

| JACKSON COUNTY SCHOOL DISTRICT NO. 6
CENTRAL POINT, OREGON

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2023
WITH
INDEPENDENT AUDITOR'S REPORT



JACKSON COUNTY SCHOOL DISTRICT NO. 6

June 30, 2023

**Administrative Office:
300 Ash Street.
Central Point, Oregon 97502**

BOARD OF DIRECTORS AT JUNE 30, 2023

Cathy Salmon 647 Cedar Street, Central Point, Oregon 97502	Chairman
Jolee Wallace 40 North River Road, Gold Hill, Oregon 97525	1st Vice-Chair
CJ Shipley P.O. Box 5404, Central Point, OR 97502	2nd Vice-Chair
Cindy Tilley-Case 3295 Galls Creek Road, Gold Hill, Oregon 97525	Director
Bret Moore P.O. Box 3577, Central Point, Oregon 97502	Director

ADMINISTRATIVE STAFF

Walt Davenport	District Superintendent-Clerk
Tom Rambo	Director of HR
Christine Beck	Director of Education
Ryan Munn	Director of Student Service-Deputy Clerk
Kami Nicks	Business Manager



Jackson County School District No. 6

June 30, 2023

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| Independent Auditor's Report



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Jackson County School District No. 6
Central Point, 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 fiduciary fund information of Jackson County School District No. 6 (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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the fiduciary fund information of the District, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

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.

Change in Accounting Principles

As discussed in Note 1 to the financial statements, the District has changed from reporting the financial statements on the cash basis, a basis of accounting other than GAAP, to reporting the financial statements in accordance with GAAP. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 error or fraud.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

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

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 1, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 State Regulations

In accordance with *Oregon State Regulations*, we have also issued our report dated February 1, 2024 on our consideration of the District's compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters, including the provisions of Oregon Revised Statutes (ORS) as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0320 of the *Minimum Standards for Audits of Oregon Municipal Corporations*. The purpose of that report is to describe the scope of our testing necessary to address the required provisions of ORS, and not to provide an opinion on compliance with such provisions.



Aria Bettinger, CPA, Partner
KDP Certified Public Accountants, LLP
Medford, Oregon
February 1, 2024



| Management's Discussion and Analysis

JACKSON COUNTY SCHOOL DISTRICT NO. 6
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023

As management of Jackson County School District No. 6 (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with the basic financial statements and the accompanying notes to those financial statements. It should also be noted that all amounts included in text below are rounded for ease of reading.

FINANCIAL HIGHLIGHTS

- In the government wide statements, the assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at June 30, 2023 by \$3.11 million (net position).
- The District has a restricted net position of \$2.9 million for food service, \$507 thousand for debt service, \$17.5 million for capital projects, \$878 thousand for student body, \$201 thousand for grants and \$756 thousand for the OPEB asset of the RHIA plan.
- For the fiscal year ended June 30, 2023, the District's total current and other assets decreased by \$20.4 million or 34.5%. This was due to increased capital expenditures from both cash reserve and unspent bond proceeds from the ongoing capital levy passed in 2019.
- The District's combined General Fund and PERS Reserve Fund ending fund balance of \$395 thousand, an increase of \$2 million in comparison to last year, as restated. This increase was primarily attributable to increases in grant and state school funding.

BASIC FINANCIAL STATEMENTS

This Management's Discussion and Analysis is intended to serve as an introduction to the District's basic financial statements.

The District's basic financial statements consist of three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the basic financial statements

This report also contains supplementary information in addition to the basic financial statements themselves.

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.

Statement of Net Position. The *Statement of Net Position* includes all assets of the District and net position. Over time, increases or decreases in the District's net position may be an indicator of whether its financial health is improving or deteriorating.

Statement of Activities. The *Statement of Activities* presents information showing how the net position of the District changed over the year by tracking cash collected, expenditures paid, and other transactions that increase or reduce net position. All changes in net position are reported when they result from cash transactions.

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

Governmental Activities. Most of the District's basic functions are shown here, such as instruction, support services, enterprise and community services, facilities acquisition and construction, and principal and interest on long-term debt. These activities are financed primarily through property taxes, Oregon's State School Fund and other intergovernmental revenues.

JACKSON COUNTY SCHOOL DISTRICT NO. 6
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023

BASIC FINANCIAL STATEMENTS (continued)

Fund Financial Statements

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Statement of Cash Basis Assets and Fund Balance and the governmental fund Statement of Cash Collected, Expenditures Paid and Changes in Cash Basis Fund Balances are reconciled to the cash basis government-wide Statements of Net Position and Activities.

The District maintains three individual governmental funds. Information is presented separately in the governmental fund Statement of Cash Basis Assets and Fund Balance and the governmental fund Statement of Cash Collected, Expenditures Paid and Changes in Cash Basis Fund Balances for the General, Special Revenue, Debt Service, and Capital Projects funds, all of which are considered to be major funds.

Fiduciary Funds. The *fiduciary funds* are used to account for assets held in trust by the District for the benefit of students. The District accounts for resources received and held by the District in a fiduciary capacity for the benefit of scholarships for students. The fiduciary fund financial statements are presented separately.

The basic governmental and fiduciary fund financial statements can be found as listed in the Table of Contents of this report.

Notes to the Basic Financial Statements

The *notes to the basic financial statements* provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. Information such as significant accounting policies are included in the notes which should be read in conjunction with the basic financial statements. The notes to the basic financial statements can be found as listed in the Table of Contents of this report.

