:	
Actuarial Cost Method	Entry Age Normal
Inflation Rate	2.40 percent
Long-Term Expected Rate of Return	6.90 percent
Discount Rate	6.90 percent
Projected Salary Increases	3.40 percent
Retiree Healthcare Participation	Healthy retirees – 27.5% Disabled retirees - 15%
Healthcare Cost Trend Rate	Not Applicable
Mortality	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active members: Pub-2010 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disabled Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

(Source: June 30, 2022 Oregon PERS Annual Comprehensive Financial Report, page 73)

Discount Rate

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

Long-Term Expected Rate of Return

For a summary of assumptions related to long-term expected rate of return, please refer to the information beginning on page 71.

Retirement Health Insurance Subsidy (RHIS)

Plan Description

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

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

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

Benefits provided for Retirement Health Insurance Subsidy

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

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

The District's total OPEB liability of \$38,024,671 was measured as of June 30, 2023 and was determined by an actuarial valuation as of July 1, 2021 rolled forward to the measurement date. For the year ended June 30, 2023, the District recognized OPEB expense from this plan of \$3,881,439. At June 30, 2023, the District reported the change in total OPEB liability as follows:

	Total OPEB Liability
Balance as of June 30, 2022	\$ 36,325,547
Changes for the year:	
Service cost	2,510,674
Interest	1,336,218
Changes in assumptions or other inputs	(830,614)
Benefit payments	(1,317,154)
Balance as of June 30, 2023	<u>\$ 38,024,671</u>

The following is a summary of the District's deferred outflows/inflows of resources related to the RHIS OPEB for the year ended June 30, 2023:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Differences between expected and actual experience	\$ 1,556,575	\$ (3,404,054)	
Change of assumptions or other inputs	3,733,673	(7,214,693)	
Total - Amortized Deferrals	<u>\$ 5,290,248</u>	<u>\$ (10,618,747)</u>	<u>\$ (5,328,499)</u>

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

Year Ended June 30	Amount
2024	\$ 34,547
2025	34,547
2026	34,549
2027	(1,210,010)
2028	(1,210,011)
Thereafter	(3,012,121)
Total	<u>\$ (5,328,499)</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Actuarial Assumptions and Other Inputs

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

Actuarial Valuation Date	July 1, 2021
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry Age Normal, level percent of salary
Assumptions:	
Interest Rate for Discounting Future Liabilities	3.75% per year, based on all years discounted at municipal bond rate (based Bond Buyer 20-Bond General Obligation Index as of June 30, 2023) (Previously 3.50%)
General Inflation	2.00% per year
Payroll Growth	3.00% per year
Salary Merit Scale	Total payroll increase is overall payroll growth plus merit.
Annual Premium Increase Rate	Based in Part by 2019 Segal Health Plan Cost Trend Survey and Society of Actuaries – Getzen Long Term Healthcare Trends Resource Model as updated October 2018.
Mortality Rates	Active employees: Pub 2010 Employee Tables for Teachers, sex distinct, projected generationally. Active employee adjustments: 125% of published rates for males, 100% of published rates for females. Retirees: PUB 2010 Retiree Tables for Teachers, sex distinct, projected generationally. Beneficiaries: Pub-2010 Employees and Retiree Tables for General Employees, sex distinct, projected generationally. Beneficiary adjustments: Set back 12 months for males , no set back for females; 115% of published rates for non-annuitant males, 125% of published rates for non-annuitant females. Improvement Scale: Unisex Social Security Data Scale (60 year average), with data through 2017.
Turnover Rates	Based on Oregon PERS assumptions
Disability Rates	Based on Oregon PERS assumptions
Retirement Rates	Based on Oregon PERS assumptions

Discount Rate

Under GASB 75, unfunded plans must use a discount rate that reflects a 20-year tax-exempt municipal bond yield or index rate. The discount rate in effect for the June 30, 2023 reporting date is 3.75%, up 0.25% from the previous measurement date. (Source: Independent Actuaries, Inc.; Actuarial Valuation as of July 1, 2021 – Supplemental Exhibits)

Healthcare Trend Rate

The actuarial calculations used an assumption that medical costs will increase to 4.50% in the 2023-24 year and then to 5.00% in the 2024-25 year, 5.50% in the 2025-26 year, and varying up to 6.00% over the remainder of the projection period. These trends are based in part on the 2019 Segal Health Plan Cost Trend Survey, tempered by actuarial expectation of the impact of OR 243.866, as amended in 2017. Rates are trended down in subsequent years in accordance with prevalent actuarial practice, based in part on the Society of Actuaries – Getzen Long-Term Healthcare Trends Resource Model, as updated October 2018. No implicit subsidy has been assumed for dental or vision due to the costs of those benefits.

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Sensitivity Analysis

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

The following presents the District's total OPEB liability of the health insurance subsidy plan using the discount rate of 3.75 percent, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.75 percent) or one percentage point higher (4.75 percent) than the current rate:

RHIS	1% Decrease	Current Discount Rate	1% Increase
Discount Rate	2.75%	3.75%	4.75%
Total OPEB Liability	\$41,443,574	\$38,024,671	\$34,865,366

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

The following presents the District's total OPEB liability of the health insurance subsidy plan using the healthcare trend rate of 4.00 percent graded up to 6.00 percent then graded down to 4.50 percent, as well as what the District's total OPEB liability would be if it were calculated using a healthcare trend rate that is one percentage point lower (3.00 percent graded up to 5.00 percent then graded down to 3.50 percent) or one percentage point higher (5.00 percent graded up to 7.00 percent then graded down to 5.50 percent) than the current rate:

RHIS	1% Decrease	Current Trend Rate	1% Increase
Healthcare Trend Rate	3.00% Graded up to 5.00% Then Graded Down to 3.50%	4.00% Graded up to 6.00% Then Graded Down to 4.50%	5.00% Graded up to 7.00% Then Graded Down to 5.50%
Total OPEB Liability	\$32,874,985	\$38,024,671	\$44,245,083

Note 9: Interfund Balances and Transfers

Interfund receivables and payables on June 30, 2023 are comprised of the following:

Due To	Due From Grants Fund
General Fund	\$ 12,252,363

Interfund balances represent cash owed by one fund to another. At June 30, 2023, the Grants Fund was advanced \$12.3 million by the General Fund for reimbursable expenditures that had not been received from granting agencies.

Interfund transfers for the year included the following:

Transfers In	Transfers Out General Fund	Transfers Out Nonmajor Governmental Fund - Energy Efficiency Fund	Total Interfund Transfers
Major Governmental Funds			
Asset Replacement Fund	\$ 17,390,000	\$ -	\$ 17,390,000
Nonmajor Governmental Funds			
Preventative & Deferred Maintenance Fund	1,750,000	-	1,750,000
Special Capital Projects Fund	-	1,293,643	1,293,643
Food Services Fund	40,451	-	40,451
Total Transfers by Fund	\$ 19,180,451	\$ 1,293,643	\$ 20,474,094

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

The District made transfers for specific projects and designated needs that were approved by the School Board. The \$17.4 million transfer from the General Fund to the Asset Replacement Fund was for the replacement of educational curriculum, technology, and other aging district assets, as well as for debt service related to the transportation expansion plan. The \$1.8 million transfer from the General Fund to the Preventative & Deferred Maintenance Fund was for multi-year ongoing projects. The \$1.3 million transfer from the Energy Efficiency Fund to the Special Capital Projects Fund was for completed energy efficient projects to district facilities through the state energy conservation program (SB 1149).

Note 10: Risk Management

The District is exposed to various risks of loss related to torts; theft or damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. The District is self-insured for costs up to policy deductible limits. See note 1U of the Notes to the Basic Financial Statements. Workers' compensation and unemployment settlements have not exceeded insurance coverage for any of the last three fiscal years.

Changes in the balances of claims liabilities for the fiscal years ended June 30, 2023, 2022 and 2021 are as follows:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Accrued Claim Losses, July 1	\$ 1,659,954	\$ 2,444,612	\$ 1,880,556
Incurred Claims, Including an Estimate of Claims Incurred but not Reported (IBNR)	2,307,505	727,504	1,961,989
Claim Payments	<u>(2,049,604)</u>	<u>(1,512,162)</u>	<u>(1,397,933)</u>
Accrued Claim Losses, June 30	<u>\$ 1,917,855</u>	<u>\$ 1,659,954</u>	<u>\$ 2,444,612</u>

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

Note 11: Commitments and Contingencies

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

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

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

As of June 30, 2023, the District was committed to various accepted bid agreements and contracts for approximately \$57.3 million for goods, services, and construction of facilities.

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 12: Tax Abatements

Tax abatements are agreements between government entities and businesses/individuals that temporarily reduce or eliminate property taxes. The District is affected by property tax abatements entered by Marion and Polk Counties. All abatement amounts have been included related to the following as of June 30, 2023.

Exemption Type	Marion County Tax Abatement	Polk County Tax Abatement	Total Tax Abatement
Enterprise Zones - Full Exempt	\$ 230,277	\$ 13,834	\$ 244,111
Enterprise Zones - Partial Exempt	379,712	-	379,712
Enterprise Zones - Construction in Process - Partial Exempt	78,054	-	78,054
Nonprofit Corporation Low Income Housing - Partial Exempt	172,777	-	172,777
Multiple-Unit Housing - Partial Exempt	344,883	-	344,883
Total Tax Abatement	<u>\$ 1,205,703</u>	<u>\$ 13,834</u>	<u>\$ 1,219,537</u>

Note 13: Restatement

For the year ended June 30, 2023, the District implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*. The objective of this Statement is to improve financial reporting for SBITAs by governments by requiring a government to report a subscription asset or liability for a SBITA and to disclose essential information to allow users to understand the scale and important aspects of a government's SBITAs. Additionally, amounts related to GASB Statement No 87, *Leases*, have been restated to add a lease that was not previously reported and remove a lease reported in the incorrect period.

These items resulted in a restatement of the Statement of Net Position for the fiscal year ended June 30, 2022, as shown below.

	Governmental Activities
Net Position, June 30, 2022, as Previously Reported	\$ (28,367,295)
Restated due to GASB Statement No. 96, SBITAs	1,642,225
Restated due to GASB Statement No. 87, Leases	(577)
Net Position, June 30, 2022, as Restated	<u>\$ (26,725,647)</u>

REQUIRED SUPPLEMENTARY INFORMATION

SALEM-KEIZER SCHOOL DISTRICT 24J
YEAR ENDED JUNE 30, 2023

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

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

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

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2023

	Actual	Budget		Variance with	Budget to	Actual
	Budget Basis	Adopted	Final	Final Budget	GAAP Differences	GAAP Basis
Revenues:						
Taxes	\$ 96,325,014	\$ 95,000,000	\$ 95,000,000	\$ 1,325,014	\$ -	\$ 96,325,014
Local Sources	11,124,340	3,854,000	3,854,000	7,270,340	-	11,124,340
Earnings on Investments	5,869,818	200,000	200,000	5,669,818	-	5,869,818
Intermediate Sources	18,831,163	17,670,000	17,670,000	1,161,163	-	18,831,163
State Sources	394,634,584	394,623,221	394,623,221	11,363	-	394,634,584
Federal Sources	1,131,248	140,000	140,000	991,248	-	1,131,248
Total Revenues	527,916,167	511,487,221	511,487,221	16,428,946	-	527,916,167
Expenditures:						
Current:						
Instruction	325,945,960	346,116,053	350,107,605	24,161,645	(135,935)	325,810,025
Support Services	206,058,241	224,829,153	229,209,082	23,150,841	(10,596,836)	195,461,405
Enterprise and Community Services	73,084	102,000	400,000	326,916	-	73,084
Facilities Acquisition and Construction	19,312	239,375	239,375	220,063	-	19,312
Debt Service:						
Principal	-	2,021,340	2,021,340	2,021,340	-	-
Interest	-	23,661	23,661	23,661	-	-
Capital Outlay	-	-	-	-	23,410,905	23,410,905
Contingency	-	27,915,640	19,246,159	19,246,159	-	-
Total Expenditures	532,096,597	601,247,222	601,247,222	69,150,625	12,678,134	544,774,731
Excess (deficiency) of revenues over (under) expenditures	(4,180,430)	(89,760,001)	(89,760,001)	85,579,571	(12,678,134)	(16,858,564)
Other Financing Sources and Uses:						
Subscription Financing	-	-	-	-	401,670	401,670
Lease Financing	-	-	-	-	12,276,464	12,276,464
Loss on Termination of Lease	(8,896)	-	-	(8,896)	-	(8,896)
Sale of Capital Assets	51,989	100,000	100,000	(48,011)	-	51,989
Transfers In	-	2	2	(2)	-	-
Transfers Out	(19,180,451)	(19,340,001)	(19,340,001)	159,550	-	(19,180,451)
Total Other Financing Sources and Uses	(19,137,358)	(19,239,999)	(19,239,999)	102,641	12,678,134	(6,459,224)
Net Change in Fund Balance	(23,317,788)	(109,000,000)	(109,000,000)	85,682,212	-	(23,317,788)
Fund Balance, Beginning of Year	109,954,460	109,000,000	109,000,000	954,460	-	109,954,460
Fund Balance, End of Year	\$ 86,636,672	\$ -	\$ -	\$ 86,636,672	\$ -	\$ 86,636,672

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

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GRANTS FUND
YEAR ENDED JUNE 30, 2023

	Actual	Budget		Variance with	Budget to	Actual
	Budget Basis	Adopted	Final	Final Budget	GAAP Differences	GAAP Basis
Revenues:						
Intermediate Sources	\$ 396,692	\$ 1,912,000	\$ 1,912,000	\$ (1,515,308)	\$ -	\$ 396,692
State Sources	68,614,634	59,175,000	59,175,000	9,439,634	-	68,614,634
Federal Sources	62,343,694	148,834,895	148,834,895	(86,491,201)	-	62,343,694
Total Revenues	131,355,020	209,921,895	209,921,895	(78,566,875)	-	131,355,020
Expenditures:						
Current:						
Instruction	61,929,140	97,608,142	97,608,142	35,679,002	(730,035)	61,199,105
Support Services	61,626,128	78,212,753	78,212,753	16,586,625	(500,171)	61,125,957
Enterprise and Community Services	4,252,320	17,601,000	17,601,000	13,348,680	-	4,252,320
Facilities Acquisition and Construction	3,718,797	16,500,000	16,500,000	12,781,203	(3,716,225)	2,572
Capital Outlay	-	-	-	-	5,342,177	5,342,177
Total Expenditures	131,526,385	209,921,895	209,921,895	78,395,510	395,746	131,922,131
Excess (deficiency) of revenues over (under) expenditures	(171,365)	-	-	(171,365)	(395,746)	(567,111)
Other Financing Sources and Uses:						
Subscription Financing	-	-	-	-	392,693	392,693
Lease Financing	-	-	-	-	3,053	3,053
Total Other Financing Sources and Uses	-	-	-	-	395,746	395,746
Net Change in Fund Balance	(171,365)	-	-	(171,365)	-	(171,365)
Fund Balance, Beginning of Year	1,469,990	-	-	1,469,990	-	1,469,990
Fund Balance, End of Year	\$ 1,298,625	\$ -	\$ -	\$ 1,298,625	\$ -	\$ 1,298,625

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

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ASSET REPLACEMENT FUND
YEAR ENDED JUNE 30, 2023

		Budget				
	Actual	Adopted	Final	Variance with Final Budget	Budget to GAAP Differences	Actual GAAP Basis
Revenues:						
Local Sources	\$ 11,400	\$ -	\$ -	\$ 11,400	\$ -	\$ 11,400
Earnings on Investments	1,174,378	200,000	200,000	974,378	-	1,174,378
State Sources	3,783,710	2,200,000	2,200,000	1,583,710	-	3,783,710
Total Revenues	4,969,488	2,400,000	2,400,000	2,569,488	-	4,969,488
Expenditures:						
Current:						
Instruction	23,269	11,000,000	11,000,000	10,976,731	-	23,269
Support Services	3,692,521	34,800,308	34,800,308	31,107,787	(3,204,766)	487,755
Debt Service:						-
Principal	6,192,478	7,192,479	7,192,479	1,000,001	-	6,192,478
Interest	107,192	1,107,193	1,107,193	1,000,001	-	107,192
Capital Outlay	-	-	-	-	3,204,766	3,204,766
Total Expenditures	10,015,460	54,099,980	54,099,980	44,084,520	-	10,015,460
Excess (deficiency) of revenues over (under) expenditures	(5,045,972)	(51,699,980)	(51,699,980)	46,654,008	-	(5,045,972)
Other Financing Sources and Uses:						
Transfers In	17,390,000	17,390,000	17,390,000	-	-	17,390,000
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources and Uses	17,390,000	17,390,000	17,390,000	-	-	17,390,000
Net Change in Fund Balance	12,344,028	(34,309,980)	(34,309,980)	46,654,008	-	12,344,028
Fund Balance, Beginning of Year	33,678,188	34,309,980	34,309,980	(631,792)	-	33,678,188
Fund Balance, End of Year	\$ 46,022,216	\$ -	\$ -	\$ 46,022,216	\$ -	\$ 46,022,216

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

SALEM-KEIZER SCHOOL DISTRICT 24J
OREGON PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
YEAR ENDED JUNE 30, 2023

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

Date	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2023	2.20%	\$ 337,565,369	\$ 297,867,705	113.33%	84.55%
6/30/2022	2.15%	257,260,647	272,841,342	94.29%	87.57%
6/30/2021	2.27%	494,604,136	260,478,351	189.88%	75.79%
6/30/2020	2.28%	394,594,093	256,548,249	153.81%	80.23%
6/30/2019	2.44%	370,018,658	247,055,968	149.77%	82.07%
6/30/2018	2.33%	313,463,307	238,174,894	131.61%	83.12%
6/30/2017	2.20%	330,485,474	224,660,318	147.10%	80.53%
6/30/2016	2.13%	122,461,820	210,838,659	58.08%	91.88%
6/30/2015	2.49%	(56,372,207)	200,324,048	-28.14%	103.60%
6/30/2014	2.49%	126,913,031	195,456,300	64.93%	92.00%

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

Date	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (excess)	Covered Payroll	Contributions as a Percentage of its Covered Payroll
6/30/2023	\$ 46,566,542	\$ 46,566,542	\$ -	\$ 335,309,918	13.89%
6/30/2022	43,764,211	43,764,211	-	297,867,705	14.69%
6/30/2021	46,271,773	46,271,773	-	272,841,342	16.96%
6/30/2020	43,164,193	43,164,193	-	260,478,351	16.57%
6/30/2019	31,988,846	31,988,846	-	256,548,249	12.47%
6/30/2018	28,087,114	28,087,114	-	247,055,968	13.44%
6/30/2017	17,818,722	17,818,722	-	238,174,894	7.48%
6/30/2016	18,358,399	18,358,399	-	224,660,318	8.17%
6/30/2015	28,183,368	28,183,368	-	210,838,659	13.37%
6/30/2014	26,925,455	26,925,455	-	200,324,048	13.44%

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

SALEM-KEIZER SCHOOL DISTRICT 24J
OTHER POSTEMPLOYMENT BENEFITS - RETIREMENT HEALTHCARE INSURANCE ACCOUNT (RHIA)
YEAR ENDED JUNE 30, 2023

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

Year Ended June 30,	District's Proportion of the Net OPEB Liability (Asset)	District's Proportionate Share of the Net OPEB Liability/(Asset) (NOL)	Covered Payroll	NOL as a % of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2023	1.89%	\$ (6,704,356)	\$ 297,867,705	-2.3%	194.7%
2022	1.88%	(6,439,575)	272,841,342	-2.4%	183.9%
2021	4.02%	(8,191,813)	260,478,351	-3.1%	150.1%
2020	2.35%	(4,534,037)	256,548,249	-1.8%	144.4%
2019	2.34%	(2,606,873)	247,055,968	-1.1%	124.0%
2018	2.32%	(968,900)	238,174,894	-0.4%	108.9%
2017	2.35%	638,414	224,660,318	0.3%	94.1%

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

Year Ended June 30,	Required Statutory Contributions	Contributions In Relation to the Required Statutory Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of its Covered Payroll
2023	\$ 43,616	\$ 43,616	\$ -	\$ 335,309,918	0.0%
2022	46,503	46,503	-	297,867,705	0.0%
2021	50,174	50,174	-	272,841,342	0.0%
2020	287,100	287,100	-	260,478,351	0.1%
2019	1,162,909	1,162,909	-	256,548,249	0.5%
2018	1,130,778	1,130,778	-	247,055,968	0.5%
2017	1,193,928	1,193,928	-	238,174,894	0.5%

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

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

SALEM-KEIZER SCHOOL DISTRICT 24J
OTHER POSTEMPLOYMENT BENEFITS - RETIREMENT HEALTHCARE INSURANCE SUBSIDY (RHIS)
YEAR ENDED JUNE 30, 2023

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

Year Ended June 30,	Service Cost	Interest	Change of Benefit Terms	Difference Between Expected and Actual Experience	Change of Assumptions or Other Input	Benefit Payments	Net Change in Total OPEB Liability
2023	\$ 2,510,674	\$ 1,336,218	\$ -	\$ -	\$ (830,614)	\$ (1,317,154)	\$ 1,699,124
2022	3,431,382	1,082,701	-	(4,376,642)	(7,931,980)	(1,137,164)	(8,931,703)
2021	3,315,345	1,011,277	-	-	-	(1,399,321)	2,927,301
2020	2,258,096	1,471,011	-	2,801,834	(552,691)	(1,234,313)	4,743,937
2019	2,181,735	1,343,272	-	-	9,956,458	(1,337,434)	12,144,031
2018	1,590,111	905,326	-	-	-	(800,830)	1,694,607

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

Year Ended June 30,	Beginning Total OPEB Liability	Net Change in Total OPEB Liability	Ending Total OPEB Liability	Covered Employee Payroll	Total OPEB Liability as a Percentage of its Covered Employee Payroll	Discount Rate
2023	\$ 36,325,547	\$ 1,699,124	\$ 38,024,671	\$ 356,071,525	10.7%	3.75%
2022	45,257,250	(8,931,703)	36,325,547	345,700,510	10.5%	3.50%
2021	42,329,949	2,927,301	45,257,250	333,195,432	13.6%	2.25%
2020	37,586,012	4,743,937	42,329,949	297,211,787	14.2%	2.25%
2019	25,441,981	12,144,031	37,586,012	268,614,505	14.0%	3.75%
2018	23,747,374	1,694,607	25,441,981	259,530,923	9.8%	3.75%