JACKSON COUNTY SCHOOL DISTRICT NO. 6
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023

BASIC FINANCIAL STATEMENTS (continued)

GOVERNMENT-WIDE FINANCIAL ANALYSIS

During the current fiscal year, the District's net position increased by \$15.6 million. This increase can largely be attributed to the District's continuing capital outlay related to the spend down of the bond proceeds which in relation to the District's change in accounting principal are now capitalized as compared to the prior year. Significant progress has been made toward District infrastructure improvements. District enrollment was reportedly flat during the 2022-2023 school year. However, due to enrollment drops around the state, the District received increased per student revenue for state school funding. State School Fund revenue increased by \$4.8 million or 12.7% in comparison to last fiscal year. The increase in state revenue provided a soft landed for operations as the District reduced any supplanting use of remaining ESSER funds.

	Governmental Activities		Increase (Decrease) From
	June 30, 2023	June 30, 2022	June 30, 2022
Assets:			
Current and other assets	\$ 38,673	\$ 59,033	\$ (20,360)
Capital assets	115,849	-	115,849
Total assets	154,522	59,033	95,489
Deferred outflows	20,668	-	20,668
Total assets and deferred outflows	175,190	59,033	116,157
Liabilities:			
Current liabilities	17,740	-	17,740
Long-term liabilities	137,610	-	137,610
Total liabilities	155,350	-	155,350
Deferred inflows	16,726	-	16,726
Total liabilities and deferred inflows	172,076	-	172,076
Net position:			
Net investment in capital assets	41,188	-	41,188
Restricted	22,754	57,186	(34,432)
Unrestricted	(60,828)	1,847	(62,675)
Total net position	\$ 3,114	\$ 59,033	\$ (55,919)

JACKSON COUNTY SCHOOL DISTRICT NO. 6
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Governmental Activities

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

	Governmental Activities		Increase (Decrease) From
	June 30, 2023	June 30, 2022	June 30, 2022
REVENUES			
Program revenues:			
Charges for service	\$ 1,543	\$ 905	\$ 638
Operating grants and contributions	19,524	18,454	1,070
Capital grants and contributions	8,561	247	8,314
General revenues:			
Property taxes	17,140	16,521	619
State school fund - general support	42,275	37,508	4,767
Other federal, state and local sources	1,218	1,544	(326)
Earnings on investments	1,304	223	1,081
Total revenues	<u>91,565</u>	<u>75,402</u>	<u>16,163</u>
EXPENSES:			
Instruction	42,720	37,850	4,870
Support services	22,272	21,430	842
Enterprise and community services	2,735	2,758	(23)
Facilities acquisition and construction	5,409	33,826	(28,417)
Interest on long-term debt	2,779	4,353	(1,574)
Total expenses	<u>75,915</u>	<u>100,217</u>	<u>(24,302)</u>
CHANGE IN NET POSITION	<u>\$ 15,650</u>	<u>\$ (24,815)</u>	<u>\$ 40,465</u>

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Governmental Funds

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

At June 30, 2023, the District's governmental funds reported combined ending fund balance of \$23.6 million, a decrease of \$26.2 million from the prior year primarily due to strong capital projects activity during the year with significant funding from unspent bond proceeds in the Capital Projects Fund. Approximately \$567 thousand of the ending fund balance (deficit) constitutes *unassigned fund balance*, which is available for spending at the District's discretion.

JACKSON COUNTY SCHOOL DISTRICT NO. 6
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS (continued)

General Fund. The General Fund is the primary operating fund of the District. As of June 30, 2023, the unassigned fund balance was \$567 thousand (deficit). This is a decrease of approximately \$4.1 million over the previous year which resulted from the District's change in accounting principle from the cash basis to modified accrual (GAAP) basis of accounting. The general fund unassigned balance represents 0.9% deficit balance of total general fund expenditures.

Special Revenue Fund. The Special Revenue Fund is used to account for Federal, State, and Local grants, as well as our food service and associated student body funds. All funds are utilized to carry out specific programs, and the ending fund balance of \$5.4 million is restricted for associated student body programs and activities, and grant related activities. There is an increase of about \$2.3 million from the previous year due to revenue received from state and federal grants exceeding expenditures.

Debt Service Fund. The Debt Service Fund has a total fund balance of \$508 thousand which is restricted for the payment of general obligation bond debt service. The increase in fund balance during the current year was about \$109 thousand. However, the District has consistently maintained a low fund balance relative to required debt service payments (i.e., 5%) in a continued effort to avoid unnecessary burdens on its tax base by over-levying taxes.

Capital Project Fund. The Capital Project Fund has a total fund balance of \$17.3 million which is restricted for payment of various capital projects within the District. The fund balance decreased by \$30.5 million from the prior year resulting from the spend down of bond proceeds.

General Fund Budgetary Highlights

During the fiscal year, the Board adopted one resolution for appropriation transfers in the General Fund. This resolution increased budgeted expenditures for support services by \$200,000, facilities acquisition by \$1,100,000 and transfers out by \$1,100,000 and decreased instruction by \$350,000 and contingency by \$2,050,000. As this resolution did not add to expenditures, it did not meet the qualifications of requiring the supplemental budget process to be followed. During the year, all General Fund expenditures were within budget in accordance with final appropriations.

Capital Assets and Debt Administration

Capital assets. The District's investment in capital assets includes land, buildings, building improvements, vehicles and equipment, and subscription and right-of use assets. As of June 30, 2023, the District had invested approximately \$115.8 million in capital assets, net of depreciation.

In the prior year, capital assets, net of depreciation, approximated \$77.7 million. Several large construction projects were active during the year including parking lot replacement and new building being constructed at Scenic Middle School and construction at Rogue Primary. Additional information on the District's capital assets can be found in Note 1 and Note 4 of the notes to the basic financial statements as listed in the table of contents of this report.

Long-term debt. At the end of the current fiscal year, the District had \$86.2 million in outstanding long-term debt. Total long-term debt decreases during the year by \$3.4 million due to scheduled principal repayments of \$2.4 million on bonds, leases and subscriptions, and bond premium amortization of \$674 thousand. Additional information on the District's leases payable and long-term debt can be found in Note 1, Note 7, Note 8, and Note 9 of the notes to the basic financial statements as listed in the table of contents of this report. Notes 7 and 8 include information on leases payable accounted for under GASB 87 and subscription liabilities accounted for under GASB 96, respectively.

JACKSON COUNTY SCHOOL DISTRICT NO. 6
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS (continued)

OTHER FACTORS

As the school district continues to evolve and grow, so do the financial management strategies. The fiscal year 2022-2023 marked a significant milestone in our financial journey, as we transitioned from a cash basis of accounting to a modified accrual basis. This shift aligns our accounting practices with those commonly used in public finance and offers a more comprehensive view of our financial position and operations.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. The District School Board has established a set of guidelines for accountability. The District will responsibly administer all resources and demonstrate fiscal responsibility by aligning its program expenditures to the Strategic Plan and report of progress monthly at District 6 Board of Directors meetings. If you have questions about this report or need additional financial information, requests should be addressed to Business Manager, 300 Ash Street, Central Point, OR 97502. You can also visit our website at www.district6.org.



| Basic Financial Statements



| Government-Wide Financial Statements

JACKSON COUNTY SCHOOL DISTRICT NO. 6
STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:	
ASSETS:	
Cash and investments	\$ 21,115,230
Restricted cash and investments	11,910,577
Receivables	4,774,599
Inventories	107,111
Capital assets not being depreciated	51,925,404
Capital assets, net of accumulated depreciation/amortization	63,923,750
OPEB asset (RHIA)	765,446
TOTAL ASSETS	154,522,117
DEFERRED OUTFLOWS OF RESOURCES:	
Pension related deferrals (OPERS)	19,352,745
Pension related deferrals (Stipend benefit plan)	155,696
OPEB related deferrals (RHIA)	37,200
OPEB related deferrals (Health care plan)	1,122,137
TOTAL DEFERRED OUTFLOWS OF RESOURCES	20,667,778
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	175,189,895
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:	
LIABILITIES:	
Accounts payable	4,496,902
Accrued payroll liabilities	8,215,908
Accrued interest payable	4,162,076
Unearned revenue	864,444
Retainage payable	1,026,548
Accrued compensated absences	262,233
Net pension liability (OPERS plan) (due in more than one year)	43,879,612
Total pension liability (Stipend) (due in more than one year)	397,840
Total OPEB liability (Health care plan) (due in more than one year)	5,471,886
Lease payable	
Due within one year	148,354
Due in more than one year	179,104
Subscriptions payable	
Due within one year	24,084
Due in more than one year	64,855
Bonds payable, net of unamortized premium/discount	
Due within one year	2,184,394
Due in more than one year	83,970,721
TOTAL LIABILITIES	155,348,961
DEFERRED INFLOWS OF RESOURCES:	
Pension related deferrals (OPERS)	14,779,330
Pension related deferrals (Stipend benefit plan)	31,936
OPEB related deferrals (RHIA)	104,633
OPEB related deferrals (Health care plan)	1,810,564
TOTAL DEFERRED INFLOWS OF RESOURCES	16,726,463
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	172,075,424
NET POSITION:	
Net investment in capital assets	41,188,219
Restricted	22,753,881
Unrestricted (deficit)	(60,827,629)
TOTAL NET POSITION	\$ 3,114,471

See notes to basic financial statements

JACKSON COUNTY SCHOOL DISTRICT NO. 6
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 42,720,110	\$ 869,136	\$ 11,286,388	\$ -	\$ (30,564,586)
Supporting services	22,271,686	385,816	5,219,648	-	(16,666,222)
Enterprise and community services	2,736,389	288,193	3,018,451	-	570,255
Facilities acquisition and construction	5,409,213	-	-	8,560,734	3,151,521
Interest on long-term debt	2,779,051	-	-	-	(2,779,051)
Total governmental activities	<u>\$ 75,916,449</u>	<u>\$ 1,543,145</u>	<u>\$ 19,524,487</u>	<u>\$ 8,560,734</u>	<u>(46,288,083)</u>
General revenues:					
Property taxes levied for general purposes					13,629,968
Property taxes levied for debt service					3,509,822
State school fund - general support					42,274,505
Common school fund					614,111
Federal forest fees					54,239
Construction excise tax					190,796
Earnings on investments					1,304,203
Miscellaneous					<u>358,755</u>
Total general revenues					<u>61,936,399</u>
CHANGE IN NET POSITION					15,648,316
NET POSITION - July 1, 2022, as restated					<u>(12,533,845)</u>
NET POSITION - June 30, 2023					<u>\$ 3,114,471</u>