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

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

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2023

Note 1: Budget Basis of Accounting

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

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

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

Note 2: Oregon Public Employees Retirement System

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

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

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

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

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

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

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

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

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

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

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

OTHER SUPPLEMENTARY INFORMATION

SALEM-KEIZER SCHOOL DISTRICT 24J
YEAR ENDED JUNE 30, 2023

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

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

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

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GO DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2023

	Actual Budget and GAAP Basis	Budget		Variance with Final Budget
		Adopted	Final	
Revenues:				
Taxes	\$ 60,879,275	\$ 59,430,801	\$ 59,430,801	\$ 1,448,474
Earnings on Investments	30,959	50,000	50,000	(19,041)
Intermediate Sources	59,749	-	-	59,749
Total Revenues	<u>60,969,983</u>	<u>59,480,801</u>	<u>59,480,801</u>	<u>1,489,182</u>
Expenditures:				
Debt Service:				
Principal	21,023,317	21,023,318	21,023,318	1
Interest	39,257,483	39,257,483	39,257,483	-
Total Expenditures	<u>60,280,800</u>	<u>60,280,801</u>	<u>60,280,801</u>	<u>1</u>
Net Change in Fund Balance	689,183	(800,000)	(800,000)	1,489,183
Fund Balance, Beginning of Year	<u>902,649</u>	<u>800,000</u>	<u>800,000</u>	<u>102,649</u>
Fund Balance, End of Year	<u>\$ 1,591,832</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,591,832</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PERS PENSION DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2023

	Actual Budget and GAAP Basis	Budget		Variance with Final Budget
		Adopted	Final	
Revenues:				
Charges for Services Provided to Other Funds	\$ 32,534,654	\$ 29,600,000	\$ 29,600,000	\$ 2,934,654
Earnings on Investments	1,381,269	300,000	300,000	1,081,269
Total Revenues	<u>33,915,923</u>	<u>29,900,000</u>	<u>29,900,000</u>	<u>4,015,923</u>
Expenditures:				
Debt Service:				
Principal	19,455,000	19,455,000	19,455,000	-
Interest	7,832,090	7,832,091	7,832,091	1
Total Expenditures	<u>27,287,090</u>	<u>27,287,091</u>	<u>27,287,091</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	6,628,833	2,612,909	2,612,909	4,015,924
Other Financing Sources and Uses:				
Transfer In	-	1	1	(1)
Transfer Out	-	(1)	(1)	1
Total Other Financing Sources and Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	6,628,833	2,612,909	2,612,909	4,015,924
Fund Balance, Beginning of Year	<u>30,805,730</u>	<u>30,000,000</u>	<u>30,000,000</u>	<u>805,730</u>
Fund Balance, End of Year	<u>\$ 37,434,563</u>	<u>\$ 32,612,909</u>	<u>\$ 32,612,909</u>	<u>\$ 4,821,654</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
2018 BOND CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2023

		Budget			Budget to	
	Actual	Adopted	Final	Variance with Final Budget	GAAP Differences	Actual GAAP Basis
Revenues:						
Local Sources	\$ 176,821	\$ -	\$ -	\$ 176,821	\$ -	\$ 176,821
Earnings on Investments	4,091,639	2,000,000	2,000,000	2,091,639	-	4,091,639
Total Revenues	<u>4,268,460</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,268,460</u>	<u>-</u>	<u>4,268,460</u>
Expenditures:						
Current:						
Facilities Acquisition and Construction	130,763,659	252,000,000	252,000,000	121,236,341	(124,517,027)	6,246,632
Capital Outlay	-	-	-	-	124,517,027	124,517,027
Total Expenditures	<u>130,763,659</u>	<u>252,000,000</u>	<u>252,000,000</u>	<u>121,236,341</u>	<u>-</u>	<u>130,763,659</u>
Net Change in Fund Balance	(126,495,199)	(250,000,000)	(250,000,000)	123,504,801	-	(126,495,199)
Fund Balance, Beginning of Year	<u>212,339,407</u>	<u>250,000,000</u>	<u>250,000,000</u>	<u>(37,660,593)</u>	<u>-</u>	<u>212,339,407</u>
Fund Balance, End of Year	<u>\$ 85,844,208</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 85,844,208</u>	<u>\$ -</u>	<u>\$ 85,844,208</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
YEAR ENDED JUNE 30, 2023

NONMAJOR GOVERNMENTAL FUNDS

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

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

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

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

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

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

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

SALEM-KEIZER SCHOOL DISTRICT 24J
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023

	Special Revenue			Capital Projects		Total Nonmajor Governmental Funds
	Fee Based Programs Fund	Food Services Fund	Energy Efficiency Fund	Special Capital Projects Fund	Preventative & Deferred Maintenance Fund	
ASSETS						
Pooled Cash and Investments	\$ 6,751,807	\$ 17,728,637	\$ -	\$ 8,184,352	\$ 4,933,339	\$ 37,598,135
Receivables	313,916	1,302,919	-	-	-	1,616,835
Total Assets	\$ 7,065,723	\$ 19,031,556	\$ -	\$ 8,184,352	\$ 4,933,339	\$ 39,214,970
LIABILITIES & FUND BALANCES						
Liabilities						
Accounts Payable	\$ 195,575	\$ 1,020,971	\$ -	\$ 399,240	\$ 385,821	\$ 2,001,607
Accrued Payroll	23,796	160	-	-	-	23,956
Unearned Revenue	191,292	257,031	-	-	-	448,323
Total Liabilities	410,663	1,278,162	-	399,240	385,821	2,473,886
Fund Balances						
Restricted	519,550	-	-	-	-	519,550
Committed	6,135,510	17,753,394	-	-	-	23,888,904
Assigned	-	-	-	7,785,112	4,547,518	12,332,630
Total Fund Balances	6,655,060	17,753,394	-	7,785,112	4,547,518	36,741,084
Balances	\$ 7,065,723	\$ 19,031,556	\$ -	\$ 8,184,352	\$ 4,933,339	\$ 39,214,970

SALEM-KEIZER SCHOOL DISTRICT 24J
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023

	Special Revenue			Capital Projects		Total Nonmajor Governmental Funds
	Fee Based Programs Fund	Food Services Fund	Energy Efficiency Fund	Special Capital Projects Fund	Preventative & Deferred Maintenance Fund	
Revenues:						
Local Sources	\$ 4,584,701	\$ 275,759	\$ 951,017	\$ 285,520	\$ -	\$ 6,096,997
Earnings on Investments	-	638,195	-	289,497	191,668	1,119,360
State Sources	-	3,943,193	-	460,673	-	4,403,866
Federal Sources	-	16,913,784	-	-	-	16,913,784
Total Revenues	4,584,701	21,770,931	951,017	1,035,690	191,668	28,534,007
Expenditures:						
Current:						
Instruction	4,028,737	-	-	-	-	4,028,737
Support Services	829,063	431,758	-	-	21,863	1,282,684
Enterprise and Community Services	9,336	16,768,523	-	-	-	16,777,859
Facilities Acquisition and Construction	-	-	-	14,312	95,269	109,581
Capital Outlay	97,978	488,932	-	553,261	1,443,564	2,583,735
Total Expenditures	4,965,114	17,689,213	-	567,573	1,560,696	24,782,596
Excess (deficiency) of revenues over (under) expenditures	(380,413)	4,081,718	951,017	468,117	(1,369,028)	3,751,411
Other Financing Sources and Uses:						
Transfers in	-	40,451	-	1,293,643	1,750,000	3,084,094
Transfers out	-	-	(1,293,643)	-	-	(1,293,643)
Total Other Financing Sources and Uses	-	40,451	(1,293,643)	1,293,643	1,750,000	1,790,451
Net Change in Fund Balances	(380,413)	4,122,169	(342,626)	1,761,760	380,972	5,541,862
Fund Balances, Beginning of Year	7,035,473	13,631,225	342,626	6,023,352	4,166,546	31,199,222
Fund Balances, End of Year	\$ 6,655,060	\$ 17,753,394	\$ -	\$ 7,785,112	\$ 4,547,518	\$ 36,741,084

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FEE BASED PROGRAMS FUND
YEAR ENDED JUNE 30, 2023

	Budget			Variance with Final Budget	Budget to GAAP Differences	Actual GAAP Basis
	Actual	Adopted	Final			
Revenues:						
Local Sources	\$ 4,584,701	\$ 8,024,075	\$ 8,024,075	\$ (3,439,374)	\$ -	\$ 4,584,701
Tuition	-	100,000	100,000	(100,000)	-	-
Total Revenues	<u>4,584,701</u>	<u>8,124,075</u>	<u>8,124,075</u>	<u>(3,539,374)</u>	<u>-</u>	<u>4,584,701</u>
Expenditures:						
Current:						
Instruction	4,126,715	11,028,652	11,028,652	6,901,937	(97,978)	4,028,737
Support Services	829,063	2,900,423	2,900,423	2,071,360	-	829,063
Enterprise and Community Services	9,336	595,000	595,000	585,664	-	9,336
Capital Outlay	-	-	-	-	97,978	97,978
Total Expenditures	<u>4,965,114</u>	<u>14,524,075</u>	<u>14,524,075</u>	<u>9,558,961</u>	<u>-</u>	<u>4,965,114</u>
Net Change in Fund Balance	(380,413)	(6,400,000)	(6,400,000)	6,019,587	-	(380,413)
Fund Balance, Beginning of Year	<u>7,035,473</u>	<u>6,400,000</u>	<u>6,400,000</u>	<u>635,473</u>	<u>-</u>	<u>7,035,473</u>
Fund Balance, End of Year	<u>\$ 6,655,060</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,655,060</u>	<u>\$ -</u>	<u>\$ 6,655,060</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOOD SERVICES FUND
YEAR ENDED JUNE 30, 2023

	Budget			Variance with Final Budget	Budget to GAAP Differences	Actual GAAP Basis
	Actual	Adopted	Final			
Revenues:						
Cafeteria Sale of Meals	\$ 266,126	\$ 1,125,000	\$ 1,125,000	\$ (858,874)	\$ -	\$ 266,126
Earnings on Investments	638,195	75,000	75,000	563,195	-	638,195
Cafeteria State Grants	3,943,193	1,700,000	1,700,000	2,243,193	-	3,943,193
Cafeteria Federal Grants	16,913,784	15,000,000	15,000,000	1,913,784	-	16,913,784
Miscellaneous Revenues	9,633	-	-	9,633	-	9,633
Total Revenues	21,770,931	17,900,000	17,900,000	3,870,931	-	21,770,931
Expenditures:						
Current:						
Support Services	431,758	638,496	638,496	206,738	-	431,758
Enterprise and Community Services	17,257,455	23,961,504	23,961,504	6,704,049	(488,932)	16,768,523
Capital Outlay	-	-	-	-	488,932	488,932
Total Expenditures	17,689,213	24,600,000	24,600,000	6,910,787	-	17,689,213
Excess (deficiency) of revenues over (under) expenditures	4,081,718	(6,700,000)	(6,700,000)	10,781,718	-	4,081,718
Other Financing Sources (Uses):						
Transfers In	40,451	200,000	200,000	(159,549)	-	40,451
Net Change in Fund Balance	4,122,169	(6,500,000)	(6,500,000)	10,622,169	-	4,122,169
Fund Balance, Beginning of Year	13,631,225	6,500,000	6,500,000	7,131,225	-	13,631,225
Fund Balance, End of Year	\$ 17,753,394	\$ -	\$ -	\$ 17,753,394	\$ -	\$ 17,753,394

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ENERGY EFFICIENCY FUND
YEAR ENDED JUNE 30, 2023

	Actual Budget and GAAP Basis	Budget		Variance with Final Budget
		Adopted	Final	
Revenues:				
Miscellaneous Revenues	\$ 951,017	\$ 900,000	\$ 900,000	\$ 51,017
Excess (deficiency) of revenues over (under) expenditures	951,017	900,000	900,000	51,017
Other Financing Sources and Uses:				
Transfers Out	(1,293,643)	(2,300,000)	(2,300,000)	1,006,357
Net Change in Fund Balance	(342,626)	(1,400,000)	(1,400,000)	1,057,374
Fund Balance, Beginning of Year	342,626	1,400,000	1,400,000	(1,057,374)
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2023

		Budget		Variance with	Budget to	Actual
	Actual	Adopted	Final	Final Budget	GAAP Differences	GAAP Basis
Revenues:						
Local Sources	\$ 283,700	\$ -	\$ -	\$ 283,700	\$ -	\$ 283,700
Earnings on Investments	289,497	-	-	289,497	-	289,497
State Sources	460,673	-	-	460,673	-	460,673
Miscellaneous Revenues	1,820	3,000,000	3,000,000	(2,998,180)	-	1,820
Total Revenues	1,035,690	3,000,000	3,000,000	(1,964,310)	-	1,035,690
Expenditures:						
Current:						
Support Services	-	2,000,000	2,000,000	2,000,000	-	-
Facilities Acquisition and Construction	567,573	9,800,000	9,800,000	9,232,427	(553,261)	14,312
Capital Outlay	-	-	-	-	553,261	553,261
Total Expenditures	567,573	11,800,000	11,800,000	11,232,427	-	567,573
Excess (deficiency) of revenues over (under) expenditures	468,117	(8,800,000)	(8,800,000)	9,268,117	-	468,117
Other Financing Sources and Uses:						
Transfer In	1,293,643	2,300,000	2,300,000	(1,006,357)	-	1,293,643
Net Change in Fund Balance	1,761,760	(6,500,000)	(6,500,000)	8,261,760	-	1,761,760
Fund Balance, Beginning of Year	6,023,352	6,500,000	6,500,000	(476,648)	-	6,023,352
Fund Balance, End of Year	\$ 7,785,112	\$ -	\$ -	\$ 7,785,112	\$ -	\$ 7,785,112

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PREVENTATIVE & DEFERRED MAINTENANCE FUND
YEAR ENDED JUNE 30, 2023

	Budget			Variance with Final Budget	Budget to GAAP Differences	Actual GAAP Basis
	Actual	Adopted	Final			
Revenues:						
Earnings on Investments	\$ 191,668	\$ -	\$ -	\$ 191,668	\$ -	\$ 191,668
Expenditures:						
Current:						
Support Services	21,863	1,200,000	1,200,000	1,178,137	-	21,863
Facilities Acquisition and Construction	1,538,833	5,050,000	5,050,000	3,511,167	(1,443,564)	95,269
Capital Outlay	-	-	-	-	1,443,564	1,443,564
Total Expenditures	1,560,696	6,250,000	6,250,000	4,689,304	-	1,560,696
Excess (deficiency) of revenues over (under) expenditures	(1,369,028)	(6,250,000)	(6,250,000)	4,880,972	-	(1,369,028)
Other Financing Sources and Uses:						
Transfer In	1,750,000	1,750,000	1,750,000	-	-	1,750,000
Net Change in Fund Balance	380,972	(4,500,000)	(4,500,000)	4,880,972	-	380,972
Fund Balance, Beginning of Year	4,166,546	\$ 4,500,000	\$ 4,500,000	(333,454)	-	4,166,546
Fund Balance, End of Year	\$ 4,547,518	\$ -	\$ -	\$ 4,547,518	\$ -	\$ 4,547,518



SALEM-KEIZER SCHOOL DISTRICT 24J
YEAR ENDED JUNE 30, 2023

INTERNAL SERVICE FUNDS

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

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

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

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

SALEM-KEIZER SCHOOL DISTRICT 24J
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2023

	Risk Management Fund	Auxiliary Services Fund	Charter Schools Services Fund	Total
ASSETS				
Current Assets				
Cash, Cash Equivalents and Investments	\$ 26,435,535	\$ 1,774,283	\$ 1,931,899	\$ 30,141,717
Receivables	58,807	72,771	25,281	156,859
Prepaid Items	30,326	5,125	-	35,451
Inventories	-	894,268	-	894,268
Total Current Assets	26,524,668	2,746,447	1,957,180	31,228,295
Noncurrent Assets				
Net OPEB Asset - RHIA	15,032	16,947	29,671	61,650
Capital Assets				
Subscription Assets, Net	32,714	-	-	32,714
Equipment	466,464	1,964,643	-	2,431,107
Building Improvements	198,128	553,727	-	751,855
Less Accumulated Depreciation	(282,438)	(1,814,277)	-	(2,096,715)
Total Noncurrent Assets	429,900	721,040	29,671	1,180,611
TOTAL ASSETS	26,954,568	3,467,487	1,986,851	32,408,906
DEFERRED OUTFLOWS OF RESOURCES				
OPEB Deferred Outflows - RHIA	2,644	2,981	5,219	10,844
OPEB Deferred Outflows - RHIS	11,862	13,373	23,412	48,647
Pension Deferred Outflows - PERS	278,843	314,372	550,381	1,143,596
TOTAL DEFERRED OUTFLOWS OF RESOURCES	293,349	330,726	579,012	1,203,087
LIABILITIES				
Current Liabilities				
Accounts Payable	188,559	205,182	1,948,595	2,342,336
Accrued Salaries and Benefits	7,272	215	8,033	15,520
Accrued Interest Payable	250	-	-	250
Accrued Claims Liability	1,917,855	-	-	1,917,855
Accrued Compensated Absences	53,044	55,794	553	109,391
Subscription Liability	11,562	-	-	11,562
Unearned Revenue	-	457	-	457
Total Current Liabilities	2,178,542	261,648	1,957,181	4,397,371
Noncurrent Liabilities				
Net Pension Liability - PERS	756,876	853,314	1,493,920	3,104,110
Total OPEB Liability - RHIS	85,257	96,121	168,281	349,659
Total Noncurrent Liabilities	842,133	949,435	1,662,201	3,453,769
TOTAL LIABILITIES	3,020,675	1,211,083	3,619,382	7,851,140
DEFERRED INFLOWS OF RESOURCES				
OPEB Deferred Inflows - RHIA	2,095	2,361	4,134	8,590
OPEB Deferred Inflows - RHIS	23,809	26,842	46,994	97,645
Pension Deferred Inflows - PERS	278,325	313,788	549,357	1,141,470
TOTAL DEFERRED INFLOWS OF RESOURCES	304,229	342,991	600,485	1,247,705
NET POSITION				
Investment in Capital Assets	414,868	704,093	-	1,118,961
Restricted for OPEB - RHIA	15,581	17,567	30,756	63,904
Unrestricted	23,492,564	1,522,479	(1,684,760)	23,330,283
TOTAL NET POSITION	\$ 23,923,013	\$ 2,244,139	\$ (1,654,004)	\$ 24,513,148

SALEM-KEIZER SCHOOL DISTRICT 24J
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2023

	Risk Management Fund	Auxiliary Services Fund	Charter Schools Services Fund	Total
Operating Revenues				
State Sources	\$ -	\$ -	\$ 32,482	\$ 32,482
Charges for Services	9,319,272	5,320,134	6,318,467	20,957,873
Total Operating Revenues	9,319,272	5,320,134	6,350,949	20,990,355
Operating Expenses				
Salaries	806,618	909,394	1,592,100	3,308,112
Employee Benefits	564,903	546,191	788,829	1,899,923
Purchased Services	1,590,078	666,696	3,822,450	6,079,224
Supplies and Materials	4,774,576	2,798,517	80,406	7,653,499
Depreciation	48,060	93,621	-	141,681
Amortization	11,598	9,742	-	21,340
Total Operating Expenses	7,795,833	5,024,161	6,283,785	19,103,779
Operating Income	1,523,439	295,973	67,164	1,886,576
Nonoperating Revenues				
Earnings on Investments	1,015,914	-	60,568	1,076,482
Loss on Sale of Capital Assets	-	(11,742)	-	(11,742)
Total Nonoperating Revenues	1,015,914	(11,742)	60,568	1,064,740
Change in Net Position	2,539,353	284,231	127,732	2,951,316
Net Position, July 1, 2022	21,383,660	1,959,908	(1,781,736)	21,561,832
Net Position, June 30, 2023	\$ 23,923,013	\$ 2,244,139	\$ (1,654,004)	\$ 24,513,148

SALEM-KEIZER SCHOOL DISTRICT 24J
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2023

	Risk Management Fund	Auxiliary Services Fund	Charter Schools Services Fund	Total
Cash Flows from Operating Activities				
Receipts for Services Provided	\$ 9,260,465	\$ 5,311,571	\$ 6,357,452	\$ 20,929,488
Payments to Employees for Services	(1,402,389)	(1,505,943)	(2,505,194)	(5,413,526)
Payments to Suppliers for Goods and Services	(6,175,468)	(3,445,447)	(3,296,285)	(12,917,200)
Payments for Claims	142,940	-	-	142,940
Cash Flows Provided (Used) by Operating Activities	1,825,548	360,181	555,973	2,741,702
Cash Flows from Capital and Related Financing Activities				
Purchases of Capital Assets	(6,130)	(128,498)	-	(134,628)
Loss on Sale of Capital Assets	-	(23,142)	-	(23,142)
Payments on Subscriptions	(32,500)	-	-	(32,500)
Payments on Leases	-	(6,805)	-	(6,805)
Cash Flows Provided (Used) by Capital and Related Financing Activities	(38,630)	(158,445)	-	(197,075)
Cash Flows from Investing Activities				
Interest Received	1,015,914	-	60,568	1,076,482
Increase in Cash, Cash Equivalents and Investments	2,802,832	201,736	616,541	3,621,109
Cash, Cash Equivalents and Investments at Beginning of Year	23,632,703	1,572,547	1,315,358	26,520,608
Cash, Cash Equivalents and Investments at End of Year	\$ 26,435,535	\$ 1,774,283	\$ 1,931,899	\$ 30,141,717
Reconciliation of Operating Income to Cash Flows from Operating Activities				
Operating Income	\$ 1,523,439	\$ 295,973	\$ 67,164	\$ 1,886,576
Adjustments to Reconcile Operating Income to Cash Flows from Operating Activities				
Depreciation Expense	48,060	93,621	-	141,681
Amortization Expense	11,598	9,742	-	21,340
RHIA OPEB Expense Adjustment	(549)	(429)	90	(888)
Pension Expense Adjustment	(34,385)	(48,807)	(129,878)	(213,070)
RHIS OPEB Expense Adjustment	4,716	4,143	2,055	10,914
Change in Assets and Liabilities:				
Change in Receivables	(58,807)	(8,563)	6,503	(60,867)
Change in Prepaid Items	(30,326)	25,603	-	(4,723)
Change in Inventories	-	(76,809)	-	(76,809)
Change in Accounts Payable	104,551	70,515	606,571	781,637
Change in Accrued Salaries & Benefits	(1,717)	(4,120)	3,880	(1,957)
Change in Unearned Revenue	-	457	-	457
Change in Accrued Claims Liability	257,901	-	-	257,901
Change in Accrued Compensated Absences	1,067	(1,145)	(412)	(490)
Total Adjustments	302,109	64,208	488,809	855,126
Cash Flows Provided by Operating Activities	\$ 1,825,548	\$ 360,181	\$ 555,973	\$ 2,741,702