| Fund Financial Statements

JACKSON COUNTY SCHOOL DISTRICT NO. 6
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
ASSETS					
Cash and investments	\$ 7,040,251	\$ 4,272,385	\$ 469,385	\$ 9,333,209	\$ 21,115,230
Restricted cash and investments	-	-	-	11,910,577	11,910,577
Receivables	2,020,497	2,597,234	156,868	-	4,774,599
Due from other funds	-	612,614	-	-	612,614
TOTAL ASSETS	\$ 9,060,748	\$ 7,482,233	\$ 626,253	\$ 21,243,786	\$ 38,413,020
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 898,069	\$ 279,579	\$ -	\$ 3,319,254	\$ 4,496,902
Accrued payroll liabilities	7,306,930	898,514	-	10,464	8,215,908
Due to other funds	-	-	-	612,614	612,614
Unearned revenue	-	864,444	-	-	864,444
TOTAL LIABILITIES	8,204,999	2,042,537	-	3,942,332	14,189,868
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	460,457	-	118,588	-	579,045
TOTAL DEFERRED INFLOWS	460,457	-	118,588	-	579,045
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	8,665,456	2,042,537	118,588	3,942,332	14,768,913
FUND BALANCES					
Restricted					
Food service	-	2,943,916	-	-	2,943,916
Debt service	-	-	507,665	-	507,665
Capital projects	-	156,458	-	17,301,454	17,457,912
Student body	-	878,267	-	-	878,267
Grants	-	200,675	-	-	200,675
Committed					
PERS reserve	962,183	-	-	-	962,183
Assigned					
Student body	-	1,260,380	-	-	1,260,380
Unassigned	(566,891)	-	-	-	(566,891)
TOTAL FUND BALANCES	395,292	5,439,696	507,665	17,301,454	23,644,107
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 9,060,748	\$ 7,482,233	\$ 626,253	\$ 21,243,786	\$ 38,413,020

**JACKSON COUNTY SCHOOL DISTRICT NO. 6
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
YEAR ENDED JUNE 30, 2023**

TOTAL FUND BALANCES		\$ 23,644,107
Capital assets are not financial resources and therefore are not reported in the governmental funds:		
Cost	\$ 143,795,192	
Accumulated depreciation and amortization	<u>(27,946,038)</u>	
		115,849,154
In the governmental funds, inventory is accounted for under the purchase method and the current value is not reported in the fund balance sheet.		107,111
Net OPEB assets (RHIA) do not provide current financial resources and are therefore not reported in the governmental funds.		765,446
A portion of the District's property taxes are collected after year-end but are not available soon enough to pay for the current year's operations, and therefore are not reported as revenue in the governmental funds.		579,045
The net deferred outflow/(inflow) associated with the District's pension and OPEB plans are not recorded in the governmental funds as they do not provide or require current financial resources. This is the net impact of these amounts.		3,941,315
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 recognized as an expenditure when due. These liabilities consist of:		
Accrued interest payable	\$ (4,162,076)	
Bonds payable, net of bond premium	(86,155,115)	
Leases payable	(327,458)	
Subscriptions payable	(88,939)	
Retainage payable	(1,026,548)	
Compensated absences	<u>(262,233)</u>	
		(92,022,369)
The net pension liability (OPERS) is not reported with the governmental funds as it does not require payment with current financial resources.		(43,879,612)
The total pension liability (Stipend benefit plan) is not reported with the governmental funds as it does not require payment with current financial resources.		(397,840)
The total OPEB liability (Health care plan) is not reported with the governmental funds as it does not require payment with current financial resources.		<u>(5,471,886)</u>
TOTAL NET POSITION		<u><u>\$ 3,114,471</u></u>

JACKSON COUNTY SCHOOL DISTRICT NO. 6
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
REVENUES					
Property and other taxes	\$ 13,591,127	\$ 190,796	\$ 3,501,290	\$ -	\$ 17,283,213
Intergovernmental	49,538,828	16,209,849	-	4,810,407	70,559,084
Charges for services	307,892	1,235,253	-	-	1,543,145
Investment income	341,747	-	61,677	900,779	1,304,203
Donations	192	341,320	-	-	341,512
Miscellaneous	235,204	247,626	-	-	482,830
TOTAL REVENUES	<u>64,014,990</u>	<u>18,224,844</u>	<u>3,562,967</u>	<u>5,711,186</u>	<u>91,513,987</u>
EXPENDITURES					
Current:					
Instruction	36,001,129	4,712,831	-	-	40,713,960
Support services	19,737,158	2,689,815	-	-	22,426,973
Enterprise and community services	-	2,746,682	-	-	2,746,682
Facilities acquisition and construction	5,438,572	6,153,169	-	36,252,922	47,844,663
Debt service	497,715	765,917	3,453,948	-	4,717,580
TOTAL EXPENDITURES	<u>61,674,574</u>	<u>17,068,414</u>	<u>3,453,948</u>	<u>36,252,922</u>	<u>118,449,858</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>2,340,416</u>	<u>1,156,430</u>	<u>109,019</u>	<u>(30,541,736)</u>	<u>(26,935,871)</u>
OTHER FINANCING SOURCES (USES):					
Proceeds from issuance of leases	573,666	-	-	-	573,666
Proceeds from issuance of subscriptions	133,552	-	-	-	133,552
Proceeds from sale of assets	3,405	-	-	-	3,405
Interfund transfer	(1,100,000)	1,100,000	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(389,377)</u>	<u>1,100,000</u>	<u>-</u>	<u>-</u>	<u>710,623</u>
NET CHANGE IN FUND BALANCE	1,951,039	2,256,430	109,019	(30,541,736)	(26,225,248)
BEGINNING FUND BALANCE, JULY 1, 2022, as restated	<u>(1,555,747)</u>	<u>3,183,266</u>	<u>398,646</u>	<u>47,843,190</u>	<u>49,869,355</u>
ENDING FUND BALANCE, JUNE 30, 2023	<u>\$ 395,292</u>	<u>\$ 5,439,696</u>	<u>\$ 507,665</u>	<u>\$ 17,301,454</u>	<u>\$ 23,644,107</u>

JACKSON COUNTY SCHOOL DISTRICT NO. 6
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

NET CHANGE IN FUND BALANCE \$ (26,225,248)

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

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

Expenditures for capital assets	\$ 42,825,050	
Loss on disposal of buildings and improvements	(1,735,032)	
Less current year depreciation and amortization	<u>(2,897,279)</u>	
		38,192,739

Retainage payable which is not payable from current financial resources is not reported in the governmental funds. This is the change in retainage payable.	25,534
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The issuance on long-term debt provides current financial resources to governmental funds, while the payment of the principal of long-term debt consumes the current financial resources of governmental funds.