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
RISK MANAGEMENT FUND
YEAR ENDED JUNE 30, 2023

		Budget				
	Actual	Adopted	Final	Variance with Final Budget	Budget to GAAP Differences	Actual GAAP Basis
Revenues:						
Local Sources	\$ 9,319,272	\$ 9,675,500	\$ 9,675,500	\$ (356,228)	\$ -	\$ 9,319,272
Interest Received	1,015,914	200,000	200,000	815,914	-	1,015,914
Total Revenues	<u>10,335,186</u>	<u>9,875,500</u>	<u>9,875,500</u>	<u>459,686</u>	<u>-</u>	<u>10,335,186</u>
Expenditures:						
Current:						
Support Services	7,772,522	31,075,499	31,075,499	23,302,977	(6,130)	7,766,392
Capital Outlay	-	-	-	-	6,130	6,130
Total Expenditures	<u>7,772,522</u>	<u>31,075,499</u>	<u>31,075,499</u>	<u>23,302,977</u>	<u>-</u>	<u>7,772,522</u>
Excess (deficiency) of revenues over (under) expenditures	2,562,664	(21,199,999)	(21,199,999)	23,762,663	-	2,562,664
Other Financing Sources and Uses:						
Transfers Out	-	(1)	(1)	1	-	-
Total Other Financing Sources and Uses	<u>-</u>	<u>(1)</u>	<u>(1)</u>	<u>1</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	2,562,664	(21,200,000)	(21,200,000)	23,762,664	-	2,562,664
Fund Balance, Beginning of Year	<u>21,827,776</u>	<u>21,200,000</u>	<u>21,200,000</u>	<u>627,776</u>	<u>-</u>	<u>21,827,776</u>
Fund Balance, End of Year	<u>\$ 24,390,440</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,390,440</u>	<u>\$ -</u>	<u>\$ 24,390,440</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
AUXILIARY SERVICES FUND
YEAR ENDED JUNE 30, 2023

		Budget				
	Actual	Adopted	Final	Variance with Final Budget	Budget to GAAP Differences	Actual GAAP Basis
Revenues:						
Local Sources	\$ 5,320,134	\$ 4,600,043	\$ 4,600,043	\$ 720,091	\$ -	\$ 5,320,134
Expenditures:						
Current:						
Support Services	5,119,260	7,000,043	7,000,043	1,880,783	(153,369)	4,965,891
Capital Outlay	-	-	-	-	153,369	153,369
Total Expenditures	5,119,260	7,000,043	7,000,043	1,880,783	-	5,119,260
Excess (deficiency) of revenues over (under) expenditures	200,874	(2,400,000)	(2,400,000)	2,600,874	-	200,874
Other Financing Sources (Uses):						
Sale of Capital Assets	(11,742)	-	-	(11,742)	-	(11,742)
Net Change in Fund Balance	189,132	(2,400,000)	(2,400,000)	2,589,132	-	189,132
Fund Balance, Beginning of Year	2,457,538	2,400,000	2,400,000	57,538	-	2,457,538
Fund Balance, End of Year	\$ 2,646,670	\$ -	\$ -	\$ 2,646,670	\$ -	\$ 2,646,670

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CHARTER SCHOOLS SERVICES FUND
YEAR ENDED JUNE 30, 2023

	Actual Budget and GAAP Basis	Budget		Variance with Final Budget
		Adopted	Final	
Revenues:				
State Sources	\$ 32,482	\$ 20,000	\$ 20,000	\$ 12,482
Local Sources	6,318,467	8,700,000	8,700,000	(2,381,533)
Interest Received	60,568	20,000	20,000	40,568
Total Revenues	6,411,517	8,740,000	8,740,000	(2,328,483)
Expenditures:				
Current:				
Instruction	6,411,517	10,000,000	10,000,000	3,588,483
Total Expenditures	6,411,517	10,000,000	10,000,000	3,588,483
Net Change in Fund Balance	-	(1,260,000)	(1,260,000)	1,260,000
Fund Balance, Beginning of Year	-	1,260,000	1,260,000	(1,260,000)
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -



OTHER FINANCIAL SCHEDULES

SALEM-KEIZER SCHOOL DISTRICT 24J
REVENUE SUMMARY BY ALL FUNDS
YEAR ENDED JUNE 30, 2023

	Fund 100	Fund 200	Fund 300
Local Sources:			
1110 Current Year Taxes	\$ 94,472,038	\$ -	\$ 59,775,960
1112 Prior Year Taxes	1,819,857	-	1,082,341
1190 Penalties and Interest on Property Taxes	33,119	-	20,974
1412 Transportation Fees From Other Districts Within the State	19,689	-	-
1500 Earnings on Investments	5,869,818	1,812,573	1,412,228
1600 Food Service	-	266,126	-
1700 Extracurricular Activities	184	3,108,363	-
1800 Community Services Activities	-	6,775	-
1910 Rentals	310,957	31,418	-
1920 Contributions from Private Sources	2	458,213	-
1940 Services Provided	89,450	-	-
1950 Textbook Sales and Rentals	-	6,229	-
1960 Recovery of Prior Years' Expenditure	31,045	-	-
1970 Services Provided Other Funds	-	-	32,534,654
1980 Fees Charged to Grants	3,849,368	-	-
1990 Miscellaneous	6,823,645	1,945,753	-
Total Local Sources	113,319,172	7,635,450	94,826,157
Intermediate Sources:			
2101 County School Funds	455,624	-	-
2102 General ESD Funds	18,280,796	-	-
2199 Other Intermediate Sources	94,743	-	59,749
2200 Restricted Revenue	-	396,692	-
Total Intermediate Sources	18,831,163	396,692	59,749
State Sources:			
3101 State School Fund	386,422,993	-	-
3102 State School Fund - School Lunch Match	-	150,372	-
3103 Common School Fund	5,236,824	-	-
3199 Other Unrestricted Grants-in-Aid	2,834,409	-	-
3222 State School Fund (SSF) Transportation Equipment	-	3,783,710	-
3299 Other Restricted Grants-in-Aid	140,358	72,407,455	-
Total State Sources	394,634,584	76,341,537	-
Federal Sources:			
4200 Unrestricted Federal Revenue Through State	17,171	-	-
4300 Restricted Federal Revenue	-	174,736	-
4500 Restricted Federal Revenue Through State	1,113,723	77,319,662	-
4801 Federal Forest Fees	354	-	-
4900 Revenue on behalf of District	-	1,763,080	-
Total Federal Sources	1,131,248	79,257,478	-
Other Sources:			
5200 Interfund Transfers	-	17,430,451	-
5300 Sale of Capital Assets	51,989	-	-
5300 Loss on Termination of Lease	(8,896)	-	-
5400 Resources - Beginning Fund Balance	109,954,460	56,157,502	31,708,379
Total Other Sources	109,997,553	73,587,953	31,708,379
Total Revenues	\$ 637,913,720	\$ 237,219,110	\$ 126,594,285

Fund 400	Fund 600	Fund 700	Total
\$ -	\$ -	\$ -	\$ 154,247,998
-	-	-	2,902,198
-	-	-	54,093
-	-	-	19,689
4,572,804	1,076,482	-	14,743,905
-	-	-	266,126
-	-	-	3,108,547
-	-	-	6,775
-	-	-	342,375
244,200	-	-	702,415
-	113,226	-	202,676
-	-	-	6,229
43,982	36,425	-	111,452
-	11,053,971	-	43,588,625
-	-	-	3,849,368
174,159	9,754,251	58,433	18,756,241
5,035,145	22,034,355	58,433	242,908,712
-	-	-	455,624
-	-	-	18,280,796
-	-	-	154,492
-	-	-	396,692
-	-	-	19,287,604
-	-	-	386,422,993
-	-	-	150,372
-	-	-	5,236,824
-	-	-	2,834,409
-	-	-	3,783,710
460,673	32,482	-	73,040,968
460,673	32,482	-	471,469,276
-	-	-	17,171
-	-	-	174,736
-	-	-	78,433,385
-	-	-	354
-	-	-	1,763,080
-	-	-	80,388,726
3,043,643	-	-	20,474,094
-	(11,742)	-	40,247
-	-	-	(8,896)
222,529,305	24,285,314	138,815	444,773,775
225,572,948	24,273,572	138,815	465,279,220
\$ 231,068,766	\$ 46,340,409	\$ 197,248	\$ 1,279,333,538

SALEM-KEIZER SCHOOL DISTRICT 24J
GENERAL FUND (100) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2023

	Object 100	Object 200	Object 300
Instruction:			
1111 Elementary, K-5	\$ 65,724,354	\$ 40,033,277	\$ 609,024
1121 Middle/Junior High Programs	26,388,094	15,534,890	540,055
1122 Middle/Junior High School Extracurricular	686,238	264,337	435,002
1131 High School Programs	38,614,885	22,047,159	732,759
1132 High School Extracurricular	3,223,282	1,238,741	302,785
1140 Preschool Programs	27,771	15,900	143
1210 Programs for the Talented and Gifted	260,929	134,341	955
1220 Restrictive Programs for Students with Disabilities	24,438,648	16,795,898	297,797
1250 Less Restrictive Programs for Students with Disabilities	18,390,908	12,063,708	1,159,106
1260 Treatment and Habilitation	168,262	99,868	7,246
1280 Alternative Education	4,132,133	2,406,652	8,132,857
1291 English Language Learner	9,239,848	5,737,521	4,235
1292 Teen Parent Programs	698,530	410,479	7,202
1299 Other Programs	26,049	7,021	14,284
1400 Summer School Programs	12,533	5,047	1,015
Total Instruction	192,032,464	116,794,839	12,244,465
Support Services:			
2110 Attendance and Social Work Services	3,710,417	2,252,146	204,583
2120 Guidance Services	7,958,656	4,802,134	(46,971)
2130 Health Services	2,062,404	1,198,927	38,303
2140 Psychological Services	1,083,526	554,750	8,981
2150 Speech Pathology and Audiology Services	4,202,595	2,391,553	1,085,997
2160 Other Student Treatment Services	1,059,824	635,867	46,548
2190 Service Direction, Student Support Services	441,705	250,524	15,812
2210 Improvement of Instruction Services	2,911,226	1,532,412	110,128
2220 Educational Media Services	3,263,762	2,204,086	111,317
2230 Assessment and Testing	359,321	216,962	95,884
2240 Instructional Staff Development	4,013,661	2,292,515	442,444
2310 Board of Education Services	5,821	2,068	1,003,717
2320 Executive Administration Services	1,485,124	679,092	62,293
2410 Office of the Principal Services	24,414,142	14,249,065	570,333
2490 Other Support Services - School Administration	1,769,142	934,235	53,660
2510 Direction of Business Support Services	381,435	192,081	11,408
2520 Fiscal Services	1,776,096	972,301	188,415
2540 Operation and Maintenance of Plant Services	14,980,171	11,073,638	12,455,127
2550 Student Transportation Services	13,755,894	10,138,832	1,257,379
2570 Internal Services	1,112,607	405,554	111,692
2620 Planning, Research, Development, Evaluation, Services, Grant Writing and Statistical Services	-	-	12,375
2630 Information Services	685,656	372,382	13,828
2640 Staff Services	3,290,364	1,944,741	325,010
2660 Technology Services	6,011,641	3,407,746	1,065,089
2680 Interpretation and Translation	707,334	481,215	10,676
2690 Other Support Services - Central	-	556,318	303,128
2700 Supplemental Retirement Program	100,748	18,974	-
Total Support Services	101,543,272	63,760,118	19,557,156
Enterprise and Community Services:			
3100 Food Service	-	-	-
Facilities Acquisition and Construction:			
4120 Site Acquisition and Development Services	-	-	8,500
4150 Building Acquisition, Const., and Improvement Services	-	-	10,812
Total Facilities Acquisition and Construction	-	-	19,312
Other Uses:			
5200 Transfers of Funds	-	-	-
Total Expenditures	\$ 293,575,736	\$ 180,554,957	\$ 31,820,933

Object 400	Object 500	Object 600	Object 700	Total
\$ 1,136,705	\$ -	\$ 2,596	\$ -	\$ 107,505,956
716,103	1,300	57,845	-	43,238,287
35,447	-	5,109	-	1,426,133
1,655,750	58,259	122,533	-	63,231,345
324,163	76,376	100,792	-	5,266,139
44,842	-	-	-	88,656
54,174	-	405	-	450,804
88,404	-	280	-	41,621,027
122,508	-	-	-	31,736,230
17,219	-	-	-	292,595
99,671	-	28,550	-	14,799,863
86,379	-	10,994	-	15,078,977
18,319	-	-	-	1,134,530
5,978	-	-	-	53,332
3,491	-	-	-	22,086
4,409,153	135,935	329,104	-	325,945,960
23,800	-	-	-	6,190,946
8,425	-	-	-	12,722,244
3,764	-	-	-	3,303,398
8,724	-	-	-	1,655,981
46,729	-	-	-	7,726,874
19,125	-	-	-	1,761,364
67,927	-	-	-	775,968
261,173	-	2,735	-	4,817,674
364,775	-	339	-	5,944,279
156,333	-	-	-	828,500
72,687	-	8,722	-	6,830,029
4,665	-	22,140	-	1,038,411
23,306	-	8,517	-	2,258,332
630,360	123,264	15,674	-	40,002,838
47,317	-	1,127	-	2,805,481
64,006	-	299	-	649,229
41,072	-	11,390	-	2,989,274
3,033,674	450,903	441,232	-	42,434,745
2,079,682	10,007,454	206,989	-	37,446,230
98,873	-	6,579	-	1,735,305
-	-	-	-	12,375
48,457	-	7,127	-	1,127,450
122,488	-	24,579	-	5,707,182
2,528,765	15,216	82,269	-	13,110,726
5,013	-	-	-	1,204,238
-	-	-	-	859,446
-	-	-	-	119,722
9,761,140	10,596,837	839,718	-	206,058,241
73,084	-	-	-	73,084
-	-	-	-	8,500
-	-	-	-	10,812
-	-	-	-	19,312
-	-	-	19,180,451	19,180,451
\$ 14,243,377	\$ 10,732,772	\$ 1,168,822	\$ 19,180,451	\$ 551,277,048

SALEM-KEIZER SCHOOL DISTRICT 24J
SPECIAL REVENUE FUNDS (200) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2023

	Object 100	Object 200	Object 300
Instruction:			
1111 Primary, K-5	\$ 5,232,329	\$ 3,210,637	\$ 740,955
1113 Elementary Extracurricular	73,479	28,606	1,560,591
1121 Middle/Junior High Programs	2,604,039	1,586,889	58,573
1122 Middle/Junior High School Extracurricular	312,108	112,729	274,595
1131 High School Programs	3,358,484	1,989,323	278,635
1132 High School Extracurricular	244,733	79,019	1,324,829
1140 Pre-Kindergarten Programs	3,994,989	2,406,366	250,113
1220 Restrictive Programs for Students with Disabilities	1,404,984	893,110	13,671
1250 Less Restrictive Programs for Students with Disabilities	1,705,941	995,008	84,181
1260 Treatment and Habilitation	465,294	270,771	-
1271 Remediation	480,846	188,978	80,532
1272 Title I	3,096,047	1,972,237	29,196
1280 Alternative Education	595,892	368,304	840,601
1291 English Language Learner	1,354,846	795,553	503
1292 Teen Parent Program	-	-	-
1293 Migrant Education	803,742	460,447	81,469
1299 Other Programs	8,824	3,445	18,564
1400 Summer School Programs	1,621,605	609,694	523,802
Total Instruction	27,358,182	15,971,116	6,160,810
Support Services:			
2110 Attendance and Social Work Services	3,773,034	2,390,197	366,615
2120 Guidance Services	1,219,938	721,034	109,779
2130 Health Services	1,347,276	906,103	548,303
2140 Psychological Services	372,015	195,660	-
2150 Speech Pathology and Audiology Services	559,342	372,785	-
2160 Other Student Treatment Services	61,769	27,822	-
2190 Service Direction, Student Support Services	1,854,930	1,111,213	6,456
2210 Improvement of Instruction Services	2,404,461	1,330,128	181,659
2220 Educational Media Services	-	-	-
2230 Assessment and Testing	-	-	-
2240 Instructional Staff Development	6,439,453	3,257,022	1,901,828
2410 Office of the Principal	497,411	266,566	186,753
2490 Other Support Services - School Administration	2,778,600	1,356,250	182,644
2520 Fiscal Services	49,139	29,296	91,136
2540 Operation and Maintenance of Plant Services	268,106	193,714	248,712
2550 Student Transportation Services	-	-	75,000
2570 Internal Services	78,002	42,726	-
2620 Planning, Research, Development, Evaluation	17,719	6,880	27,272
2630 Information Services	76,885	38,880	15,156
2640 Staff Services	10,213,097	3,908,436	386,387
2660 Technology Services	175,420	103,197	865,309
2680 Interpretation and Transpation Services	257,350	167,772	47,015
Total Support Services	32,443,947	16,425,681	5,240,024
Enterprise and Community Services:			
3100 Food Services	212,300	118,802	13,780,009
3300 Community Services	1,975,896	1,209,140	548,994
Total Enterprise and Community Services	2,188,196	1,327,942	14,329,003
Facilities Acquisition and Construction:			
4120 Site Acquisition and Development Services	-	-	-
4150 Building Acquisition, Construction, and Improvement	-	-	-
Total Facilities Acquisition and Construction	-	-	-
Other Uses:			
5100 Debt Service	-	-	-
5200 Transfers of Funds	-	-	-
Total Other Uses	-	-	-
Total Expenditures	\$ 61,990,325	\$ 33,724,739	\$ 25,729,837

Object 400	Object 500	Object 600	Object 700	Total
\$ 3,533,794	\$ 43,133	\$ -	\$ -	\$ 12,760,848
659,609	38,499	12,993	-	2,373,777
1,823,615	28,706	-	-	6,101,822
525,721	10,919	14,251	-	1,250,323
3,985,320	508,753	142,501	-	10,263,016
2,181,879	134,960	636,306	-	4,601,726
852,769	63,043	15,947	-	7,583,227
226,078	-	9	-	2,537,852
214,402	-	243	-	2,999,775
-	-	-	-	736,065
21,273	-	-	-	771,629
275,124	-	-	-	5,372,604
145,581	-	-	-	1,950,378
211,561	-	-	-	2,362,463
3,044	-	-	-	3,044
81,592	-	-	-	1,427,250
54,424	-	-	-	85,257
142,967	-	-	-	2,898,068
14,938,753	828,013	822,250	-	66,079,124
114,133	115,366	697	-	6,760,042
3,799	-	1,100	-	2,055,650
79,004	-	-	-	2,880,686
174	-	-	-	567,849
7,536	-	-	-	939,663
174,542	-	-	-	264,133
67,107	15,950	-	-	3,055,656
646,301	14,668	-	-	4,577,217
54,973	-	-	-	54,973
-	-	49,118	-	49,118
745,481	-	64,434	-	12,408,218
10,690	-	-	-	961,420
95,864	-	-	-	4,413,358
23	-	3,841,023	-	4,010,617
2,532,190	27,110	-	-	3,269,832
-	2,900,872	-	-	2,975,872
1,900	630,971	-	-	753,599
1,212	-	-	-	53,083
53,254	-	775	-	184,950
121,945	-	54,530	-	14,684,395
27,436	-	8,111	-	1,179,473
7,529	-	-	-	479,666
4,745,093	3,704,937	4,019,788	-	66,579,470
2,151,680	488,932	625,878	-	17,377,601
406,080	-	1,400	-	4,141,510
2,557,760	488,932	627,278	-	21,519,111
-	463,887	-	-	463,887
2,573	3,252,337	-	-	3,254,910
2,573	3,716,224	-	-	3,718,797
-	-	6,299,670	-	6,299,670
-	-	-	1,293,643	1,293,643
-	-	6,299,670	1,293,643	7,593,313
\$ 22,244,179	\$ 8,738,106	\$ 11,768,986	\$ 1,293,643	\$ 165,489,815



SALEM-KEIZER SCHOOL DISTRICT 24J
DEBT SERVICE FUNDS (300) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2023

	<u>Object 600</u>	<u>Total</u>
Other Uses:		
5100 Debt Service	<u>\$ 87,567,890</u>	<u>\$ 87,567,890</u>
Total Expenditures	<u><u>\$ 87,567,890</u></u>	<u><u>\$ 87,567,890</u></u>

SALEM-KEIZER SCHOOL DISTRICT 24J
CAPITAL PROJECTS FUNDS (400) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2023

	<u>Object 100</u>	<u>Object 200</u>	<u>Object 300</u>
Support Services:			
2540 Operation and Maintenance of Plant	\$ -	\$ -	\$ 21,863
Facilities Acquisition and Construction:			
4110 Direction	876,027	489,115	3,839,047
4120 Site Acquisition and Development Services	-	-	7,246
4150 Building Acquisition, Construction, and Improvement Services	-	-	279,190
4180 Other Capital Items	-	-	-
Total Facilities Acquisition and Construction	<u>876,027</u>	<u>489,115</u>	<u>4,125,483</u>
Total Expenditures	<u>\$ 876,027</u>	<u>\$ 489,115</u>	<u>\$ 4,147,346</u>

Object 400	Object 500	Object 600	Total
\$ -	\$ -	\$ -	\$ 21,863
166,492	578,438	86,319	6,035,438
454	10,746,826	-	10,754,526
520,114	114,829,230	-	115,628,534
92,209	359,358	-	451,567
779,269	126,513,852	86,319	132,870,065
<u>\$ 779,269</u>	<u>\$ 126,513,852</u>	<u>\$ 86,319</u>	<u>\$ 132,891,928</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
INTERNAL SERVICE FUNDS (600) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2023

	<u>Object 100</u>	<u>Object 200</u>	<u>Object 300</u>
Instruction:			
1280 Alternative Education	\$ 1,592,100	\$ 916,561	\$ 3,822,450
Support Services:			
2110 Attendance and Social Work Services	-	-	421,146
2520 Fiscal Services	782,638	572,994	1,168,932
2540 Operation and Maintenance of Plant	23,980	22,127	-
2570 Other Internal Services	909,394	591,284	666,696
Total Support Services	<u>1,716,012</u>	<u>1,186,405</u>	<u>2,256,774</u>
Total Expenditures	<u>\$ 3,308,112</u>	<u>\$ 2,102,966</u>	<u>\$ 6,079,224</u>

Object 400	Object 500	Object 600	Total
\$ 38,050	\$ -	\$ 42,356	\$ 6,411,517
-	-	-	421,146
240,491	6,130	4,534,084	7,305,269
-	-	-	46,107
2,796,779	153,369	1,738	5,119,260
3,037,270	159,499	4,535,822	12,891,782
\$ 3,075,320	\$ 159,499	\$ 4,578,178	\$ 19,303,299



**SALEM-KEIZER SCHOOL DISTRICT 24J
FIDUCIARY FUND (700) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2023**

	<u>Object 400</u>	<u>Total</u>
Enterprise and Community Services:		
3300 Community Services	\$ 89,199	\$ 89,199
Total Expenditures	<u>\$ 89,199</u>	<u>\$ 89,199</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF FULL FAITH & CREDIT OBLIGATION BONDS AND INTEREST TRANSACTIONS
YEAR ENDED JUNE 30, 2023

Issue Date	Principal				
	Original Amount	Outstanding July 1, 2022	Matured	Redeemed	Outstanding June 30, 2023
October 22, 2020	\$ 60,392,940	\$ 60,392,940	\$ 5,525,323	\$ 5,525,323	\$ 54,867,617

SCHEDULE OF GENERAL OBLIGATION BONDS AND INTEREST TRANSACTIONS
YEAR ENDED JUNE 30, 2023

Issue Date	Principal				
	Original Amount	Outstanding July 1, 2022	Matured	Redeemed	Outstanding June 30, 2023
March 16, 2009	\$ 178,715,189	\$ 81,303,487	\$ 11,606,477	\$ 11,606,477	\$ 69,697,010
July 25, 2018	383,230,000	354,985,000	7,770,000	7,770,000	347,215,000
July 7, 2020	236,467,346	235,159,421	1,646,840	1,646,840	233,512,581
	<u>\$ 798,412,535</u>	<u>\$ 671,447,908</u>	<u>\$ 21,023,317</u>	<u>\$ 21,023,317</u>	<u>\$ 650,424,591</u>

SCHEDULE OF LIMITED TAX PENSION OBLIGATION BONDS AND INTEREST TRANSACTIONS
YEAR ENDED JUNE 30, 2023

Issue Date	Principal				
	Original Amount	Outstanding July 1, 2022	Matured	Redeemed	Outstanding June 30, 2023
October 31, 2002	\$ 106,974,763	\$ 69,095,000	\$ 9,790,000	\$ 9,790,000	\$ 59,305,000
February 19, 2004	88,815,000	50,760,000	7,190,000	7,190,000	43,570,000
January 29, 2015	50,145,000	33,900,000	2,475,000	2,475,000	31,425,000
	<u>\$ 245,934,763</u>	<u>\$ 153,755,000</u>	<u>\$ 19,455,000</u>	<u>\$ 19,455,000</u>	<u>\$ 134,300,000</u>

	Interest	
Interest Coupon Rates	Matured	Redeemed
0.44%-3.00%	\$ 64,677	\$ 64,677

	Interest	
Interest Coupon Rates	Matured	Redeemed
4.01%-5.84%	\$ 12,713,523	\$ 12,713,523
4.00%-5.00%	17,589,250	17,589,250
2.59%-5.00%	8,954,710	8,954,710
	<u>\$ 39,257,483</u>	<u>\$ 39,257,483</u>

	Interest	
Interest Coupon Rates	Matured	Redeemed
2.06%-6.10%	\$ 3,828,899	\$ 3,828,899
3.67%-5.53%	2,806,013	2,806,013
0.35%-3.82%	1,197,178	1,197,178
	<u>\$ 7,832,090</u>	<u>\$ 7,832,090</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF FUTURE DEBT SERVICE REQUIREMENT OF
FULL FAITH & CREDIT OBLIGATION BONDS
YEAR ENDED JUNE 30, 2023

Fiscal Year	Principal	Interest	Total
2024	5,468,218	116,783	5,585,001
2025	5,396,362	193,638	5,590,000
2026	5,273,134	311,866	5,585,000
2027	5,144,399	440,601	5,585,000
2028	5,002,154	592,846	5,595,000
2029	4,824,792	770,208	5,595,000
2030	4,653,081	941,918	5,594,999
2031	1,635,448	409,552	2,045,000
2032	1,568,597	476,403	2,045,000
2033	1,512,265	537,736	2,050,001
2034	1,452,993	592,007	2,045,000
2035	1,396,715	648,284	2,044,999
2036	1,350,354	694,646	2,045,000
2037	1,306,407	738,593	2,045,000
2038	1,262,890	782,110	2,045,000
2039	1,219,843	825,158	2,045,001
2040	1,177,347	867,653	2,045,000
2041	1,106,446	939,725	2,046,171
2042	1,075,245	973,325	2,048,570
2043	1,044,044	1,005,198	2,049,242
2044	1,012,842	1,035,250	2,048,092
2045	984,041	1,065,959	2,050,000
Total Future Payments	<u>\$ 54,867,617</u>	<u>\$ 14,959,459</u>	<u>\$ 69,827,076</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF FUTURE DEBT SERVICE REQUIREMENT OF
GENERAL OBLIGATION BONDS
YEAR ENDED JUNE 30, 2023

Fiscal Year	Principal	Interest	Total
2024	\$ 22,252,407	\$ 39,953,644	\$ 62,206,051
2025	23,513,064	40,615,237	64,128,301
2026	24,853,785	41,200,266	66,054,051
2027	26,314,990	41,720,060	68,035,050
2028	28,008,499	42,066,551	70,075,050
2029	29,792,624	42,385,176	72,177,800
2030	31,728,224	42,617,823	74,346,047
2031	33,761,936	20,780,364	54,542,300
2032	37,057,596	19,122,704	56,180,300
2033	40,563,951	17,301,349	57,865,300
2034	44,296,228	15,305,322	59,601,550
2035	48,390,163	12,997,387	61,387,550
2036	53,540,000	9,879,200	63,419,200
2037	57,810,000	7,434,150	65,244,150
2038	62,410,000	4,791,950	67,201,950
2039	56,202,487	12,895,263	69,097,750
2040	29,928,637	20,461,363	50,390,000
Total Future Payments	<u>\$ 650,424,591</u>	<u>\$ 431,527,809</u>	<u>\$ 1,081,952,400</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF FUTURE DEBT SERVICE REQUIREMENT OF
LIMITED TAX PENSION OBLIGATION BONDS
YEAR ENDED JUNE 30, 2023

Fiscal Year	Principal	Interest	Total
2024	\$ 21,620,000	\$ 6,828,154	\$ 28,448,154
2025	23,960,000	5,696,627	29,656,627
2026	26,480,000	4,434,650	30,914,650
2027	29,205,000	3,030,190	32,235,190
2028	15,155,000	1,472,653	16,627,653
2029	2,990,000	682,658	3,672,658
2030	3,105,000	568,500	3,673,500
2031	3,225,000	449,951	3,674,951
2032	3,350,000	326,821	3,676,821
2033	3,475,000	198,918	3,673,918
2034	1,735,000	66,242	1,801,242
Total Future Payments	<u>\$ 134,300,000</u>	<u>\$ 23,755,364</u>	<u>\$ 158,055,364</u>

SALEM-KEIZER SCHOOL DISTRICT 24J
SUPPLEMENTAL INFORMATION, 2022-2023
(REQUIRED BY THE OREGON DEPARTMENT OF EDUCATION)

A. Energy Bill for Heating - All Funds

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

	Objects 325, 326 & 327
Function 2540	\$ 8,679,415
Function 2550	\$ -

B. Replacement of Equipment - General Fund

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

Exclude these functions:

\$	-
----	---

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



STATISTICAL SECTION

SALEM-KEIZER SCHOOL DISTRICT 24J
STATISTICAL SECTION
OVERVIEW

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

SALEM-KEIZER SCHOOL DISTRICT 24J

STATISTICAL SECTION

TABLE OF CONTENTS

<u>Contents</u>	<u>Page</u>
<i>Financial Trends</i>	
Condensed Statement of Net Position by Component – Last Ten Fiscal Years	138
Changes in Net Position – Last Ten Fiscal Years	140
Fund Balances of Governmental Funds – Last Ten Fiscal Years	143
Primary Government-Wide Revenues – Last Ten Fiscal Years	144
Governmental Funds Revenues, Expenditures, Other Financing Sources (Uses) and Debt Service Ratio – Last Ten Fiscal Years.....	146
Revenues and Other Financing Sources by Source (Non-GAAP Basis) – General Fund – Last Ten Fiscal Years.....	148
Expenditures and Other Financing Uses by Program (Non-GAAP Basis) – General Fund – Last Ten Fiscal Years.....	150
<i>Revenue Capacity</i>	
Property Tax Levies and Collections – General Fund – Last Ten Fiscal Years	152
Property Tax Levies and Collections – Debt Service Fund – Last Ten Fiscal Years.....	152
Comparison of General Fund Budget to Tax Levy – Last Ten Fiscal Years	153
Assessed Value and Real Market Value of Taxable Property – Last Ten Fiscal Years.....	155
Property Tax Rates Per \$1,000 of Assessed Valuation – Direct and Overlapping Governments – Last Ten Fiscal Years.....	156
Principal Taxpayers – Current and Nine Years Prior.....	158
<i>Debt Capacity</i>	
Legal Debt Margin Information – Last Ten Fiscal Years.....	159
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	160
Direct and Overlapping Governmental Activities Debt	161
Ratio of Annual Debt Service Requirements for General Obligation Bonded Debt to Total Budgeted General Fund Expenditures and Transfers – Last Ten Fiscal Years.....	162
Ratio of Net General Obligation Bonded Debt to True Cash Value and Net General Bonded Debt per Capita and per Student – Last Ten Fiscal Years.....	163
<i>Demographic and Economic Information</i>	
Demographic and Economic Statistics – Last Ten Calendar Years	164
Major Area Employers – Current and Nine Years Prior	165
Salem Metropolitan Area Employment – Largest to Smallest – Current and Nine Years Prior.....	166
Salem Metropolitan Area – Average Annual Employment – Last Ten Calendar Years.....	167
Population Ethnicity and Other Related Data	168
<i>Operating Information</i>	
School Building, Student Enrollment and Average Daily Membership (ADM) Information – Last Ten Fiscal Years	169
Average Daily Membership (ADM) – Last Ten Fiscal Years	174
Licensed, Classified and Administrative Full-Time Employees Staff Levels – Last Ten Fiscal Years	176
Teacher Base Salaries – Last Ten Fiscal Years.....	177
Operating Statistics – Last Ten Fiscal Years	178
Miscellaneous Statistical Data - Last Ten Fiscal Years	179

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

GOVERNMENTAL ACTIVITIES	2023	2022	2021	2020
ASSETS:				
Current and Other Assets	\$ 401,165,301	\$ 528,106,867	\$ 700,858,259	\$ 494,319,483
Net Capital Assets	1,140,861,091	1,008,186,979	801,896,538	617,445,293
Prepaid Pension Contributions	-	-	-	-
Pension Assets	-	-	-	-
Net OPEB Asset - RHIA	6,704,356	6,439,575	8,191,813	4,534,037
TOTAL ASSETS	1,548,730,748	1,542,733,421	1,510,946,610	1,116,298,813
DEFERRED OUTFLOWS OF RESOURCES:				
OPEB Deferred Outflows - RHIA	1,179,228	2,803,638	961,169	287,100
OPEB Deferred Outflows - RHIS	5,290,248	6,846,120	8,401,992	9,957,864
Pension Deferred Outflows - PERS	124,363,765	136,228,612	160,611,856	135,340,489
Deferred Amount on Bond Refunding	-	-	-	18,000
TOTAL DEFERRED OUTFLOWS	130,833,241	145,878,370	169,975,017	145,603,453
LIABILITIES:				
Other Liabilities	231,490,463	234,455,633	184,401,173	172,393,918
Long-term Debt Outstanding	898,264,113	943,189,544	1,035,583,925	732,424,065
Total OPEB Liability - RHIS	38,024,671	36,325,547	45,257,250	42,329,949
Net Pension Liability - PERS	337,565,369	257,260,647	494,604,136	394,594,093
Total Pension Liability - Stipend Benefits	-	-	-	-
Net OPEB Liability - RHIA	-	-	-	-
TOTAL LIABILITIES	1,505,344,616	1,471,231,371	1,759,846,484	1,341,742,025
DEFERRED INFLOWS OF RESOURCES:				
OPEB Deferred Inflows - RHIA	934,019	2,614,113	2,983,118	891,224
OPEB Deferred Inflows - RHIS	10,618,747	11,309,458	429,871	491,281
Pension Deferred Inflows - PERS	124,132,426	227,697,518	30,856,512	39,461,209
Lease Related Deferred Inflows	2,836,133	2,484,978	2,627,644	-
TOTAL DEFERRED INFLOWS	138,521,325	244,106,067	36,897,145	40,843,714
NET POSITION:				
Net Investment in Capital Assets	415,623,395	408,195,811	380,186,383	354,844,900
Restricted for Special Purposes	519,550	950,455	762,372	1,167,616
Restricted for OPEB - RHIA	6,949,565	6,629,100	6,169,864	3,929,913
Unrestricted	(387,394,462)	(442,501,013)	(502,940,621)	(480,625,902)
TOTAL NET POSITION	\$ 35,698,048	\$ (26,725,647)	\$ (115,822,002)	\$ (120,683,473)
BUSINESS TYPE ACTIVITIES				
ASSETS:				
Current and Other Assets	\$ -	\$ -	\$ -	\$ -
Pension Assets	-	-	-	-
TOTAL ASSETS	-	-	-	-
DEFERRED OUTFLOWS OF RESOURCES:				
Pension Deferred Outflows - PERS	-	-	-	-
LIABILITIES:				
Other Liabilities	-	-	-	-
Net Pension Liability - PERS	-	-	-	-
TOTAL LIABILITIES	-	-	-	-
DEFERRED INFLOWS OF RESOURCES:				
Pension Deferred Inflows - PERS	-	-	-	-
NET POSITION:				
Unrestricted	-	-	-	-
TOTAL NET POSITION	\$ -	\$ -	\$ -	\$ -

Source: Salem-Keizer Public Schools

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

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

FY 2020 was restated for GASB 84 implementation. FY 2021 was restated for GASB 87 implementation.

FY 2022 was restated for GASB 96 implementation and prior period adjustment relating to GASB 87.

2019	2018	2017	2016	2015	2014
\$ 609,264,092	\$ 150,258,866	\$ 143,080,056	\$ 158,919,641	\$ 174,587,436	\$ 167,122,010
478,549,171	451,356,649	434,278,494	431,323,086	416,135,610	406,135,755
-	-	-	-	-	183,232,781
-	-	-	-	56,333,378	-
2,606,873	968,900	-	-	-	-
1,090,420,136	602,584,415	577,358,550	590,242,727	647,056,424	756,490,546
1,162,909	1,130,778	1,156,047	-	-	-
8,711,901	-	-	-	-	-
162,541,689	138,738,558	202,049,375	69,109,541	79,382,440	-
36,000	571,117	1,128,720	1,686,323	2,243,926	2,801,529
172,452,499	140,440,453	204,334,142	70,795,864	81,626,366	2,801,529
138,461,336	119,638,031	108,901,550	132,742,800	123,195,104	82,205,188
786,869,702	373,916,867	409,111,237	441,939,451	474,986,624	488,389,939
37,586,012	25,441,981	23,747,374	-	-	-
370,018,658	313,463,307	330,280,248	122,378,153	-	-
16,442	305,933	1,204,740	-	-	-
-	-	638,414	-	-	-
1,332,952,150	832,766,119	873,883,563	697,060,404	598,181,728	570,595,127
723,844	454,544	-	-	-	-
-	-	-	-	-	-
27,893,900	9,580,033	6,909,596	31,727,285	108,700,599	-
-	-	-	-	-	-
28,617,744	10,034,577	6,909,596	31,727,285	108,700,599	-
312,831,305	284,229,566	245,110,046	221,821,653	194,496,722	172,893,673
469,654	129,021	2,507,364	6,904,637	6,877,725	9,841,417
3,045,938	1,645,134	517,633	-	-	-
(415,044,156)	(385,779,549)	(347,235,510)	(296,475,388)	(179,573,984)	5,961,858
\$ (98,697,259)	\$ (99,775,828)	\$ (99,100,467)	\$ (67,749,098)	\$ 21,800,463	\$ 188,696,948
\$ 38,321	\$ 194,319	\$ 525,894	\$ 333,869	\$ 258,570	\$ 251,499
-	-	-	-	38,829	-
38,321	194,319	525,894	333,869	297,399	251,499
-	-	125,548	47,249	18,859	-
-	55,998	9,055	8,441	7,940	780
-	-	205,226	83,667	-	-
-	55,998	214,281	92,108	7,940	780
-	-	4,294	21,692	74,925	-
38,321	138,321	432,867	267,318	233,393	250,719
\$ 38,321	\$ 138,321	\$ 432,867	\$ 267,318	\$ 233,393	\$ 250,719

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

	2023	2022	2021	2020
Expenses				
Governmental Activities				
Instructional Programs	\$ 386,987,524	\$ 373,548,655	\$ 382,302,838	\$ 368,583,635
Support Services:				
Student Transportation Services	26,860,258	21,800,485	24,551,452	22,324,258
Other Support Services	240,773,441	204,379,145	195,381,796	184,097,364
Community Services	4,240,867	3,523,672	3,372,167	2,859,575
Food Services	16,758,438	13,845,858	8,556,429	14,379,549
Facilities Services	4,575,412	4,988,379	10,317,947	7,332,653
Interest and Fees on Long-term Debt	39,041,567	41,085,225	42,452,111	38,439,497
Total Governmental Activities Expenses	719,237,507	663,171,419	666,934,740	638,016,531
Business-type Activities				
Community Services	-	-	-	-
Total Primary Government Expenses	<u>\$ 719,237,507</u>	<u>\$ 663,171,419</u>	<u>\$ 666,934,740</u>	<u>\$ 638,016,531</u>
Program Revenues				
Governmental Activities				
Charges for Services:				
Instructional Programs	\$ 10,568,415	\$ 9,218,031	\$ 7,260,260	\$ 9,217,812
Other Support Services	19,046,095	17,000,636	11,367,254	14,438,165
Community Services	6,775	4,910	-	5,765
Food Services	275,758	110,711	125,049	1,537,548
Facilities Services	-	-	-	-
Operating Grants and Contributions	148,943,200	131,911,910	84,573,738	52,279,934
Capital Grants and Contributions	8,464,924	23,881,582	15,125,100	4,742,854
Total Governmental Activities Program Revenues	187,305,167	182,127,780	118,451,401	82,222,078
Business-type Activities				
Rentals	-	-	-	-
Charges for Services	-	-	-	-
Total Business-type Activities Program Revenues	-	-	-	-
Total Primary Government Net (Expenses)	<u>\$ 531,932,340</u>	<u>\$ 481,043,639</u>	<u>\$ 548,483,339</u>	<u>\$ 555,794,453</u>
General Revenues				
Governmental Activities				
Property Taxes Levied for General Purposes	\$ 96,404,098	\$ 92,160,299	\$ 88,582,248	\$ 84,920,119
Property Taxes Levied for Debt Service	60,968,811	57,065,388	55,384,889	51,092,658
Revenue from Intermediate Sources	19,346,536	18,180,639	17,720,109	17,027,680
State School Fund (SSF) - General Support	387,024,024	378,106,583	371,745,116	356,550,799
SSF - Unrestricted High Cost Disability Grant	2,834,409	3,334,207	4,346,180	2,218,809
Common School Fund	5,236,824	4,614,782	8,978,724	4,044,246
Federal - General Support	1,131,248	198,256	6,682	138,783
Unrestricted State and Local Sources	368,592	2,179,782	3,082,050	1,341,310
Gain on Sale of Capital Asset	40,247	141,719	1,265,018	32,195
Earnings on Investments	14,743,905	919,645	1,901,891	15,790,789
Transfers	-	-	-	38,321
Miscellaneous	6,257,341	13,238,694	331,903	411,456
Total Governmental Activities General Revenues	594,356,035	570,139,994	553,344,810	533,607,165
Business-type Activities				
Transfers	-	-	-	(38,321)
Total Primary Government General Revenues	<u>\$ 594,356,035</u>	<u>\$ 570,139,994</u>	<u>\$ 553,344,810</u>	<u>\$ 533,568,844</u>
CHANGE IN NET POSITION				
Governmental Activities	\$ 62,423,695	\$ 89,096,355	\$ 4,861,471	\$ (22,187,288)
Business-type Activities	-	-	-	(38,321)
Total Primary Government	<u>\$ 62,423,695</u>	<u>\$ 89,096,355</u>	<u>\$ 4,861,471</u>	<u>\$ (22,225,609)</u>

Source: Salem-Keizer Public Schools

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

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

FY 2020 was restated for GASB 84 implementation. FY 2021 was restated for GASB 87 implementation.

FY 2022 was restated for GASB 96 implementation and prior period adjustment relating to GASB 87.