Lease proceeds	\$ (573,666)	
Subscription proceeds	(133,552)	
Debt principal repaid	2,364,617	
Lease principal repaid	326,350	
Subscription principal repaid	<u>44,613</u>	
		2,028,362

In the Statement of Activities interest is accrued on long-term debt, whereas in the governmental funds it is recorded as an interest expense when due.

Interest paid	\$ 2,362,845	
Interest expense	<u>(2,779,051)</u>	
		(416,206)

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. This is the change in unavailable revenue.

47,373

Compensated absences do not require the use of current financial resources and are not reported by governmental funds. This is the change in compensated absences.	(89,598)
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Governmental funds report pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned (actuarially determined) net of employee contributions (OPERS) is reported as pension expense (including deferred outflows and inflows).

1,907,538

Governmental funds report pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned (actuarially determined) net of employee contributions (stipend) is reported as pension expense (including deferred outflows and inflows).

(26,436)

The change in the total single employer post employment benefit obligation (OPEB) is not recognized in the governmental funds (including deferred outflows and inflows).	109,484
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The change in the net post employment benefit asset (OPEB) RHIA is not recognized in the governmental funds (including deferred outflows and inflows).	<u>94,774</u>
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CHANGE IN NET POSITION	<u><u>\$ 15,648,316</u></u>
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**JACKSON COUNTY SCHOOL DISTRICT NO. 6
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
YEAR ENDED JUNE 30, 2023**

	<u>Scholarship Fund</u>
ASSETS	
Cash	\$ -
	<hr/>
TOTAL ASSETS	<hr/> - <hr/>
 NET POSITION:	
Restricted - scholarships	- <hr/>
TOTAL NET POSITION	<hr/> \$ - <hr/> <hr/>

**JACKSON COUNTY SCHOOL DISTRICT NO. 6
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
FIDUCIARY FUND
YEAR ENDED JUNE 30, 2023**

	<u>Scholarship Fund</u>
REVENUES	
Contributions	\$ 16,500
TOTAL REVENUES	<u>16,500</u>
EXPENDITURES	
Current:	
Enterprise and community services	<u>16,500</u>
TOTAL EXPENDITURES	<u>16,500</u>
CHANGE IN NET POSITION	-
BEGINNING FUND BALANCE, JULY 1, 2022	<u>-</u>
ENDING FUND BALANCE, JUNE 30, 2023	<u><u>\$ -</u></u>



| Notes to Basic Financial Statements

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 1 - Summary of Significant Accounting Policies

The Reporting Entity

Jackson County School District No. 6 (the District), Central Point, Oregon, was organized under provisions of Oregon Statutes pursuant to ORS Chapter 332 for the purpose of operating elementary and secondary schools. The District is governed by a separately elected five-member Board of Education (Board) who approves the administrative officials. The daily functioning of the District is under the supervision of the Superintendent. All activities of the District have been included in the basic financial statements.

The financial statements of the District have been prepared in conformity with accounting standards generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing accounting and financial reporting standards.

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

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

Basis of Presentation

Government-wide Financial Statements

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

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

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

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

Fund Financial Statements

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

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 1 - Summary of Significant Accounting Policies (continued)

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. The principal revenue resources are property taxes and the state school support funds from the State of Oregon. The PERS Reserve Fund was established to address the anticipated increase in mandated PERS contributions by the District. The PERS Reserve Fund combines with the General Fund for external reporting.

Special Revenue Fund - The Special Revenue Fund accounts for revenues and expenditures of grants and contributions restricted for specific educational purposes. Principal revenue sources are federal and state grants and contributions.

Debt Service Fund - The Debt Service Fund provides for the payment of principal and interest on general obligation bonded debt. Principal revenue sources are property taxes.

Capital Projects Fund - The Capital Project Fund accounts for activities related to the acquisition, construction, equipping and furnishing of facilities. Principal revenue sources are proceeds from the sale of bonds, interest earnings, and capital grant funds.

Additionally, the District reports the following fiduciary fund:

Scholarship Fund - This fund accounts for cash collected received and held by the District in a fiduciary capacity. The District receives donations for various scholarship funds, which are disbursed in accordance with the trust agreement or conditions of the various donors.

Measurement Focus and Basis of Accounting.

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

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

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 1 - Summary of Significant Accounting Policies (continued)

Cash and Investments

The District's cash and investments consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less.

The District's investments, authorized under state statute, consist of the State of Oregon Treasurer's Local Government Investment Pool (LGIP), and bond investments. The LGIP investments are stated at cost which approximates fair value. Fair value of the LGIP is the same as the District's value in the pool shares. Changes in the fair value of investments are recorded as investment earnings.

The LGIP is stated at cost which approximates fair value. Fair value of the LGIP is the same as the District's value in the pool shares. The Oregon State Treasury administers the LGIP. It is an open-ended no-load diversified portfolio offered to any agency, political subdivision or public corporation of the State that by law is made the custodian of, or has control of, any fund. The LGIP is commingled with the State's short-term funds. In seeking to best serve local governments of Oregon, the Oregon legislature established the Oregon Short-Term Fund Board. The purpose of the Board is to advise the Oregon State Treasury in the management and investment options of the LGIP. The investments are regulated by the Oregon Short Term Fund Board and approved by the Oregon Investment Council (ORS 294.805 to 294.895).

Earnings on pooled cash and investments are credited to each fund monthly based on the average daily balance of each participating fund. Pooled cash and investments have the general characteristics of a demand deposit account in that any participating fund may deposit additional cash at any time and may also withdraw cash at any time without prior notice or penalty.

Restricted Cash and Investments

On June 27, 2019, the District issued \$81,999,023 in General Obligation Bonds, Series 2019, which included a premium of \$9,601,985. Under the Bond Agreement, proceeds of \$89,002,761 were deposited in an escrow account and remain until the proceeds are spent. As of June 30, 2023, drawdowns and changes in investment value of \$77,092,184 were approved and disbursed, or occurred, respectively, and the balance of the escrow account was \$11,910,577.

Property Taxes Receivable

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

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

Accounts and Other Receivables

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

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 1 - Summary of Significant Accounting Policies (continued)

Grants Receivable

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

Inventories

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

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

Capital Assets

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

Buildings and improvements – 30 to 50 years
Vehicles and equipment – 3 to 7 years
Right-of-use assets – depends on term of the lease or subscription

Retainage Payable

Retainage payable is accrued on the Statement of Net Position for projects that are not substantially complete as of year-end. As these amounts do not require current financial resources, the District does not record retainage payable on the fund financial statements.

Pension and Retirement Plans

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

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

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

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 1 - Summary of Significant Accounting Policies (continued)

Post-Employment Health Care Benefits

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

Additionally, the District offers eligible employees who elect early retirement payment of group medical insurance premiums. The District also allows eligible retirees to purchase health insurance at the same rate as active employees. Such costs are recorded as expenses in the General Fund and funded as premiums become due.

Compensated Absences

It is the District's policy to permit certain employees to accumulate earned but unused vacation and sick pay benefits. Vacation accrues during the year and up to five days may be carried over unless stated otherwise contractually. Sick leave accrues and can be carried over under certain voluntary retirement conditions included in the collective bargaining agreement. 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 and is reported when earned in the government-wide financial statements.

Deferred Outflows/Inflows of Resources

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

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

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

Leases

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

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

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 1 - Summary of Significant Accounting Policies (continued)

Leases (continued)

In the government-wide financial statements, deferred inflows related to leases and any respective right-to-use assets are reported in the Statement of Net Position. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources. Under modified accrual accounting, lease payments are considered capital outlay and proceeds of lease contracts, and thereafter are recorded as principal and interest payments.

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

Subscription-based Information Technology Arrangements

The District leases various subscription-based information technology arrangement (SBITA) assets requiring recognition in accordance with GASB 96. A right-to-use subscription asset is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract, with a noncancelable term greater than one year in an exchange or exchange-like transaction.

At the commencement of the subscription, the subscription liability is measured at the present value of payments expected to be made during the subscription liability term (less any lease incentives). The subscription liability is reduced by the principal portion of payments made. The right-to-use subscription asset is measured at the initial subscription liability amount payments made to the SBITA vendor before commencement of the subscription term, and capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. The right-to-use subscription asset is amortized on a straight-line basis over the course of the subscription term.

Key Estimates and Judgments

Subscription-based IT arrangement accounting includes estimates and judgments for determining the (1) rate used to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments.

- The District uses the interest rate stated in the subscription contracts. When the interest rate is not provided or the implicit rate cannot be readily determined, the District uses its estimated incremental borrowing rate as the discount rate for the subscriptions.
- The lease term includes the noncancellable period of the subscription, the option renewal periods if government is reasonably expected to exercise, certain periods covered by options to extend or terminate to reflect how long the subscription is expected to be in effect, with terms and conditions varying by the type of underlying asset.
- Fixed and certain variable payments as well as capitalizable implementation costs and certain other payments less subscription incentives are included in the measurement of the subscription liability and asset.

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 1 - Summary of Significant Accounting Policies (continued)

Subscription-based Information Technology Arrangements (continued)

The District monitors changes in circumstances that would require a remeasurement or modification of its subscription liabilities. The District will remeasure the subscription liability if certain changes occur that are expected to significantly affect the amount of the subscription liability. The District will also update the discount rate as part of the remeasurement if there is a change in the subscription term and that change is expected to significantly affect the amount of the subscription liability.

The District has chosen not to implement GASB 96 for the budgetary basis of accounting. For both the budgetary basis of accounting and for SBITAs that do not meet the criteria for valuation under GASB 96, the District will report outflows of cash for subscription payments.

Long-term Debt

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

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

Net Position/Fund Balance

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

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

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

Unrestricted net position – All other remaining net position that does not meet the definition of restricted and are available for general use of the District.

It is the District's policy to first use restricted net position prior to the use of unrestricted net position when expense is incurred for purposes for which both restricted and unrestricted net position are available.

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 1 - Summary of Significant Accounting Policies (continued)

Net Position/Fund Balance (continued)

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

Nonspendable – Includes amounts that are either not in a spendable form or are legally or contractually required to remain intact.

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

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

Assigned – Includes items assigned for specific uses, authorized by the District's Superintendent.

Unassigned – This is the residual classification used for those balances not assigned to another category.