2019	2018	2017	2016	2015	2014
\$ 355,262,280	\$ 335,870,638	\$ 313,305,655	\$ 347,430,098	\$ 214,216,158	\$ 252,926,140
20,917,985	20,020,014	17,897,990	19,138,280	12,787,985	16,577,771
171,153,523	168,006,337	161,487,750	177,865,936	119,119,707	132,946,384
2,279,807	602,857	541,402	1,827,365	520,377	506,316
16,387,924	16,858,814	16,428,499	13,691,167	14,919,866	13,905,716
6,898,483	6,753,676	7,233,788	14,983,797	-	7,348,527
38,440,258	23,818,015	24,129,832	24,605,017	24,167,352	28,007,778
611,340,260	571,930,351	541,024,916	599,541,660	385,731,445	452,218,632
-	842,723	454,563	447,807	355,360	238,658
<u>\$ 611,340,260</u>	<u>\$ 572,773,074</u>	<u>\$ 541,479,479</u>	<u>\$ 599,989,467</u>	<u>\$ 386,086,805</u>	<u>\$ 452,457,290</u>
\$ 10,310,704	\$ 11,566,298	\$ 9,608,492	\$ 9,824,531	\$ 9,000,662	\$ 8,216,193
14,722,712	12,334,403	11,756,109	11,002,719	8,773,438	9,709,131
7,450	6,225	5,898	1,985	144,636	247,641
2,123,827	1,893,936	1,491,208	1,414,001	1,540,266	1,573,325
-	-	-	4,378	-	-
59,556,267	56,428,169	51,486,135	49,340,622	71,871,907	70,413,215
3,449,971	2,302,378	2,215,097	2,757,207	1,807,810	1,316,550
90,170,931	84,531,409	76,562,939	74,345,443	93,138,719	91,476,055
-	439,260	388,714	367,528	310,824	339,950
-	108,917	231,398	114,204	97,608	149,427
-	548,177	620,112	481,732	408,432	489,377
<u>\$ 521,169,329</u>	<u>\$ 487,693,488</u>	<u>\$ 464,296,428</u>	<u>\$ 525,162,292</u>	<u>\$ 292,539,654</u>	<u>\$ 360,491,858</u>
\$ 82,622,898	\$ 81,236,264	\$ 76,773,738	\$ 71,975,251	\$ 68,784,828	\$ 66,459,654
52,226,988	27,772,256	22,397,658	33,676,046	30,432,693	32,677,947
17,897,299	15,973,995	15,048,073	14,481,720	13,766,319	12,571,832
344,069,980	339,031,332	309,535,499	302,486,193	289,804,828	262,566,142
1,683,189	4,025,402	2,338,323	4,594,624	2,300,856	2,748,385
4,472,941	2,093,749	5,009,361	4,796,275	3,905,074	3,644,939
127,616	21,724	32,024	251,928	162,004	209,801
530,183	12,269,171	956,168	11,252	879,048	820,584
234,328	10,306	22,763	196,908	2,492	878,681
17,797,471	3,316,431	1,606,505	1,627,285	1,371,023	395,640
100,000	-	-	-	-	-
485,005	972,951	398,691	540,979	2,668,228	3,006,775
522,247,898	486,723,581	434,118,803	434,638,461	414,077,393	385,980,380
(100,000)	-	-	-	-	-
<u>\$ 522,147,898</u>	<u>\$ 486,723,581</u>	<u>\$ 434,118,803</u>	<u>\$ 434,638,461</u>	<u>\$ 414,077,393</u>	<u>\$ 385,980,380</u>
\$ 1,078,569	\$ (675,361)	\$ (30,343,174)	\$ (90,557,756)	\$ 121,484,667	\$ 25,237,803
-	(294,546)	165,549	33,925	53,072	250,719
<u>\$ 1,078,569</u>	<u>\$ (969,907)</u>	<u>\$ (30,177,625)</u>	<u>\$ (90,523,831)</u>	<u>\$ 121,537,739</u>	<u>\$ 25,488,522</u>



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

	2023	2022	2021	2020	2019
General Fund:					
Nonspendable	\$ 975,178	\$ 466,607	\$ 355,937	\$ 275,413	\$ 292,801
Committed	763,990	10,693,822	32,214,380	-	-
Unassigned	84,897,504	98,794,031	88,626,231	65,461,353	58,554,853
Total General Fund	<u>\$ 86,636,672</u>	<u>\$ 109,954,460</u>	<u>\$ 121,196,548</u>	<u>\$ 65,736,766</u>	<u>\$ 58,847,654</u>
All Other Governmental Funds:					
Nonspendable	\$ 1,298,625	\$ 1,469,990	\$ -	\$ -	\$ -
Restricted	87,955,590	214,192,511	388,684,395	287,561,874	438,199,597
Committed	45,563,756	44,084,484	47,708,592	13,006,367	12,203,848
Assigned	74,114,557	50,648,201	38,235,054	31,509,227	31,628,482
Total All Other Governmental Funds	<u>\$ 208,932,528</u>	<u>\$ 310,395,186</u>	<u>\$ 474,628,041</u>	<u>\$ 332,077,468</u>	<u>\$ 482,031,927</u>
	2018	2017	2016	2015	2014
General Fund:					
Nonspendable	\$ 244,987	\$ 287,315	\$ 248,221	\$ 296,170	\$ 204,599
Unassigned	51,233,046	44,265,384	49,197,236	44,135,114	32,924,527
Total General Fund	<u>\$ 51,478,033</u>	<u>\$ 44,552,699</u>	<u>\$ 49,445,457</u>	<u>\$ 44,431,284</u>	<u>\$ 33,129,126</u>
All Other Governmental Funds:					
Restricted	2,156,170	\$ 8,871,290	\$ 17,841,499	\$ 31,825,537	\$ 53,449,632
Committed	11,354,130	10,904,796	10,496,094	20,930,154	8,611,984
Assigned	27,120,079	25,476,685	25,565,756	21,285,837	18,429,846
Total All Other Governmental Funds	<u>\$ 40,630,379</u>	<u>\$ 45,252,771</u>	<u>\$ 53,903,349</u>	<u>\$ 74,041,528</u>	<u>\$ 80,491,462</u>

Source: Salem-Keizer Public Schools

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

Year Ended June 30	Total	Program Revenues			Property Taxes- General Purpose	Property Taxes- Debt Service	Intermediate Sources
		Charges for Services	Operating Contributions	Capital Grants and Contributions			
2023	\$ 781,661,202	\$ 29,897,043	\$ 148,943,200	\$ 8,464,924	\$ 96,404,098	\$ 60,968,811	\$ 19,346,536
2022	752,267,774	26,334,288	131,911,910	23,881,582	92,160,299	57,065,388	18,180,639
2021	671,796,211	18,752,563	84,573,738	15,125,100	88,582,248	55,384,889	17,720,109
2020	615,786,522	25,199,290	52,279,934	4,742,854	84,920,119	51,092,658	17,027,680
2019	612,318,829	27,164,693	59,556,267	3,449,971	82,622,898	52,226,988	17,897,299
2018	571,803,167	26,349,039	56,428,169	2,302,378	81,236,264	27,772,256	15,973,995
2017	511,301,854	23,481,819	51,486,135	2,215,097	76,773,738	22,397,658	15,048,073
2016	509,465,636	22,729,346	49,340,622	2,757,207	71,975,251	33,676,046	14,481,720
2015	507,624,544	19,867,434	71,871,907	1,807,810	68,784,828	30,432,693	13,766,319
2014	477,945,812	20,235,667	70,413,215	1,316,550	66,459,654	32,677,947	12,571,832

Source: Salem-Keizer Public Schools

General Revenues

State School Fund General Support	State School Fund Unrestricted Other	Common School Fund	Federal Sources General	Unrestricted State and Local Sources	Earnings on Investments	Miscellaneous Revenue
\$ 387,024,024	\$ 2,834,409	\$ 5,236,824	\$ 1,131,248	\$ 368,592	\$ 14,743,905	\$ 6,297,588
378,106,583	3,334,207	4,614,782	198,256	2,179,782	919,645	13,380,413
371,745,116	4,346,180	8,978,724	6,682	3,082,050	1,901,891	1,596,921
356,550,799	2,218,809	4,044,246	138,783	1,341,310	11,825,284	4,404,756
344,069,980	1,683,189	4,472,941	127,616	530,183	13,517,879	4,998,925
339,031,332	4,025,402	2,093,749	21,724	12,269,171	3,295,569	1,004,119
309,535,499	2,338,323	5,009,361	32,024	956,168	1,431,159	596,800
302,486,193	4,594,624	4,796,275	251,928	11,252	1,500,772	864,400
289,804,828	2,300,856	3,905,074	162,004	879,048	1,371,023	2,670,720
262,566,142	2,748,385	3,644,939	209,801	820,584	395,640	3,885,456

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

	2023	2022	2021	2020	2019
Revenues					
Property and Other Taxes	\$ 157,204,289	\$ 149,027,204	\$ 144,007,283	\$ 135,992,586	\$ 137,317,534
Local Sources	49,944,212	53,221,547	32,796,419	34,357,085	37,941,291
Earnings on Investments	13,667,423	790,506	1,705,825	15,227,597	17,186,321
Intermediate Sources	19,287,604	20,254,839	18,650,380	19,320,846	18,467,155
State Sources	471,436,794	438,089,324	425,004,136	377,933,189	368,027,812
Federal Sources	80,388,726	81,573,625	57,718,489	39,447,382	42,178,777
Total Revenues	791,929,048	742,957,045	679,882,532	622,278,685	621,118,890
Expenditures					
Current					
Instruction	392,612,250	386,692,634	339,621,059	326,889,674	322,815,594
Support Services	285,146,288	251,856,234	196,489,990	177,939,387	175,060,464
Enterprise and Community Services	4,141,510	3,646,346	3,095,363	2,607,657	2,118,659
Food Services	17,450,685	14,207,631	8,698,731	15,105,529	16,522,470
Facilities Acquisition & Construction	136,608,174	177,509,490	201,026,049	156,966,343	38,856,551
Debt Service					
Principal	46,670,795	38,283,167	41,503,223	50,626,123	31,603,289
Interest	47,196,765	47,300,627	41,305,110	35,279,835	33,299,318
Total Expenditures ¹	929,826,467	919,496,129	831,739,525	765,414,548	620,276,345
Excess (deficiency) of revenues over (under) expenditures	(137,897,419)	(176,539,084)	(151,856,993)	(143,135,863)	842,545
Other Financing Sources and Uses					
Subscription Financing	794,363	-	-	-	-
Lease Financing	12,279,517	922,422	-	-	-
Loss on Termination of Lease	(8,896)	-	-	-	-
Sale of or Compensation for Loss of Assets	51,989	141,719	1,265,018	32,195	234,328
Transfers In	20,474,094	4,031,916	5,959,623	1,608,321	9,262,802
Transfers Out	(20,474,094)	(4,031,916)	(5,959,623)	(1,570,000)	(9,762,802)
Sale of Pension Bonds	-	-	-	-	-
Lump Sum Payment on Pension UAL	-	-	-	-	-
Long-term Debt Financing	-	-	60,392,940	-	-
Sale of General Obligation Bonds	-	-	236,467,346	-	383,230,000
Premium on Issuance of Bonds	-	-	51,547,470	-	64,964,296
Total Other Financing Sources and Uses	13,116,973	1,064,141	349,672,774	70,516	447,928,624
Net Change in Fund Balances	\$ (124,780,446)	\$ (175,474,943)	\$ 197,815,781	\$ (143,065,347)	\$ 448,771,169
Expenditures for Capital Outlay - (included in Total Expenditures)	\$ 157,301,549	\$ 220,158,456	\$ 196,073,393	\$ 152,567,643	\$ 39,996,724
Debt Services as a Percentage of					
Noncapital Expenditures	12.15%	12.24%	13.03%	14.02%	11.18%

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

	2018	2017	2016	2015	2014
\$	106,700,437	\$ 99,590,868	\$ 105,944,729	\$ 99,920,726	\$ 98,650,144
	49,366,151	36,453,124	33,707,616	31,979,185	34,807,130
	2,876,012	1,686,027	1,627,285	1,371,023	395,640
	17,848,658	16,667,069	15,219,988	14,451,999	12,960,454
	355,335,685	325,324,703	319,424,073	304,165,887	274,477,511
	44,682,347	40,096,109	40,688,340	43,999,955	42,026,000
	576,809,290	519,817,900	516,612,031	495,888,775	463,316,879
	311,562,536	292,036,745	277,974,651	257,270,832	245,099,913
	169,597,479	163,446,602	166,835,483	146,604,642	140,985,333
	784,831	631,867	428,024	447,621	446,675
	21,213,013	17,270,612	16,763,087	14,959,648	14,328,054
	20,740,692	10,651,985	20,999,372	21,252,657	16,598,607
	34,483,217	32,119,374	38,815,965	34,672,523	31,024,619
	16,134,886	17,087,512	16,596,307	16,342,547	16,588,025
	574,516,654	533,244,697	538,412,889	491,550,470	465,071,226
	2,292,636	(13,426,797)	(21,800,858)	4,338,305	(1,754,347)
	-	-	-	-	-
	-	-	6,479,944	139,221	-
	-	-	-	-	-
	10,306	19,279	196,908	10,550	1,149,635
	8,709,306	6,520,000	3,620,000	2,820,000	2,726,427
	(8,709,306)	(6,520,000)	(3,620,000)	(2,820,000)	(2,726,427)
	-	-	-	50,145,000	-
	-	-	-	(49,780,852)	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	10,306	19,279	6,676,852	513,919	1,149,635
\$	2,302,942	\$ (13,407,518)	\$ (15,124,006)	\$ 4,852,224	\$ (604,712)
\$	27,587,990	\$ 13,762,101	\$ 25,445,316	\$ 19,651,593	\$ 14,089,555
	9.25%	9.47%	10.80%	10.81%	10.56%

SALEM-KEIZER SCHOOL DISTRICT 24J
REVENUES AND OTHER FINANCING SOURCES BY SOURCE (NON-GAAP BASIS)
GENERAL FUND¹
LAST TEN FISCAL YEARS ENDED JUNE 30

Revenues:	2023	2022	2021	2020	2019
Local Sources:					
District Property Taxes: ²					
Current Year	\$ 94,472,038	\$ 89,576,163	\$ 86,914,165	\$ 83,106,821	\$ 79,772,315
Prior Year	1,852,976	2,514,514	1,809,282	2,039,376	4,801,412
Tuition	-	8,625	9,185	13,064	43,151
Transportation Fees From Other Districts Within the State	19,689	7,017	227	-	-
Earnings on Investments	5,869,818	(19,618)	372,328	2,977,005	3,596,052
Recovery of Prior Year Expenditures	31,045	105,535	70,133	119,947	113,742
Administrative Support Reimbursement	3,849,368	3,766,987	2,727,366	1,597,191	1,949,223
Miscellaneous Local Sources	7,224,054	14,113,204	872,784	1,507,818	1,511,513
Associated Student Activities	184	-	-	-	-
Total Local Sources	113,319,172	110,072,427	92,775,470	91,361,222	91,787,408
Intermediate Sources:					
County School Fund	455,624	1,488,334	310,221	1,003,438	865,412
Speech Therapy Program	-	-	-	-	-
General ESD Funds	18,280,796	17,845,697	17,480,117	17,027,679	16,166,475
Other Intermediate Sources	94,743	162,932	195,281	-	-
Other Restricted	-	-	-	-	-
Structured Learning Program	-	-	-	-	-
Behavioral Services Program	-	-	-	-	-
Total Intermediate Sources	18,831,163	19,496,963	17,985,619	18,031,117	17,031,887
State Sources - Unrestricted:					
State School Fund - Current Year	362,868,351	355,534,285	349,308,224	336,356,110	324,625,839
State School Fund - High Cost Disability	2,834,409	3,334,207	4,126,763	2,218,809	1,683,189
Common School Fund	5,236,824	4,614,782	4,346,180	4,044,246	4,472,941
State School Fund - PERS Debt	23,554,642	22,444,202	21,293,048	20,059,799	19,178,525
State Sources - Restricted Grants-In-Aid	140,358	1,625	-	-	-
Total State Sources	394,634,584	385,929,101	379,074,215	362,678,964	349,960,494
Federal Sources:					
Federal Forest Fees	354	419	340	373	385
Foster Care Transportation Reimbursement	17,171	-	6,342	138,409	127,231
Federal Emergency Management Assistance	1,113,723	197,837	-	-	-
Total Federal Sources	1,131,248	198,256	6,682	138,782	127,616
Total Revenues	527,916,167	515,696,747	489,841,986	472,210,085	458,907,405
Other Financing Sources:					
Long-term Debt Financing Sources	-	-	34,225,386	-	-
Gain/Loss on Sale of Capital Asset	43,093	22,557	135,018	32,195	227,447
Transfers In	-	-	-	38,321	2,283,983
Total Other Financing Sources	43,093	22,557	34,360,404	70,516	2,511,430
Total Revenues and Other Financing Sources	\$ 527,959,260	\$ 515,719,304	\$ 524,202,390	\$ 472,280,601	\$ 461,418,835

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

² Revenues are recognized when measurable and available.

Source: Salem-Keizer Public Schools

	2018	2017	2016	2015	2014
\$	76,948,277	\$ 73,976,368	\$ 69,706,580	\$ 65,820,452	\$ 63,288,942
	2,542,614	2,735,895	2,377,830	3,461,842	2,740,523
	96,822	106,954	93,861	58,994	46,103
	-	-	-	-	-
	1,759,585	1,605,184	1,627,032	1,370,891	389,899
	565,670	34,202	38,197	7,025	15,489
	1,290,442	1,246,468	1,227,140	1,403,484	972,267
	1,139,624	1,095,250	1,226,963	1,025,882	1,257,988
	-	76,706	78,334	73,902	73,278
	84,343,034	80,877,027	76,375,937	73,222,472	68,784,489
	280,509	372,655	129,216	143,293	62,956
	6,710,675	6,323,768	6,245,966	5,937,413	5,330,457
	-	-	-	-	-
	-	-	-	-	-
	795,505	743,690	353,354	335,898	515,445
	3,830,564	3,609,713	3,565,399	3,389,268	3,042,383
	4,637,251	4,369,902	4,317,001	4,103,740	3,683,547
	16,254,504	15,419,728	14,610,936	13,909,612	12,634,788
	318,640,769	292,101,453	282,801,584	262,827,735	247,614,798
	4,025,402	2,228,763	4,594,625	2,300,856	2,748,385
	4,187,498	5,009,361	4,796,275	3,905,074	3,644,939
	18,296,814	17,434,046	16,584,608	15,752,093	14,951,344
	-	-	-	-	-
	345,150,483	316,773,623	308,777,092	284,785,758	268,959,466
	392	32,024	251,928	162,004	209,801
	21,333	-	-	-	-
	-	-	-	-	-
	21,725	32,024	251,928	162,004	209,801
	445,769,746	413,102,402	400,015,893	372,079,846	350,588,544
	-	-	-	-	-
	356	3,485	-	-	-
	-	-	-	-	2,406,427
	356	3,485	-	-	2,406,427
\$	445,770,102	\$ 413,105,887	\$ 400,015,893	\$ 372,079,846	\$ 352,994,971

SALEM-KEIZER SCHOOL DISTRICT 24J
EXPENDITURES AND OTHER FINANCING USES BY PROGRAM (NON-GAAP BASIS)

GENERAL FUND ¹					
LAST TEN FISCAL YEARS ENDED JUNE 30					
	2023	2022	2021	2020	2019
Instruction:					
Regular Programs:					
Elementary, K-5	\$ 107,505,956	\$ 112,007,314	\$ 105,112,780	\$ 104,005,230	\$ 99,892,723
Middle/Junior High Programs	43,238,287	46,168,282	41,994,014	40,504,544	38,979,121
Middle/Junior High Extracurricular	1,426,133	1,230,597	991,505	1,141,182	1,165,832
High School Programs	63,231,345	64,643,943	55,553,385	53,053,623	51,841,653
High School Extracurricular	5,266,139	4,766,278	3,778,391	4,062,270	4,080,935
Pre-kindergarten Programs	88,656	3,177	12,683	-	-
Special Programs:					
Talented and Gifted	450,804	308,758	323,615	380,961	415,740
Disabilities - Restrictive Programs	41,621,027	39,519,011	41,834,781	42,710,701	40,321,787
Disabilities - Less Restrictive Programs	31,736,230	27,563,507	29,623,183	28,164,217	28,794,324
Treatment and Habilitation	292,595	193,661	527,411	196,561	5,679
Alternative Education	14,799,863	13,708,669	12,157,162	12,367,735	11,410,219
English Language Learner	15,078,977	13,872,614	14,319,798	13,540,632	13,624,924
Teen Parent Programs	1,134,530	963,034	867,332	940,467	1,021,986
Youth Corrections Education	-	58,303	65,166	60,055	60,564
Other Programs	53,332	34,463	3,236	54,507	65,011
Summer School Programs	22,086	23,807	51,008	319,911	400,506
Total Instruction	325,945,960	325,065,418	307,215,450	301,502,596	292,081,004
Support Services:					
Students:					
Attendance and Social Work	6,190,946	4,746,113	4,466,335	5,038,750	4,941,345
Guidance Services	12,722,244	11,838,225	11,873,001	10,880,434	10,160,190
Health Services	3,303,398	2,901,953	2,748,419	3,011,601	2,686,421
Psychological Services	1,655,981	1,375,968	1,584,905	1,429,626	1,346,481
Speech Pathology and Audiology Services	7,726,874	7,290,488	6,629,977	5,893,417	5,241,010
Other Student Treatment Services	1,761,364	2,019,198	2,007,969	1,953,171	1,411,046
Service Direction, Student Support Services	775,968	525,183	2,318,645	1,744,686	845,944
Instructional Staff:					
Improvement of Instruction Services	4,817,674	4,559,982	3,952,711	3,817,729	2,292,198
Educational Media Services	5,944,279	5,227,486	5,313,320	5,136,393	5,135,111
Assessment and Testing	828,500	717,510	809,979	723,815	622,792
Instructional Staff Development	6,830,029	6,341,843	6,974,670	6,521,997	5,914,344
General Administration:					
Board of Education Services	1,038,411	710,328	647,826	473,469	705,906
Executive Administration Services	2,258,332	1,803,427	1,788,128	1,702,571	1,690,562
School Administration:					
Office of the Principal Services	40,002,838	35,761,442	34,830,655	32,854,736	31,310,818
School Administration	2,805,481	2,442,123	2,323,126	2,450,513	2,127,357
Business:					
Direction of Business Support Services	649,229	-	-	-	-
Fiscal Services	2,989,274	2,832,554	2,828,523	2,558,863	2,392,174
Operation and Maintenance of Plant Services	42,434,745	37,662,404	18,505,057	31,333,880	31,260,919
Student Transportation Services	37,446,230	44,325,681	22,555,034	22,510,353	21,391,380
Internal Services - Mail and Delivery	1,735,305	1,341,001	1,461,903	1,291,935	1,335,347
Central Activities:					
Planning, Research, Development, Evaluation					
Services, Grant Writing and Statistical Services	12,375	16,500	-	-	-
Information Services	1,127,450	1,001,391	873,689	688,317	631,584
Staff Services	5,707,182	4,971,706	4,326,450	4,724,352	4,337,089
Technology Services	13,110,726	15,718,074	15,395,084	12,494,431	13,859,894
Interpretation and Translation Services	1,204,238	1,209,256	1,230,807	1,244,486	927,000
Other Support Services	859,446	773,274	718,609	719,578	773,659
Supplemental Retirement Program	119,722	436,065	319,924	338,418	639,942
Total Support Services	206,058,241	198,549,175	156,484,746	161,537,521	153,980,513
Enterprise and Community Services:					
Food Services	73,084	505	-	175,919	-
Custody and Care of Children Services	-	-	-	26,902	-
Total Enterprise and Community Services	73,084	505	-	202,821	-
Facilities Services:					
Service Area Direction	-	48	-	4,375	-
Site Acquisition and Development	8,500	11,000	45,158	17,149	12,995
Building Acq., Const. and Improvement Services	10,812	113,650	97,663	106,776	191,714
Total Facilities Services	19,312	124,698	142,821	128,300	204,709
Other Financing Uses:					
Debt Service	-	285,752	299,591	450,251	562,988
Transfers of Funds	19,180,451	2,935,844	4,600,000	1,570,000	7,220,000
Total Other Financing Uses	19,180,451	3,221,596	4,899,591	2,020,251	7,782,988
Total Expenditures and Other Uses	\$ 551,277,048	\$ 526,961,392	\$ 468,742,608	\$ 465,391,489	\$ 454,049,214