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

The District has established a policy to maintain a minimum of five percent of the General Fund's adopted revenues in fund balance at year end. The District believes a reserve of this level is prudent to maintain a high bond rating, to provide for unexpected emergencies, and to protect the District from the effects of fluctuations in state and federal funding. At June 30, 2023, the General Fund's fund balance, including the amount committed for PERS reserve, was less than one percent and the District was not in compliance with its policy.

Interfund Transactions

Flows of cash from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers between governmental funds are eliminated in the Statement of Activities. Interfund transfers in the fund financial statements are reported as other financing sources/uses.

Outstanding balances between funds are reported as due to or due from other funds and result primarily from a time lag between the dates that reimbursable expenditures occur, and payments between funds are made. These are reported as due to and due from other funds in the fund financial statements.

Budget

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

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 1 - Summary of Significant Accounting Policies (continued)

Budget (continued)

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

Supplemental budgets less than 10% of a fund's original budget may be adopted by the Board at a regular meeting. A supplemental budget greater than 10% of a fund's original budget requires hearings before the public, publication in newspapers and approval by the Board. Original and supplemental budgets may be modified by the use of appropriation transfers within a fund between the levels of control (major function levels) with Board approval. The District did not exceed its authorized appropriations for the year ended June 30, 2023.

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 effect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

Adoption of New GASB Pronouncements

During the fiscal year ended June 30, 2023, the District implemented the following GASB Pronouncements.

GASB Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. There was no effect on the District's financial statements following implementation.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)* Issued in March 2020. This Statement defines a SBITA, establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability, provides the capitalization criteria for outflows other than subscription payments, including the implementation costs of a SBITA, and requires note disclosures regarding a SBITA. The District did not restate prior periods and there were no material cumulative effect adjustments recorded to net position upon adoption. See Note 8 for associated disclosures.

GASB Statement No. 101, *Compensated Absences*. Issued in June 2022, this Statement updates recognition and measurement guidelines for compensated absences and is effective for the District for the fiscal year ending June 30, 2025. The District early-implemented this Statement for the fiscal year ended June 30, 2023, and is reflected in Note 6.

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 1 - Summary of Significant Accounting Policies (continued)

Future GASB Pronouncement

The following GASB pronouncement has been issued, but is not effective as of June 30, 2023:

GASB issued Statement No. 100, *Accounting Changes and Error Corrections*. Issued in June 2022, the primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This Statement will become effective in fiscal year 2024.

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

Restatements of Beginning Net Position and Fund Balance

For the year ended June 30, 2023, the District changed from reporting financial statements on the cash basis, a basis of accounting other than generally accepted in the United States of America (GAAP) to reporting under GAAP. As a result, beginning net position and beginning fund balance have been restated to reflect this change in the financial reporting framework.

	Balance June 30, 2022 as previously reported	Restatement	Balance June 30, 2022 as restated
Net Position			
Governmental Activities	\$ 59,033,325	\$ (71,567,170)	\$ (12,533,845)
	Balance June 30, 2022 as previously reported	Restatement	Balance June 30, 2022 as restated
Fund Balance			
General Fund	\$ 4,495,216	\$ (6,050,963)	\$ (1,555,747)
Special Revenue Funds	3,722,111	(538,845)	3,183,266
Debt Service Fund	333,989	64,657	398,646
Capital Projects Fund	50,482,009	(2,638,819)	47,843,190
Total Governmental Funds	<u>\$ 59,033,325</u>	<u>\$ (9,163,970)</u>	<u>\$ 49,869,355</u>

Note 2 – Cash and Investments

Cash and cash equivalents are comprised of the following at June 30, 2023:

Carrying amount of demand deposits	\$ 3,448,313
Investments	<u>29,577,494</u>
Total cash and investments	<u>\$ 33,025,807</u>

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 2 – Cash and Investments (continued)

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

Cash and investments	\$ 21,115,230
Restricted cash and investments	<u>11,910,577</u>
Total cash and investments	<u>\$ 33,025,807</u>

Deposits

The Governmental Accounting Standards Boards has adopted GAAP, which include standards to categorize deposits to give an indication of the level of custodial credit risk assumed by the District at June 30, 2023. If bank deposits at year end are not entirely insured or collateralized with securities held by the District or by its agent in the District's name, the District must disclose the custodial credit risk that exists. Deposits with financial institutions are comprised of bank demand deposits. For deposits in excess of federal depository insurance, Oregon Revised Statutes require depository institutions to be in compliance with ORS 295. For the fiscal year ended June 30, 2023, the carrying amounts of the District deposits in various qualifying financial institutions were \$3,448,313. The bank balances at June 30, 2023 were \$4,083,512. All deposits are held in the name of the District. Of the total bank balance all but \$3,632,652 was not covered by FDIC insurance. However, the balance is covered by the State of Oregon shared liability structure for participating bank depositories in Oregon as identified by the State's Treasurer.

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

Custodial Credit Risk

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

Investments

The District has invested funds in the State Treasurer's Oregon Short-term Fund Local Government Investment Pool during fiscal year 2023. Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board. Investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool.

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 2 – Cash and Investments (continued)

Investments (continued)

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

The District has also invested funds in the general obligations of the U.S. Government.