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

Source: Salem-Keizer Public Schools

	2018	2017	2016	2015	2014
\$	94,539,475	\$ 90,356,161	\$ 92,339,967	\$ 80,612,097	\$ 75,111,985
	37,023,004	34,892,798	34,114,745	31,947,034	31,429,841
	1,254,125	1,002,962	895,904	594,228	571,889
	50,136,941	49,373,366	46,407,457	43,418,222	41,287,672
	3,740,552	3,414,923	3,349,886	3,246,299	3,154,713
	-	-	-	-	-
	415,535	397,661	419,122	525,676	522,245
	43,094,335	37,604,457	34,894,661	34,163,306	31,275,565
	22,870,745	24,344,777	21,610,390	19,249,433	19,568,144
	181,453	168,851	188,838	156,594	109,490
	11,253,209	10,742,748	10,797,860	9,834,268	9,584,945
	13,902,781	15,172,301	9,800,089	9,464,684	9,408,899
	914,067	1,010,938	1,000,464	845,005	752,654
	58,659	49,590	55,266	56,544	55,130
	206,027	177,107	175,917	197,336	184,581
	430,552	189,572	127,711	8,456	5,313
	280,021,460	268,898,212	256,178,277	234,319,182	223,023,066
	10,172,783	9,118,571	7,287,194	6,530,940	6,227,370
	9,814,509	9,220,031	8,878,500	8,278,641	7,311,132
	2,062,215	1,992,420	1,830,347	1,743,242	1,756,638
	1,360,922	1,348,112	1,432,469	1,293,570	1,252,799
	5,253,344	4,886,707	4,662,708	4,561,873	4,556,193
	1,471,952	1,468,001	1,263,041	1,177,905	1,011,848
	1,729,441	1,167,574	1,218,501	1,112,423	1,092,809
	3,080,485	2,129,232	2,217,805	1,857,015	1,789,626
	4,885,546	4,729,470	4,519,792	4,406,020	4,240,252
	716,488	675,333	813,950	716,566	1,087,096
	4,965,008	5,005,324	4,691,827	678,758	794,333
	473,201	533,300	386,531	621,719	496,181
	1,549,492	1,472,800	1,457,344	1,481,135	1,413,006
	30,666,359	29,323,267	28,011,658	26,925,650	26,118,565
	2,027,478	2,258,480	2,143,372	1,834,555	1,726,773
	-	-	-	-	-
	2,331,375	2,005,188	1,949,164	1,965,216	3,126,623
	29,778,197	28,618,744	27,122,428	24,860,193	24,849,580
	18,538,387	15,836,975	15,009,885	14,384,637	15,021,195
	1,256,747	1,174,773	1,136,709	1,237,801	1,165,488
	-	-	-	-	-
	445,190	463,043	434,569	423,414	401,680
	4,199,992	4,331,864	3,983,037	3,338,769	3,254,118
	13,444,573	12,043,084	11,627,804	10,825,182	11,443,743
	-	-	-	-	-
	765,553	771,437	747,995	436,072	408,816
	954,532	988,492	1,355,572	1,692,275	2,047,299
	151,943,769	141,562,222	134,182,202	122,383,571	122,593,163
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	94,648	213,847	172,539	190,700	192,264
	-	-	3,564	108,463	-
	109,600	163,345	184,689	197,661	326,862
	204,248	377,192	360,792	496,824	519,126
	621,308	641,020	660,448	758,111	778,212
	6,053,983	6,520,000	3,620,000	2,820,000	320,000
	6,675,291	7,161,020	4,280,448	3,578,111	1,098,212
\$	438,844,768	\$ 417,998,646	\$ 395,001,719	\$ 360,777,688	\$ 347,233,567

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

Fiscal Year	Net Taxes Levied for the Fiscal Year ¹	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Percentage			Amount	Percentage of Levy
		Amount	Percentage of Levy			
2023	\$ 98,282,536	\$ 94,472,038	96.12%	\$ -	\$ 94,472,038	96.12%
2022	94,345,193	89,576,163	94.95%	3,054,484	92,630,647	98.18%
2021	90,753,204	86,914,165	95.77%	3,179,114	90,093,279	99.27%
2020	87,097,319	83,106,821	95.42%	3,629,699	86,736,520	99.59%
2019	83,970,190	79,772,315	95.00%	4,031,390	83,803,705	99.80%
2018	80,594,996	76,948,277	95.48%	3,575,526	80,523,803	99.91%
2017	77,722,509	73,976,368	95.18%	3,698,998	77,675,366	99.94%
2016	73,657,149	69,706,580	94.64%	3,920,807	73,627,387	99.96%
2015	69,923,900	65,820,452	94.13%	4,080,150	69,900,602	99.97%
2014	67,505,383	63,288,942	93.75%	4,196,179	67,485,121	99.97%

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

Fiscal Year	Net Taxes Levied for the Fiscal Year ¹	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Percentage			Percentage
		Amount	of Levy		Amount	of Levy
2023	\$ 62,201,906	\$ 59,775,960	96.10%	\$ -	\$ 59,775,960	96.10%
2022	58,770,953	55,832,864	95.00%	1,852,322	57,685,186	98.15%
2021	57,129,100	54,692,612	95.74%	2,024,878	56,717,490	99.28%
2020	52,735,132	50,287,819	95.36%	2,219,995	52,507,814	99.57%
2019	54,434,888	51,839,896	95.23%	2,494,121	54,334,017	99.81%
2018	28,500,000	27,302,858	95.80%	1,163,657	28,466,515	99.88%
2017	23,824,757	23,101,180	96.96%	713,891	23,815,071	99.96%
2016	34,662,188	33,810,508	97.54%	846,296	34,656,804	99.98%
2015	31,415,085	30,315,353	96.50%	1,092,781	31,408,134	99.98%
2014	33,248,920	30,588,774	92.00%	2,654,512	33,243,286	99.98%

¹ The net levy is the actual imposed tax.

Sources: Marion and Polk County Tax Collection Departments

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

Fiscal Year	General Fund Budgeted Expenditures and Transfers¹	General Fund Tax Levy	Percentage of Levy to Budget
2023	\$ 620,587,223	\$ 98,282,536	15.84%
2022	608,920,411	94,345,193	15.49%
2021	582,439,383	90,753,204	15.58%
2020	520,471,977	87,097,319	16.73%
2019	491,870,874	83,970,190	17.07%
2018	479,480,091	80,594,996	16.81%
2017	463,675,386	77,722,509	16.76%
2016	433,168,002	73,657,149	17.00%
2015	397,916,237	69,923,900	17.57%
2014	367,970,768	67,505,383	18.35%

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



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

Fiscal Year	Assessed Value				Real Market Value			Assessed Value as a Percentage of RMV
	Real Property	Personal Property	Total Taxable Value	Total Direct Rate*	Real Property	Personal Property	Total Real Market Value	
2023	\$ 22,227,218	\$ 529,346	\$ 22,756,564	\$ 7.268	\$ 40,987,309	\$ 529,346	\$ 41,516,655	54.81%
2022	21,308,092	510,250	21,818,342	7.228	38,658,007	510,258	39,168,265	55.70%
2021	20,494,929	484,758	20,979,687	7.258	37,165,770	511,021	37,676,791	55.68%
2020	19,707,512	451,026	20,158,538	7.149	35,302,366	462,591	35,764,957	56.36%
2019	18,886,777	460,719	19,347,496	7.365	32,375,310	471,428	32,846,738	58.90%
2018	18,086,120	452,012	18,538,132	6.082	29,632,045	462,332	30,094,377	61.60%
2017	17,462,078	426,265	17,888,342	5.611	27,159,147	436,745	27,595,893	64.82%
2016	16,756,024	408,278	17,164,302	6.525	25,487,977	418,723	25,906,700	66.25%
2015	16,101,708	397,150	16,498,858	6.401	24,198,682	407,455	24,606,137	67.05%
2014	15,463,060	393,078	15,856,137	6.669	22,970,353	403,302	23,373,655	67.84%

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

* Per \$1,000 of assessed value.

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

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

Fiscal Year	District Direct Rates			Other Educational Entities		Counties	
	General Purpose	Debt Service	Total	Willamette Education Service District	Chemeketa Community College	Polk County	Marion County
2023	\$ 4.521	\$ 2.747	\$ 7.268	\$ 0.30	\$ 0.89	\$ 2.06	\$ 3.08
2022	4.521	2.707	7.228	0.30	0.89	2.06	3.08
2021	4.521	2.737	7.258	0.30	0.89	2.14	3.08
2020	4.521	2.628	7.149	0.30	0.89	2.14	3.08
2019	4.521	2.844	7.365	0.30	0.90	2.05	3.08
2018	4.521	1.561	6.082	0.30	0.90	2.03	3.08
2017	4.521	1.090	5.611	0.28	0.87	2.54	3.08
2016	4.521	2.004	6.525	0.30	0.92	2.54	3.08
2015	4.521	1.880	6.401	0.30	0.89	2.26	3.08
2014	4.521	2.148	6.669	0.30	0.86	2.26	3.08

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

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

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

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

Source: Marion and Polk County Assessors

Overlapping Rates¹

Cities									
City of Salem	City of Keizer	Regional Library District	Salem Mass Transit	Urban Renewal Districts	Fire Protection Districts	Maximum Tax Rates²			
						Marion County		Polk County	
\$ 7.00	\$ 2.08	\$ 0.08	\$ 0.76	\$ 0.03 - 0.30	\$ 0.53 - 2.49	\$ 19.65		\$ 18.79	
7.04	2.08	0.08	0.76	0.03 - 0.30	0.53 - 2.82	19.66		18.80	
7.01	2.08	0.08	0.76	0.03 - 0.31	0.53 - 2.34	19.66		18.79	
6.99	2.08	0.08	0.76	0.03 - 0.31	0.53 - 2.90	19.54		18.68	
7.10	2.08	0.08	0.76	0.02 - 0.34	0.53 - 2.91	19.87		18.92	
6.98	2.08	0.08	0.76	0.02 - 0.33	0.54 - 2.92	18.47		17.56	
6.53	2.08	0.08	0.76	0.23 - 0.32	0.54 - 2.52	18.12		17.66	
6.54	2.08	0.08	0.76	0.51 - 1.18	0.54 - 2.52	18.80		18.34	
6.82	2.08	0.08	0.76	0.51 - 1.18	0.54 - 2.52	18.74		18.05	
6.49	2.08	0.08	0.76	0.51 - 1.18	0.54 - 2.53	18.91		18.22	

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

		2022-23 Assessed Value	Percent of Principal Taxpayers	2022-23 Taxes Assessed	Percent of Total District Assessed Value	2013-14 Assessed Value	Percent of Principal Taxpayers	2013-14 Taxes Assessed	Percent of Total District Assessed Value
Marion County Top 10 Taxpayers									
Portland General Electric Company	Utility	\$ 454,168,570	36.06%	\$ 6,955,116	1.50%	\$ 256,592,280	31.19%	\$ 3,763,969	1.24%
Northwest Natural Gas Company	Utility	217,749,000	17.29%	3,671,955	0.72%	130,546,000	15.87%	2,103,633	0.63%
WINCO Foods LLC	Retail	111,363,870	8.84%	2,088,737	0.37%	84,312,689	10.25%	1,626,604	0.41%
Lumen Technologies Inc	Telecommunications	101,979,910	8.10%	1,773,300	0.34%	-	0.00%	-	0.00%
Woodburn Premium Outlets LLC	Retail	74,492,820	5.91%	1,482,239	0.25%	56,980,260	6.93%	1,113,480	0.27%
Comcast Corporation	Telecommunications	80,140,000	6.36%	1,434,905	0.27%	-	0.00%	-	0.00%
State Accident Insurance Fund	Insurance	59,027,730	4.69%	1,155,263	0.20%	-	0.00%	-	0.00%
Lancaster Development Company LLC	Retail	55,047,400	4.37%	1,057,991	0.18%	63,861,330	7.76%	1,207,433	0.31%
Wal-Mart Real Estate Business TR	Realty	55,002,280	4.37%	1,054,930	0.18%	47,127,070	5.73%	893,340	0.23%
Snyders-Lance Inc	Manufacturer	50,489,600	4.01%	966,807	0.17%	-	0.00%	-	0.00%
CenturyLink	Telecommunications	-	0.00%	-	0.00%	57,396,660	6.98%	944,882	0.28%
JLR LLC	Realty	-	0.00%	-	0.00%	26,260,851	3.19%	899,535	0.13%
NORPAC Foods Inc	Manufacturer	-	0.00%	-	0.00%	56,693,593	6.89%	837,856	0.27%
Metropolitan Life Insurance Co	Insurance	-	0.00%	-	0.00%	42,822,470	5.21%	809,335	0.21%
Subtotal Top 10 Taxpayers		1,259,461,180		\$ 21,641,243	4.17%	822,593,203		\$ 14,200,067	3.97%
All Other Taxpayers		28,963,736,182			95.83%	19,922,040,862			96.03%
Total Taxpayers		\$ 30,223,197,362			100.00%	\$ 20,744,634,065			100.00%
Polk County Top 10 Taxpayers									
		2022-23 Assessed Value	Percent of Principal Taxpayers	2022-23 Taxes Assessed	Percent of Total District Assessed Value	2013-14 Assessed Value	Percent of Principal Taxpayers	2013-14 Taxes Assessed	Percent of Total District Assessed Value
Northwest Natural Gas Co	Utility	\$ 96,114,000	27.42%	\$ 1,321,542	1.30%	\$ 61,566,000	30.00%	\$ 808,755	1.25%
Orchard Heights Apartments LLC	Multi-Unit Residential	34,378,070	9.81%	645,988	0.46%	-	0.00%	-	0.00%
Portland General Electric Co	Utility	44,455,530	12.68%	493,260	0.60%	23,161,490	11.29%	240,954	0.47%
Capital Manor Inc	Multi-Unit Residential	25,289,540	7.21%	462,182	0.34%	14,400,150	7.02%	242,967	0.29%
Pacificorp (PP&L)	Utility	36,357,000	10.37%	446,831	0.49%	16,350,000	7.97%	199,994	0.33%
Meduri Farms Inc	Agriculture	32,450,215	9.26%	395,281	0.44%	-	0.00%	-	0.00%
Weyerhaeuser Timber Holdings Inc	Manufacturer	31,580,372	9.01%	392,650	0.43%	-	0.00%	-	0.00%
Riverplace Apartment Homes LLC	Multi-Unit Residential	19,062,250	5.44%	344,872	0.26%	-	0.00%	-	0.00%
Alameda Lawrence, Exempt Trust ETAL	Developer	15,568,690	4.44%	292,290	0.21%	-	0.00%	-	0.00%
Orchard Ridge Apartments LLC	Multi-Unit Residential	15,291,040	4.36%	287,329	0.21%	-	0.00%	-	0.00%
Comcast Corporation	Telecommunications	-	0.00%	-	0.00%	16,039,700	7.82%	283,411	0.33%
Weyerhaeuser Company	Manufacturer	-	0.00%	-	0.00%	16,359,322	7.97%	198,753	0.33%
Meriwether NW OR Land & Timber LLC	Agriculture	-	0.00%	-	0.00%	27,357,023	13.33%	313,134	0.56%
Elkay Wood Products Company	Agriculture	-	0.00%	-	0.00%	10,211,010	4.98%	192,741	0.21%
Legacy Oaks LLC	Multi-Unit Residential	-	0.00%	-	0.00%	9,696,250	4.73%	186,147	0.20%
Roth IGA Foodliner Inc	Retail	-	0.00%	-	0.00%	10,056,800	4.90%	181,448	0.20%
Subtotal Top 10 Taxpayers		350,546,707		\$ 5,082,225	4.73%	205,197,745		\$ 2,848,304	4.17%
All Other Taxpayers		7,063,824,545			95.27%	4,715,926,031			95.83%
Total Taxpayers		\$ 7,414,371,252			100.00%	\$ 4,921,123,776			100.00%

Sources: Marion & Polk County Tax Assessors

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

	2023	2022	2021	2020	2019
Total Real Market Value of Taxable Property within School District No. 24J Marion and Polk County, Oregon	<u>\$ 41,516,654,792</u>	<u>\$ 39,168,264,821</u>	<u>\$ 37,676,790,635</u>	<u>\$ 35,764,957,416</u>	<u>\$ 32,846,738,166</u>
Bonded Debt Limit ¹	\$ 3,300,574,056	\$ 3,113,877,053	\$ 2,995,304,855	\$ 2,843,314,115	\$ 2,611,315,684
Bonded Debt	878,190,794	925,336,592	969,353,863	728,526,875	781,933,413
Amount Available for Retirement of Bonds	-	-	-	(3,137,826)	(12,827,475)
Net General Obligation Bonds Outstanding	<u>878,190,794</u>	<u>925,336,592</u>	<u>969,353,863</u>	<u>725,389,049</u>	<u>769,105,938</u>
Debt Margin at End of Fiscal Year	<u>\$ 2,422,383,262</u>	<u>\$ 2,188,540,461</u>	<u>\$ 2,025,950,992</u>	<u>\$ 2,117,925,066</u>	<u>\$ 1,842,209,746</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	26.61%	29.72%	32.36%	25.51%	29.45%
	2018	2017	2016	2015	2014
Total Real Market Value of Taxable Property within School District No. 24J Marion and Polk County, Oregon	<u>\$ 30,094,377,093</u>	<u>\$ 27,595,892,818</u>	<u>\$ 25,906,699,941</u>	<u>\$ 24,606,137,122</u>	<u>\$ 23,373,654,758</u>
Bonded Debt Limit ¹	\$ 2,392,502,979	\$ 2,193,873,479	\$ 2,059,582,645	\$ 1,956,187,901	\$ 1,858,205,553
Bonded Debt	367,686,340	401,244,662	432,345,551	469,725,474	453,359,483
Amount Available for Retirement of Bonds	(575,596)	(325,783)	(3,153,885)	(2,705,660)	(4,231,709)
Net General Obligation Bonds Outstanding	<u>367,110,744</u>	<u>400,918,879</u>	<u>429,191,666</u>	<u>467,019,814</u>	<u>449,127,774</u>
Debt Margin at End of Fiscal Year	<u>\$ 2,025,392,235</u>	<u>\$ 1,792,954,600</u>	<u>\$ 1,630,390,979</u>	<u>\$ 1,489,168,087</u>	<u>\$ 1,409,077,779</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	15.34%	18.27%	20.84%	23.87%	24.17%

¹ ORS 328.245 establishes a parameter of bonded indebtedness for school districts. Aggregates are governed by Real Market Value of all taxable properties within the District based on the following:

- (A) For each grade from kindergarten to eighth for which the District operates schools, fifty-five one-hundredths of one percent (.0055) of the true cash value. Kindergarten through eighth grade, $9 * .0055 = .0495$ or 4.95%.
- (B) For each grade from ninth to twelfth for which the District operates schools, seventy-five one-hundredths of one percent (.0075) of the true cash value. Ninth through twelfth grade, $4 * .0075 = .03$ or 3.0%.

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

Sources: Marion and Polk Counties

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

General Bonded Debt					
Fiscal Year	General Obligation Bonds	Premium on General Obligation Bonds	Limited Tax Pension Obligation Bonds⁵	Less Restricted Amount Available for Repayment of Principal	Net General Obligation Bonds Outstanding
2023	\$ 650,424,591	\$ 93,466,203	\$ 134,300,000	\$ -	\$ 878,190,794
2022	671,447,908	100,133,684	153,755,000	-	925,336,592
2021	691,347,698	106,801,165	171,205,000	-	969,353,863
2020	479,668,339	61,858,536	187,000,000	3,137,826	725,389,049
2019	519,591,716	65,678,031	196,663,666	12,827,475	769,105,938
2018	157,722,569	4,351,907	205,611,864	575,596	367,110,744
2017	182,276,957	5,063,059	213,904,646	325,783	400,918,879
2016	205,070,187	5,774,210	221,501,154	3,153,885	429,191,666
2015	234,840,187	6,485,363	228,399,924	2,705,660	467,019,814
2014	262,930,187	7,196,515	183,232,781	4,231,709	449,127,774

Other Governmental Activities			Total District Debt		
Fiscal Year	Other Debt	Total District²	Per Student¹	Per Capita³	Percent of Personal Income⁴
2023	\$ 71,382,084	\$ 949,572,878	\$ 24,765	\$ 2,739	5.09%
2022*	66,536,848	991,873,440	25,632	2,857	5.94%
2021	66,230,061	1,035,583,924	26,547	2,966	6.57%
2020	3,897,190	732,424,065	17,827	2,106	4.89%
2019	4,936,289	786,869,702	19,073	2,268	5.52%
2018	6,230,527	373,916,867	9,028	1,096	2.87%
2017	7,866,575	409,111,237	9,935	1,216	3.27%
2016	9,596,356	441,941,907	10,832	1,336	3.64%
2015	5,261,148	474,986,622	11,821	1,440	4.04%
2014	6,676,595	460,036,078	11,509	1,411	3.99%

¹ See School Building, Student Enrollment and Average Daily Membership information for student enrollment.

² Includes general bonded debt, unamortized premiums on bond issues and other governmental activities debt.

³ Per capita are District ADM estimates.

⁴ See Schedule of Demographic and Economic Statistics for personal income.

⁵ Pension Obligation Bond debt is serviced by charges to other funds, not by property taxes levied for servicing general bonded debt.

*FY 2022 was restated for GASB 96 implementation and prior period adjustment relating to GASB 87.

Source: Salem-Keizer Public Schools

SALEM-KEIZER SCHOOL DISTRICT 24J
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2023

Overlapping District	2023 Real Market Valuation	Percent Overlapping ¹	Overlapping	
			Gross Overlapping Direct Debt ²	Net Overlapping Debt
Aumsville RFPD	\$ 1,016,330,520	0.17%	\$ 1,167	\$ 1,167
Chemeketa Community College	69,506,516,103	49.88%	55,798,482	41,595,607
City of Keizer	4,805,930,046	100.00%	11,066,000	-
City of Salem	22,517,964,872	100.00%	204,627,201	178,588,320
Dayton RFPD	977,862,906	5.40%	18,361	-
Jefferson RFPD (Marion-Linn Counties)	1,353,650,566	0.83%	248	248
Keizer RFPD	4,560,950,595	99.98%	4,964,106	2,804,495
Marion County	46,623,071,711	64.63%	35,158,163	18,533,826
Marion County RFPD 1	6,126,540,532	86.50%	2,916,231	-
Polk County	11,269,395,970	40.31%	5,162,378	5,061,612
Polk Cty RFPD 1	2,605,275,289	0.39%	4,375	4,375
Silverton RFPD	2,834,516,025	0.02%	462	462
SW Polk Fire District	1,140,190,731	0.25%	13,178	13,178
Willamette ESD	76,320,202,113	45.43%	7,284,738	2,600,804
Totals: Total Gross and Direct Overlapping Debt			<u>\$ 327,015,090</u>	<u>\$ 249,204,094</u>

School District 24J Direct Debt ³ :		Ratio of Net Property-Tax Backed Debt to Real Market Value is:		2.48%
		Per Capita District Direct Debt		\$ 2,739
Gross Overlapping Direct Debt:		Per Capita Total Direct Debt		\$ 3,682
Total Debt of District 24J and Overlapping Issuers:		Ratio of Total Net Property-Tax Backed Debt to Real Market Value is:		3.20%

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

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

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

Source: Oregon State Treasury, Debt Management Information System

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

Fiscal Year	Principal	Interest and Other	Total Debt Service	Total General Fund Budgeted Expenditures and Transfers¹	Ratio of Annual Debt Service to Budgeted General Fund Expenditures and Transfers
2023	\$ 21,023,317	\$ 39,257,483	\$ 60,280,800	\$ 620,587,223	9.71%
2022	19,899,790	38,518,760	58,418,550	608,920,411	9.59%
2021	24,787,987	31,812,503	56,600,490	582,439,383	9.72%
2020	39,923,377	20,831,323	60,754,700	520,471,977	11.67%
2019	21,360,853	19,076,456	40,437,309	491,870,874	8.22%
2018	24,554,388	2,141,985	26,696,373	479,480,091	5.57%
2017	22,793,230	3,334,034	26,127,264	463,675,386	5.63%
2016	29,770,000	3,222,981	32,992,981	433,168,002	7.62%
2015	28,090,000	4,074,613	32,164,613	397,916,237	8.08%
2014	25,570,000	5,170,406	30,740,406	367,970,768	8.35%

¹ This is the final adopted budget.

Source: Salem-Keizer Public Schools

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

Fiscal Year	Marion County Population US Census¹	Average Daily Membership K-12	Real Market Value	Net General Bonded Debt²	Ratio of Net General Bonded Debt to Assessed Value³	Net General Bonded Debt per Capita	Net General Bonded Debt per Student
2023	346,703 *	38,343	\$ 41,516,654,792	\$ 878,190,794	2.12%	\$ 2,533	\$ 22,904
2022	347,119	38,696	39,168,264,821	925,336,592	2.36%	2,666	23,913
2021	349,204	39,010	37,676,790,635	969,353,863	2.57%	2,776	24,849
2020	347,818	41,085	35,764,957,416	725,389,049	2.03%	2,086	17,656
2019	346,868	41,255	23,373,654,758	769,105,938	3.29%	2,217	18,643
2018	341,286	41,416	41,516,654,792	367,110,744	0.88%	1,076	8,864
2017	336,316	41,178	27,595,892,818	400,918,879	1.45%	1,192	9,736
2016	330,700	40,799	25,906,699,941	429,191,666	1.66%	1,298	10,520
2015	329,770	40,181	24,606,137,122	467,019,814	1.90%	1,416	11,623
2014	326,150	39,974	23,373,654,758	449,127,774	1.92%	1,377	11,236

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

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

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

³ See Assessed Value and Real Market Value Schedule.

Source: Salem-Keizer Public Schools

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

Marion County

Fiscal Year	Population	Personal Income in Thousands of \$	Per Capita Personal Income	Unemployment Rate
2023	346,703 *	\$ 18,649,501	\$ 53,791	3.5%
2022	347,119	16,708,573	48,135	3.7%
2021	349,204	15,769,354	45,158	4.9%
2020	347,818	14,970,782	43,042	7.7%
2019	346,868	14,253,847	41,093	4.2%
2018	341,286	12,301,699	38,168	4.1%
2017	336,316	12,823,294	37,199	4.9%
2016	330,700	11,614,203	36,682	4.8%
2015	329,770	11,614,203	35,614	6.1%
2014	326,150	11,484,654	35,360	7.2%

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

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

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

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

Employer	2023			2014		
	Number of Employees	Rank	Percentage of Salem (MSA) Labor Force¹	Number of Employees	Rank	Percentage of Salem (MSA) Labor Force²
State of Oregon	22,400	1	26.05%	21,900	1	29.21%
Salem Health/Salem Hospital ³	5,419	2	6.30%	3,900	3	5.20%
Salem-Keizer School District ³	5,324	3	6.19%	4,069	2	5.43%
Marion County ³	1,742	4	2.03%	1,492	5	1.99%
Federal Government	1,500	5	1.74%	1,400	6	1.87%
Amazon Fulfillment Center	1,400	6	1.63%	-	-	0.00%
City of Salem ³	1,391	7	1.62%	1,312	7	1.75%
Chemeketa Community College ³	1,126	8	1.31%	1,662	4	2.22%
Wal-Mart	975	9	1.13%	-	-	0.00%
State Accident Insurance Fund (SAIF)	944	10	1.10%	854	10	1.14%
Kaiser Permanente	-	-	0.00%	1,200	8	1.60%
Norpac Foods Incorporated ³	-	-	0.00%	1,106	9	1.48%
Total	42,221		49.10%	38,895		51.87%

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

Notes: 1. U.S. Department of Labor, Bureau of Labor, Salem, OR (MSA) - The average labor force for fiscal year 2022-23 was 85,975.
2. U.S. Department of Labor, Bureau of Labor, Salem, OR (MSA) - The average labor force for fiscal year 2013-14 was 74,979.
3. Includes full and part-time positions.

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

<u>Employment</u>	2023		2014	
	<u>Employees</u>	<u>% of Total</u>	<u>Employees</u>	<u>% of Total</u>
Educational and Health Services	32,158	17.3%	23,600	16.0%
Trade, Transportation & Utilities	29,457	15.9%	24,300	16.5%
State Government	21,704	11.7%	21,800	14.8%
Local Government	20,082	10.8%	18,400	12.5%
Professional and Business Services	16,752	9.0%	12,300	8.4%
Leisure and Hospitality	15,345	8.3%	13,200	9.0%
Construction	12,681	6.8%	6,900	4.7%
Manufacturing	11,658	6.3%	11,100	7.5%
Natural Resources and Mining	9,950	5.4%	1,200	0.8%
Financial Activities	6,771	3.6%	7,000	4.8%
Other Services	5,648	3.0%	5,000	3.4%
Information	1,893	1.1%	1,000	0.7%
Federal Government	1,441	0.8%	1,300	0.9%
Total Salem Metropolitan Area Non-Farm Payroll Employment	<u>185,540</u>	<u>100.0%</u>	<u>147,100</u>	<u>100.0%</u>
Salem-Keizer SD 24J ²	6,702	3.6%	5,735	3.9%
Governmental Employees	43,227	23.3%	49,200	33.4%
Private Sector Employees	<u>142,313</u>	<u>76.7%</u>	<u>97,900</u>	<u>66.6%</u>
Total Salem Metropolitan Area Non-Farm Payroll Employment	<u>185,540</u>	<u>100.0%</u>	<u>147,100</u>	<u>100.0%</u>

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

² Salem-Keizer Public Schools

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

	<u>2023*</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Manufacturing:										
Other Durable Goods	6,100	6,100	5,800	6,100	6,300	6,800	6,300	6,000	5,800	5,200
Food Products	4,000	4,300	4,000	3,800	4,600	5,100	4,800	4,400	5,600	3,900
Other Nondurable Goods	<u>2,400</u>	<u>2,500</u>	<u>2,500</u>	<u>2,900</u>	<u>2,300</u>	<u>2,500</u>	<u>2,500</u>	<u>2,300</u>	<u>2,000</u>	<u>2,000</u>
Total Manufacturing	12,500	12,900	12,300	12,800	13,200	14,400	13,600	12,700	13,400	11,100
Natural Resources & Mining	700	600	600	500	700	1,400	1,200	1,200	5,900	1,200
Contract Construction	14,000	14,400	13,000	12,900	12,600	11,500	9,400	9,000	8,500	6,900
Transp., Comm., Utilities	6,500	6,800	7,000	6,400	6,300	5,300	4,400	4,200	3,900	3,800
Trade, Information	24,800	24,500	24,800	23,800	24,600	26,700	24,100	21,800	22,400	21,500
Financial Activities	6,800	7,100	6,800	6,800	7,400	7,200	7,100	6,800	7,200	7,000
Service & Miscellaneous	71,300	65,800	65,900	54,300	67,500	62,500	61,800	61,600	55,300	54,100
Government:										
Federal	1,400	1,400	1,500	1,500	1,600	1,300	1,400	1,400	1,300	1,300
Indian Tribal	1,600	1,500	1,400	1,500	1,500	1,500	1,600	1,600	1,600	1,600
State	21,400	21,300	20,900	20,400	20,000	19,700	20,800	21,600	21,900	21,800
Local	<u>15,800</u>	<u>15,600</u>	<u>17,800</u>	<u>14,400</u>	<u>19,500</u>	<u>18,600</u>	<u>20,600</u>	<u>20,800</u>	<u>16,600</u>	<u>16,800</u>
Total Excluding Agriculture	<u>176,800</u>	<u>171,900</u>	<u>172,000</u>	<u>155,300</u>	<u>174,900</u>	<u>170,100</u>	<u>166,000</u>	<u>162,700</u>	<u>158,000</u>	<u>147,100</u>

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

¹ Annual Average Employment is Not Seasonally Adjusted.

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

SALEM-KEIZER SCHOOL DISTRICT 24J
POPULATION ETHNICITY AND OTHER RELATED DATA
YEAR ENDED JUNE 30, 2023

	Marion County	Polk County
White	62.7%	75.7%
Hispanic or Latino*	28.7%	15.7%
American Indian and Alaskan Native	2.8%	2.7%
Asian or Pacific Islander	3.9%	2.8%
Black or African American	1.7%	1.2%
Housing Units	132,084	34,937
Homeownership Rate	61.2%	65.3%
Average Household Size	2.76	2.67
Percentage of Persons under 18	23.4%	21.5%
Median Household Income	\$64,880	\$70,238
Population per Square Mile	292.9	118.0

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

Marion County Source: <https://www.census.gov/quickfacts/fact/table/marioncountyoregon,polkcountyoregon/PST045221>
Polk County Source: <https://www.census.gov/quickfacts/fact/table/polkcountyoregon/PST045222>

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

	Square Feet	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
ELEMENTARY SCHOOLS											
Auburn (1955)	78,793										
ADM		548	528	554	596	680	677	677	650	630	667
Enrollment		556	542	566	593	603	688	689	654	652	668
Battle Creek (2012)	78,678										
ADM		454	446	494	590	635	613	586	559	525	529
Enrollment		453	444	485	583	594	641	581	542	527	531
Brush College (1909)	53,572										
ADM		304	294	276	318	281	272	277	253	210	339
Enrollment		303	299	279	313	313	271	289	254	200	333
Bush (2005)	46,290										
ADM		257	266	265	283	311	324	310	320	309	323
Enrollment		257	258	271	284	279	312	313	316	312	317
Candalaria (1955)	40,483										
ADM		297	310	267	354	336	339	344	353	355	339
Enrollment		298	318	275	355	352	340	341	354	352	343
Chapman Hill (1985)	59,528										
ADM		363	363	338	383	389	411	404	385	368	425
Enrollment		358	364	327	382	378	382	407	381	362	419
Chavez (2012)	78,174										
ADM		574	584	567	620	581	568	583	591	556	701
Enrollment		573	584	576	624	621	574	585	592	563	705
Clear Lake (1994)	49,289										
ADM		339	331	352	383	402	390	430	433	470	497
Enrollment		344	331	355	383	382	400	428	437	474	495
Cummings (1953)	46,474										
ADM		438	415	420	444	417	434	436	427	414	414
Enrollment		438	410	431	450	443	424	443	431	399	416
Eagle Charter, State Sponsored (2011)	-										
ADM		157	130	139	143	139	141	140	141	143	138
Enrollment		149	135	142	142	144	143	139	140	144	120
Englewood (1910)	57,032										
ADM		315	319	326	365	352	378	382	360	376	382
Enrollment		316	325	328	360	359	357	369	359	380	390
Eyre (1976)	75,959										
ADM		525	576	567	600	541	542	571	602	590	573
Enrollment		536	575	570	605	594	541	569	612	601	583
Forest Ridge/Optimum Learning Environment (OLE) Charter (2002)	47,554										
Forest Ridge ADM		233	243	233	281	239	239	248	231	241	233
Forest Ridge Enrollment		237	238	237	283	280	235	244	224	239	239
OLE ADM		130	128	122	130	130	128	130	130	130	130
OLE Enrollment		130	130	118	129	131	129	130	129	129	130
Four Corners (1949)	56,872										
ADM		366	362	425	474	490	505	531	530	510	521
Enrollment		371	358	421	474	468	517	531	532	522	517
Grant (1955)	47,003										
ADM		424	417	375	372	409	421	444	428	456	434
Enrollment		423	419	382	374	379	417	446	427	447	443

Source: Salem-Keizer Public Schools

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

		LAST TEN FISCAL YEARS									
	Square Feet	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Gubser (1976)	64,794										
ADM		421	415	465	535	552	595	550	524	486	470
Enrollment		415	413	465	520	526	554	546	528	477	464
Hallman (2001)	56,142										
ADM		363	360	392	401	412	422	389	415	454	429
Enrollment		365	356	397	402	394	412	397	435	456	433
Hammond (2001)	51,138										
ADM		529	524	495	524	487	514	506	532	522	504
Enrollment		550	535	507	523	521	492	504	522	518	502
Harritt (2003)	55,996										
ADM		478	487	455	490	509	503	512	524	501	301
Enrollment		488	490	459	484	481	517	515	514	498	301
Hayesville (1963)	61,483										
ADM		346	342	333	368	440	444	426	439	436	421
Enrollment		361	344	342	360	369	445	422	448	457	431
Highland (1910)	47,920										
ADM		339	373	362	373	375	426	411	406	398	386
Enrollment		327	369	362	364	370	381	413	413	402	388
Hoover (1951)	54,036										
ADM		401	398	406	411	428	444	471	499	500	531
Enrollment		403	396	404	413	422	425	475	502	506	538
Kalapuya (2011)	72,095										
ADM		512	499	485	568	572	600	597	603	619	662
Enrollment		519	498	491	576	552	575	592	590	615	655
Keizer (1985)	80,335										
ADM		543	524	548	628	717	737	682	654	641	624
Enrollment		536	530	548	618	609	712	685	656	657	617
Kennedy (1964)	67,092										
ADM		352	364	357	397	412	441	449	459	455	465
Enrollment		348	373	354	399	398	419	444	458	458	465
Lamb (2001)	49,346										
ADM		372	360	380	407	465	491	486	493	464	503
Enrollment		375	372	391	406	422	469	497	491	473	509
Lee (2002)	47,554										
ADM		280	276	265	309	296	304	311	309	318	305
Enrollment		288	283	273	313	309	302	310	303	318	303
Liberty (1908)	52,273										
ADM		457	451	428	454	374	386	388	372	388	376
Enrollment		462	463	429	452	448	375	386	372	378	372
McKinley (1915)	40,140										
ADM		283	307	298	339	331	321	352	335	339	317
Enrollment		290	310	303	339	341	334	357	329	334	317
Miller (2000)	54,839										
ADM		358	370	395	389	417	411	433	417	430	420
Enrollment		358	374	396	385	391	419	436	424	426	437

Source: Salem-Keizer Public Schools

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

	Square Feet	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Morningside (1953)	50,996										
ADM		320	279	266	343	365	375	382	384	379	373
Enrollment		321	282	260	348	340	373	386	386	386	378
Myers (1973)	66,418										
ADM		342	327	366	464	550	536	532	504	480	427
Enrollment		351	335	358	459	471	544	538	514	478	427
Pringle (1985)	80,710										
ADM		501	513	495	576	667	603	557	563	528	506
Enrollment		500	515	502	575	576	672	542	572	526	518
Richmond (1911)	59,860										
ADM		304	306	273	297	313	344	386	363	396	380
Enrollment		299	304	277	299	304	314	387	361	397	382
Salem Heights (1938)	46,522										
ADM		260	264	261	315	320	331	317	301	291	274
Enrollment		258	258	270	315	315	323	323	296	288	279
Schirle (1976)	59,888										
ADM		304	296	329	425	500	471	417	442	453	463
Enrollment		304	298	330	428	423	508	419	442	445	464
Scott (1976)	73,120										
ADM		512	541	536	542	547	601	638	617	621	530
Enrollment		522	536	552	546	534	557	642	641	624	543
Sumpter (1979)	71,792										
ADM		478	484	481	551	537	545	554	534	496	494
Enrollment		477	496	485	540	544	538	547	523	501	496
Swegle (1923)	62,510										
ADM		515	546	572	608	533	521	542	576	561	471
Enrollment		506	544	580	603	603	541	553	583	553	481
Valley Inquiry Charter (1955)	15,361										
ADM		216	203	166	166	166	165	167	163	165	166
Enrollment		207	199	169	165	167	168	156	165	168	163
Washington (1948)	68,740										
ADM		373	360	371	400	389	414	412	423	431	438
Enrollment		373	358	375	400	398	382	417	415	444	410
Weddle (2001)	50,080										
ADM		360	362	377	409	432	437	442	451	459	464
Enrollment		361	365	371	412	413	430	445	455	469	449
Wright (1963)	59,348										
ADM		375	371	354	402	411	399	412	421	424	462
Enrollment		378	375	373	397	396	411	418	420	428	448
Yoshikai (1994)	65,217										
ADM		467	480	468	513	555	569	590	554	542	498
Enrollment		461	484	485	504	512	554	591	538	535	505
ELEMENTARY TOTALS:											
Square Feet	2,501,446										
ADM		17,085	17,094	17,099	18,940	19,404	19,732	19,804	19,670	19,460	19,305
Enrollment		17,145	17,185	17,271	18,879	18,869	19,517	19,847	19,680	19,518	19,324

Source: Salem-Keizer Public Schools

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

	Square Feet	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
MIDDLE SCHOOLS											
Claggett Creek (2001)	117,256										
ADM		809	881	950	995	981	955	940	919	917	890
Enrollment		792	885	954	992	1,006	993	954	926	926	948
Crossler (1995)	111,930										
ADM		791	828	821	932	852	833	764	725	692	701
Enrollment		791	843	828	934	947	865	763	733	692	772
Houck (1995)	130,252										
ADM		934	1,044	1,029	1,052	1,024	1,036	995	950	953	949
Enrollment		927	1,025	1,041	1,046	1,074	1,054	1,014	957	974	957
Howard Street Charter (1926)	-										
ADM		183	184	187	181	174	165	160	156	157	161
Enrollment		184	184	182	182	182	177	161	156	161	163
Jane Goodall Environmental Charter (2000)	-										
ADM		96	92	97	97	97	97	97	97	97	98
Enrollment		95	93	100	98	98	97	98	99	97	99
Judson (1957)	135,744										
ADM		794	849	884	977	984	959	966	941	914	908
Enrollment		785	848	886	980	995	992	978	958	932	956
Leslie (1997)	113,600										
ADM		736	738	744	771	764	784	766	774	756	759
Enrollment		737	732	762	772	778	785	772	790	767	773
Parrish (1923)	104,873										
ADM		662	664	701	726	703	693	691	682	649	661
Enrollment		656	663	706	734	738	710	714	691	670	695
Stephens (1994)	135,135										
ADM		1,019	1,081	1,099	1,111	1,110	1,094	1,091	1,046	1,037	991
Enrollment		1,016	1,070	1,103	1,110	1,143	1,130	1,106	1,063	1,053	927
Straub (2011)	136,813										
ADM		552	557	611	660	660	612	618	600	589	722
Enrollment		547	550	614	670	660	664	621	607	587	731
Waldo (1957)	143,542										
ADM		1,152	1,207	1,227	1,212	1,035	1,027	974	979	922	917
Enrollment		1,161	1,204	1,246	1,205	1,214	1,042	980	995	929	910
Walker (1960)	117,725										
ADM		561	604	647	710	679	677	640	637	619	505
Enrollment		570	597	647	710	724	679	644	638	613	530
Whiteaker (1968)	114,452										
ADM		678	667	704	774	790	779	776	744	731	742
Enrollment		683	656	696	774	782	806	771	741	733	776
Total Alternative Education Programs/Locations: Roberts at Chemeketa (2005)	-										
ADM		83	81	7	16	-	-	-	-	-	-
Enrollment		83	81	7	19	-	-	-	-	-	-
MIDDLE SCHOOL TOTALS:											
Square Feet	1,361,322										
ADM		9,050	9,477	9,708	10,214	9,853	9,711	9,478	9,250	9,033	9,004
Enrollment		9,027	9,431	9,772	10,226	10,341	9,994	9,576	9,354	9,134	9,237

Source: Salem-Keizer Public Schools

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

	Square Feet	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
HIGH SCHOOLS											
McKay (1978)	353,660										
ADM		2,164	2,172	2,253	2,235	2,311	2,318	2,342	2,227	2,130	1,980
Enrollment		2,197	2,158	2,275	2,267	2,328	2,436	2,455	2,334	2,228	1,968
McNary (1964)	325,769										
ADM		1,942	1,920	1,903	1,951	1,948	1,938	1,936	1,956	1,952	2,006
Enrollment		1,954	1,899	1,822	2,002	2,091	2,070	2,051	2,046	2,062	2,037
North (1936)	377,932										
ADM		2,073	2,024	1,969	1,800	1,750	1,689	1,737	1,747	1,744	1,760
Enrollment		2,008	1,950	1,958	1,789	1,889	1,853	1,815	1,867	1,855	1,889
South (1954)	341,820										
ADM		2,084	2,067	2,078	1,969	1,839	1,825	1,805	1,821	1,811	1,885
Enrollment		2,118	2,090	2,103	2,009	2,059	1,936	1,884	1,881	1,902	1,951
Sprague (1972)	294,848										
ADM		1,674	1,672	1,624	1,596	1,647	1,673	1,654	1,644	1,634	1,571
Enrollment		1,725	1,673	1,593	1,625	1,701	1,736	1,751	1,706	1,695	1,730
West (2002)	325,117										
ADM		1,613	1,582	1,598	1,648	1,655	1,736	1,709	1,734	1,676	1,627
Enrollment		1,641	1,591	1,572	1,698	1,745	1,748	1,799	1,773	1,730	1,738
Total Alternative Education Programs/Locations: Riverfront Learning Center (1989) and Roberts (2005)											
	25,087										
ADM		658	688	778	732	848	794	712	750	741	836
Enrollment		714	656	826	721	649	401	916	823	975	1,096
HIGH SCHOOL AND ALTERNATIVE EDUCATION TOTALS:											
Square Feet	2,044,233										
ADM		12,208	12,125	12,203	11,931	11,998	11,973	11,896	11,879	11,688	11,665
Enrollment		12,357	12,017	12,149	12,111	12,462	12,180	12,671	12,430	12,447	12,409
DISTRICT FACILITIES											
Baker (1951)	6,487										
Career Technical Education Center (2019)	145,666										
Career Technical Education Center - Aviation (2023)	16,176										
Centennial (1897)	13,244										
Central Kitchen/Nutrition Center (1994)	30,647										
Central Services (1974)	74,814										
Paulus Complex (1953)	21,230										
Lancaster Professional Center (1989)	35,157										
Reprographics (1991)	26,550										
Support Services (1955)	24,202										
Technology Data Center (1975)	11,664										
Transportation Gaffin (2022)	41,246										
Transportation Hawthorne (1964)	12,640										
Other District Facilities (various)	21,277										
DISTRICT FACILITIES TOTALS:	481,000										
GRAND TOTALS:	6,388,001										
ADM		38,343	38,696	39,010	41,085	41,255	41,416	41,178	40,799	40,181	39,974
Enrollment		38,529	38,633	39,192	41,216	41,672	41,691	42,094	41,464	41,099	40,970

Source: Salem-Keizer Public Schools

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

School Name	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Elementary Schools										
Auburn	548	528	554	596	680	677	677	650	630	667
Battle Creek	454	446	494	590	635	613	586	559	525	529
Brush College	304	294	276	318	281	272	277	253	210	339
Bush	257	266	265	283	311	324	310	320	309	323
Candalaria	297	310	267	354	336	339	344	353	355	339
Chapman Hill	363	363	338	383	389	411	404	385	368	425
Chavez	574	584	567	620	581	568	583	591	556	701
Clear Lake	339	331	352	383	402	390	430	433	470	497
Cummings	438	415	420	444	417	434	436	427	414	414
Eagle Charter, State Sponsored	157	130	139	143	139	141	140	141	143	138
Englewood	315	319	326	365	352	378	382	360	376	382
Eyre	525	576	567	600	541	542	571	602	590	573
Forest Ridge	233	243	233	281	239	239	248	231	241	233
Four Corners	366	362	425	474	490	505	531	530	510	521
Grant	424	417	375	372	409	421	444	428	456	434
Gubser	421	415	465	535	552	595	550	524	486	470
Hallman	363	360	392	401	412	422	389	415	454	429
Hammond	529	524	495	524	487	514	506	532	522	504
Harritt	478	487	455	490	509	503	512	524	501	301
Hayesville	346	342	333	368	440	444	426	439	436	421
Highland	339	373	362	373	375	426	411	406	398	386
Hoover	401	398	406	411	428	444	471	499	500	531
Kalapuya	512	499	485	568	572	600	597	603	619	662
Keizer	543	524	548	628	717	737	682	654	641	624
Kennedy	352	364	357	397	412	441	449	459	455	465
Lamb	372	360	380	407	465	491	486	493	464	503
Lee	280	276	265	309	296	304	311	309	318	305
Liberty	457	451	428	454	374	386	388	372	388	376
McKinley	283	307	298	339	331	321	352	335	339	317
Miller	358	370	395	389	417	411	433	417	430	420
Morningside	320	279	266	343	365	375	382	384	379	373
Myers	342	327	366	464	550	536	532	504	480	427
Optimum Learning Environments Charter	130	128	122	130	130	128	130	130	130	130
Pringle	501	513	495	576	667	603	557	563	528	506
Richmond	304	306	273	297	313	344	386	363	396	380
Salem Heights	260	264	261	315	320	331	317	301	291	274
Schirle	304	296	329	425	500	471	417	442	453	463
Scott	512	541	536	542	547	601	638	617	621	530
Sumpter	478	484	481	551	537	545	554	534	496	494
Swegle	515	546	572	608	533	521	542	576	561	471
Valley Inquiry Charter	216	203	166	166	166	165	167	163	165	166
Washington	373	360	371	400	389	414	412	423	431	438
Weddle	360	362	377	409	432	437	442	451	459	464
Wright	375	371	354	402	411	399	412	421	424	462
Yoshikai	467	480	468	513	555	569	590	554	542	498
Total Elementary Schools	17,085	17,094	17,099	18,940	19,404	19,732	19,804	19,670	19,460	19,305

Source: Salem-Keizer Public Schools

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

School Name	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Middle School										
Claggett Creek	809	881	950	995	981	955	940	919	917	890
Crossler	791	828	821	932	852	833	764	725	692	701
Houck	934	1,044	1,029	1,052	1,024	1,036	995	950	953	949
Howard Street Charter	183	184	187	181	174	165	160	156	157	161
Jane Goodall										
Environmental Charter	96	92	97	97	97	97	97	97	97	98
Judson	794	849	884	977	984	959	966	941	914	908
Leslie	736	738	744	771	764	784	766	774	756	759
Parrish	662	664	701	726	703	693	691	682	649	661
Stephens	1,019	1,081	1,099	1,111	1,110	1,094	1,091	1,046	1,037	991
Straub	552	557	611	660	660	612	618	600	589	722
Waldo	1,152	1,207	1,227	1,212	1,035	1,027	974	979	922	917
Walker	561	604	647	710	679	677	640	637	619	505
Whiteaker	678	667	704	774	790	779	776	744	731	742
Alternative Education	83	81	7	16	-	-	-	-	-	-
Total Junior High/ Middle Schools	9,050	9,477	9,708	10,214	9,853	9,711	9,478	9,250	9,033	9,004
High Schools										
McKay	2,164	2,172	2,253	2,235	2,311	2,318	2,342	2,227	2,130	1,980
McNary	1,942	1,920	1,903	1,951	1,948	1,938	1,936	1,956	1,952	2,006
North	2,073	2,024	1,969	1,800	1,750	1,689	1,737	1,747	1,744	1,760
South	2,084	2,067	2,078	1,969	1,839	1,825	1,805	1,821	1,811	1,885
Sprague	1,674	1,672	1,624	1,596	1,647	1,673	1,654	1,644	1,634	1,571
West	1,613	1,582	1,598	1,648	1,655	1,736	1,709	1,734	1,676	1,627
Alternative Education	491	528	610	617	661	619	538	580	505	676
Total High Schools	12,041	11,965	12,035	11,816	11,811	11,798	11,721	11,709	11,452	11,505
Other Special Programs	167	160	168	115	187	175	175	170	236	160
Total Average Daily Membership	38,343	38,696	39,010	41,085	41,255	41,416	41,178	40,799	40,181	39,974
Percentage increase from previous year	-0.91%	-0.80%	-5.05%	-0.41%	-0.39%	0.58%	0.93%	1.54%	0.52%	1.46%

Source: Salem-Keizer Public Schools

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

Fiscal Year	Licensed	Classified	Administrative	Total FTE	Total General Fund	All Other Funds	General Fund FTE Percent of Total
2023	2,579	2,553	192	5,324	4,561	763	85.67%
2022	2,512	2,446	179	5,137	4,437	700	86.37%
2021	2,445	2,339	173	4,957	4,470	487	90.18%
2020	2,471	2,382	168	5,021	4,635	386	92.31%
2019	2,465	2,398	162	5,025	4,772	253	94.97%
2018	2,506	2,473	167	5,146	4,640	506	90.17%
2017	2,442	2,294	167	4,903	4,552	351	92.84%
2016	2,317	2,147	181	4,645	4,255	390	91.60%
2015	2,161	2,025	157	4,343	3,936	407	90.63%
2014	1,998	1,935	136	4,069	3,691	378	90.71%

Source: District Payroll Records

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

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

Fiscal Year	Minimum Salary¹	Maximum Salary¹	Average Salary¹	Marion County Average Salary²	Polk County Average Salary²	Statewide Average Salary²
2023	\$ 45,478	\$ 89,512	\$ 71,595	\$ 71,998	\$ 65,943	\$ 72,603
2022	43,501	85,620	70,302	69,200	65,288	70,344
2021	42,440	83,532	69,175	67,801	65,621	68,565
2020	41,204	81,099	66,923	65,440	65,107	66,825
2019	40,297	79,314	63,389	63,775	61,562	64,589
2018	39,507	77,759	61,075	62,532	59,672	63,061
2017	38,732	76,234	60,055	61,190	57,366	61,862
2016	38,066	74,923	58,073	60,353	53,500	60,407
2015	37,320	73,454	58,245	59,420	54,202	59,477
2014	36,588	72,014	57,838	58,907	53,084	58,595

Sources:

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

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

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

Fiscal Year	Average Daily Member-ship	Governmental Fund Expenditures	Cost per Pupil	% Change	Governmental Fund Expenditures Less Debt Service-General Obligation Bonds	Cost per Pupil	% Change	Teaching Staff	Pupil-Teacher Ratio
2023	38,343	\$ 929,826,467	\$ 24,250	2.1%	\$ 869,545,667	\$ 22,678	1.9%	2,579	14.9
2022	38,696	919,496,129	23,762	11.4%	861,077,579	22,252	12.0%	2,512	15.4
2021	39,010	831,739,525	21,321	14.4%	775,139,035	19,870	15.9%	2,445	16.0
2020	41,085	765,414,548	18,630	23.9%	704,659,848	17,151	22.0%	2,471	16.6
2019	41,255	620,276,345	15,035	8.4%	579,839,036	14,055	6.3%	2,465	16.7
2018	41,416	574,516,654	13,872	7.1%	547,820,281	13,227	7.4%	2,506	16.5
2017	41,178	533,244,697	12,950	-1.9%	507,117,433	12,315	-0.6%	2,442	16.9
2016	40,799	538,412,889	13,197	7.9%	505,419,908	12,388	8.4%	2,317	17.6
2015	40,181	491,550,470	12,233	5.1%	459,385,857	11,433	5.2%	2,161	18.6
2014	39,974	465,071,226	11,634	2.3%	434,330,820	10,865	2.5%	1,998	20.0

Notes:

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

Source: Salem-Keizer Public Schools

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

NUMBER OF SCHOOL BUILDINGS:

High Schools	8
Middle Schools	11
Elementary Schools	42

SUPPORT FACILITIES:

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

NUMBER OF TYPE A MEALS SERVED:

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Paid lunches	-	-	-	706,723	820,885	845,791	820,643	813,221	704,861	816,839
Free lunches	3,824,768	3,088,622	1,028,954	1,838,964	2,917,497	3,039,073	3,073,840	3,138,828	2,948,233	2,613,510
Reduced lunches	-	-	-	101,986	165,814	167,238	163,344	162,010	174,689	277,296
	<u>3,824,768</u>	<u>3,088,622</u>	<u>1,028,954</u>	<u>2,647,673</u>	<u>3,904,196</u>	<u>4,052,102</u>	<u>4,057,827</u>	<u>4,114,059</u>	<u>3,827,783</u>	<u>3,707,645</u>
Paid breakfast	-	-	-	213,315	220,046	219,033	197,325	191,819	161,505	231,040
Free breakfast	1,303,171	1,193,968	873,486	726,747	1,175,751	1,202,873	1,151,793	1,171,952	1,127,288	1,037,571
Reduced breakfast	-	-	-	30,432	51,911	52,418	50,282	51,943	58,341	98,980
	<u>1,303,171</u>	<u>1,193,968</u>	<u>873,486</u>	<u>970,494</u>	<u>1,447,708</u>	<u>1,474,324</u>	<u>1,399,400</u>	<u>1,415,714</u>	<u>1,347,134</u>	<u>1,367,591</u>
Percentage of students eligible for free or reduced meals	100%	100%	100%	68%	57%	57%	58%	61%	58%	61%

GRADUATION STATISTICS:

High Schools	2,412	2,422	2,619	2,482	2,320	2,350	2,172	2,065	2,101	2,095
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Note: Graduates for the current year are estimates. Finalized numbers are available from ODE the following spring.
Source: Salem-Keizer Public Schools



COMPLIANCE SECTION



GROVE, MUELLER & SWANK

redw
Advisors & CPAs

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Salem-Keizer School District 24J, (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 13, 2023.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Grove, Mueller & Swank, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

December 13, 2023



GROVE, MUELLER & SWANK

redw
Advisors & CPAs

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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Salem-Keizer School District 24J (the District)'s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2023. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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

Grove, Mueller & Swank, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

December 13, 2023

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

Federal Grantor/ Pass Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Expenditures 22-23
U.S. Department of Education			
Direct Programs			
Indian Education Grants to Local Educational Agencies			
Indian Education	84.060	S060A221098	\$ 174,736
Subtotal Indian Education Grants to Local Educational Agencies			<u>174,736</u>
Total U.S. Department of Education Direct Programs			<u>174,736</u>
Passed-Through Oregon Department of Education			
Title I Grants to Local Educational Agencies			
Title ID 21-22	84.010	66909	20,525
Title IA 21-22	84.010	67066	6,388,360
Title IA 22-23	84.010	72607	6,308,615
Title ID 22-23	84.010	73065	103,984
ESSA Partnerships 19-20 Supplemental	84.010	65149	101,743
ESSA Partnerships 21-22	84.010	68009	482,965
Subtotal Title I Grants to Local Educational Agencies			<u>13,406,192</u>
Migrant Education State Grant Program			
Title I C Regular 19-20	84.011	53729	7,563
Title I C Summer 2020	84.011	57322	43,562
Title I C Regular 20-21	84.011	58943	111,593
Title I C Summer 2021	84.011	66117	125,407
Title I C Regular 21-22	84.011	68117	245,109
Title I C Preschool 21-22	84.011	68146	30,295
Title I C Summer 2022	84.011	70947	276,556
Title I C Preschool 22-23	84.011	73266	132,790
Title I C Regular 22-23	84.011	73284	1,136,426
Title I C Summer 2023	84.011	75621	139,988
Subtotal Migrant Education State Grant Program			<u>2,249,289</u>
Supporting Effective Instruction State Grants			
Title IIA 21-22	84.367	67500	84,275
Title IIA 22-23	84.367	72804	1,408,305
Subtotal Supporting Effective Instruction State Grants			<u>1,492,580</u>

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

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2023

Federal Grantor/ Pass Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Expenditures 22-23
English Language Acquisition State Grants			
Title III 20-21	84.365	58504	\$ 341,197
Title III 21-22	84.365	67163	438,387
Title III 22-23	84.365	73122	318,918
Subtotal English Language Acquisition State Grants			<u>1,098,502</u>
Student Support and Academic Enrichment Program			
Title IV-A	84.424	66856	952,845
Subtotal Student Support and Academic Enrichment Program			<u>952,845</u>
Education Stabilization Fund			
COVID-19 LEA ESSER Fund	84.425D	57904	72,805
COVID-19 LEA ESSER II Fund	84.425D	64675	9,417,978
COVID-19 LEA ESSER III Fund	84.425D	64979	23,314,567
COVID-19 American Rescue Plan-Homeless Children and Youth I	84.425W	69309	7,373
COVID-19 American Rescue Plan-Homeless Children and Youth II	84.425W	69396	25,924
Subtotal Education Stabilization Fund			<u>32,838,647</u>
Special Education Cluster (IDEA)			
IDEA Part B, Section 611 2020-21	84.027	60743	585,308
COVID-19 IDEA Part B, Section 611 2021-22 ARP	84.027	68474	498,293
IDEA Part B, Section 611 2021-22	84.027	68723	7,332,767
IDEA Equipment and Supplies	84.027	75380	422,574
COVID-19 IDEA Part B, Section 619 2021-22 ARP	84.173	69239	13,161
Subtotal Special Education Cluster (IDEA)			<u>8,852,103</u>
Career and Technical Education - Basic Grants to States			
Perkins 21-22	84.048	66152	186,793
Perkins 22-23	84.048	72341	544,927
Subtotal Career and Technical Education - Basic Grants to States			<u>731,720</u>
Education for Homeless Children and Youth			
McKinney Homeless 21-22	84.196	66233	10,450
McKinney Homeless 22-23	84.196	74849	37,492
Subtotal Education for Homeless Children and Youth			<u>47,942</u>
Total U.S. Department of Education Passed-Through Oregon Department of Education			<u>61,669,820</u>

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

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2023

Federal Grantor/ Pass Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Expenditures 22-23
Passed-Through Oregon Department of Human Services			
Rehabilitation Services - Vocational Rehabilitation Grants to States			
Youth Transition Program 21-23	84.126	160746-01	\$ 499,115
Subtotal Rehabilitation Services - Vocational Rehabilitation Grants to States			<u>499,115</u>
Total U.S. Department of Education			<u>62,343,671</u>
U.S. Department of Health & Human Services			
Passed-Through Oregon Department of Education			
Foster Care Title IV-E			
Foster Care Transportation Reimbursement	93.658	71740	17,171
Subtotal Foster Care Title IV-E			<u>17,171</u>
Total U.S. Department of Health & Human Services			<u>17,171</u>
U.S. Department of Homeland Security			
Passed-Through Oregon Office of Emergency Management			
Disaster Grants - Public Assistance			
COVID-19 Federal Emergency Management Agency	97.036	DR-4499-OR	675,515
COVID-19 Federal Emergency Management Agency	97.036	DR-4499-OR	392,938
Federal Emergency Management Agency (Ice Storm)	97.036	DR-4599-OR	45,270
Subtotal Disaster Grants - Public Assistance			<u>1,113,723</u>
Total U.S. Department of Homeland Security			<u>1,113,723</u>
U.S. Department of Agriculture			
Passed-Through Oregon Department of Education			
Child Nutrition Cluster			
National School Breakfast Program	10.553	N/A	2,507,943
National School Lunch Program	10.555	N/A	12,220,710
Commodity Value - NSLP	10.555	N/A	1,724,731
Commodity Value - SFSP	10.559	N/A	38,325
Summer Food Svc Program/Children	10.559	N/A	251,304
Subtotal Child Nutrition Cluster			<u>16,743,013</u>

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

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONCLUDED)
YEAR ENDED JUNE 30, 2023

Federal Grantor/ Pass Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Expenditures 22-23
Local Food for Schools Cooperative Agreement Program (LFS)			
Local Food for Schools 23-24	10.185	76221	\$ 153,298
Subtotal Local Food for Schools Cooperative Agreement Program (LFS)			<u>153,298</u>
Child and Adult Care Food Program			
Child and Adult Care Food Program	10.558	N/A	17,473
Subtotal Child and Adult Care Food Program			<u>17,473</u>
Total U.S. Department of Agriculture Passed-Through Oregon State Department of Education			<u>16,913,784</u>
Passed-Through Marion County			
Forest Service Schools and Roads Cluster			
Schools and Roads - Grants to States	10.665	N/A	354
Subtotal Forest Service Schools and Roads Cluster			<u>354</u>
Total U.S. Department of Agriculture			<u>16,914,138</u>
U.S. General Services Administration			
Passed-Through Oregon Department of Administrative Services			
Donation of Federal Surplus Personal Property			
Donated Surplus Property	39.003		23
Subtotal Donation of Federal Surplus Personal Property			<u>23</u>
Total U.S. General Services Administration			<u>23</u>
Total Federal Programs			<u><u>\$ 80,388,726</u></u>

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

SALEM-KEIZER SCHOOL DISTRICT 24J
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2023

Purpose of the Schedule

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of the District under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the District.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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

Indirect Cost Rate

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

Federal Financial Assistance

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

Major Programs

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

Reporting Entity

The reporting entity is fully described in notes to the financial statements. The Schedule includes all federal programs administered by the District for the year ended June 30, 2023.

Revenue and Expenditure Recognition

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

Expenditures for Disaster Grants – Public Assistance (ALN 97.036) in the amount of \$1,113,723 were incurred during fiscal year ended June 30, 2021, and are included in the current year Schedule as the grants were awarded during the year ended June 30, 2023.

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

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

Federal Awards

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

Identification of major federal programs:

Assistance Listing Number(s)

Name of Federal Program or Cluster

84.010	Title I Grants to Local Educational Agencies
84.425	Education Stabilization Fund
97.036	Disaster Grants – Public Assistance

Dollar threshold used to distinguish between type A and type B programs:	\$2,411,662
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Auditee qualified as low-risk auditee?	Yes
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FINANCIAL STATEMENT FINDINGS

None.

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

SALEM-KEIZER SCHOOL DISTRICT 24J
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023

PRIOR YEAR FINANCIAL STATEMENT FINDINGS

None.

PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.



GROVE, MUELLER & SWANK

redw
Advisors & CPAs

INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the basic financial statements of Salem-Keizer School District 24J, (the District) as of and for the year ended June 30, 2023, and have issued our report thereon dated December 13, 2023.

Compliance and Other Matters

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

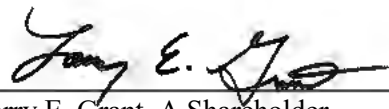
Internal Control

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

Restriction on Use

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

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

By: 
Larry E. Grant, A Shareholder
December 13, 2023