Credit Risk

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

Concentration of Credit Risk

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

Interest Rate Risk

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

Disclosures about Fair Value of Assets

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

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

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

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

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 2 – Cash and Investments (continued)

At June 30, 2023, the District had the following investments measured at fair value:

Investments Measured at Fair Value:	Totals at June 30, 2023	Level One	Level Two	Level Three	Amortized Cost Measurement Not Measured at Fair Value
Local Government Investment Pool	\$ 17,666,917	\$ -	\$ -	\$ -	\$ 17,666,917
U.S. Treasury Obligations	11,910,577	11,910,577	-	-	-
	<u>\$ 29,577,494</u>	<u>\$ 11,910,577</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,666,917</u>

At June 30, 2023, the District had the following investments and maturities:

Investment Type	Maturity	Percentage of Portfolio	Fair Value	Rating
Local Government Investment Pool	1 day	60%	\$ 17,666,917	N/A
U.S. Treasury obligations				
U.S. Treasury bills	60 days	33%	9,918,287	N/A
U.S. Treasury notes	31 days	7%	<u>1,992,290</u>	AAA
			<u>\$ 29,577,494</u>	

Note 3 – Receivables

Receivables are comprised of the following at June 30, 2023:

	Property Taxes	Grants	Total
General Fund	\$ 609,086	\$ 1,411,411	\$ 2,020,497
Special Revenue Fund	-	2,597,234	2,597,234
Debt Service Fund	<u>156,868</u>	<u>-</u>	<u>156,868</u>
	<u>\$ 765,954</u>	<u>\$ 4,008,645</u>	<u>\$ 4,774,599</u>

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 4 - Capital Assets

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

	Balance July 1, 2022 (as restated)	Additions	Disposals	Balance June 30, 2023
Capital assets not being depreciated:				
Land	\$ 2,677,792	\$ -	\$ -	\$ 2,677,792
Construction in progress	13,847,966	35,399,646	-	49,247,612
Total capital assets not being depreciated	16,525,758	35,399,646	-	51,925,404
Capital assets being depreciated and amortized:				
Building and improvements	85,234,910	6,444,572	(1,927,814)	89,751,668
Vehicles and equipment	989,648	273,614	-	1,263,262
Intangible assets				
Subscription software	-	133,552	-	133,552
Right-of-use asset				
Buildings	-	333,483	-	333,483
Equipment	147,640	240,183	-	387,823
Total capital assets being depreciated and amortized	86,372,198	7,425,404	(1,927,814)	91,869,788
Less accumulated depreciation and amortization for:				
Building and improvements	(24,828,764)	(2,388,638)	192,782	(27,024,620)
Vehicles and equipment	(343,796)	(212,642)	-	(556,438)
Intangible assets				
Subscription software	-	(15,889)	-	(15,889)
Right-of-use asset				
Buildings	-	(203,795)	-	(203,795)
Equipment	(68,981)	(76,315)	-	(145,296)
Total accumulated depreciation and amortization	(25,241,541)	(2,897,279)	192,782	(27,946,038)
Total capital assets (net):				
Land	2,677,792	-	-	2,677,792
Construction in progress	13,847,966	35,399,646	-	49,247,612
Building and improvements	60,406,146	4,055,934	(1,735,032)	62,727,048
Vehicles and equipment	645,852	60,972	-	706,824
Intangible assets				
Subscription software	-	117,663	-	117,663
Right-of-use asset				
Buildings	-	129,688	-	129,688
Equipment	78,659	163,868	-	242,527
Total capital assets (net)	\$ 77,656,415	\$ 39,927,771	\$ (1,735,032)	\$ 115,849,154

Depreciation and amortization expense for the fiscal year was \$2,897,279 and was allocated to the various functions as follows:

Instruction	\$ 1,791,601
Supporting Services	983,487
Community Services	122,191
Total	<u>\$ 2,897,279</u>

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 4 - Capital Assets (continued)

Right-of-use Assets

A lease is defined as a contract that conveys control of the right of use of another entity's nonfinancial asset as specified in a contract for a period of time in an exchange or exchange-like transaction. The District is party to a variety of lease contracts as lessee for which this right-of-use (ROU) has been recognized as an asset on the balance sheet. Further information on these transactions can be found in Note 7.

A SBITA is a contract that conveys control of the right to use another party's (a SBITA vendor's) IT software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. Further information on these transactions can be found in Note 8.

Note 5 - Unavailable/Unearned Revenues

Governmental funds report deferred inflows of resources in connection with receivables that are not considered to be available to liquidate liabilities of the current period. Amounts received in advance of the period in which services are performed are recorded as unearned revenue. At June 30, 2023, the various components of unavailable and unearned revenue included in the governmental funds' Balance Sheet consist of the following:

	<u>Unavailable</u>	<u>Unearned</u>	<u>Total</u>
General Fund			
Property taxes	\$ 460,457	\$ -	\$ 460,457
Special Revenue Fund			
Grants	-	864,444	864,444
Debt Service Fund			
Property taxes	<u>118,588</u>	<u>-</u>	<u>118,588</u>
	<u>\$ 579,045</u>	<u>\$ 864,444</u>	<u>\$ 1,443,489</u>

Note 6 – Accrued Compensated Absences

The changes in accrued compensated absences for the year ended June 30, 2023 are as follows:

	<u>July 1, 2022 (as restated)</u>	<u>Change</u>	<u>June 30, 2023</u>
Governmental Activities	<u>\$ 172,635</u>	<u>\$ 89,598</u>	<u>\$ 262,233</u>

Note 7 – Leases Payable

The District is the lessee under seventeen non-cancellable lease agreements related to buildings, communications equipment, copiers and postage machines. Of these, all are qualified leases under GASB Statement No. 87 with period covering various ranges with the latest expiring on November 30, 2027, including extensions which are expected to be exercised. Monthly payments for the current year range from \$19 to \$5,334, with interest rates of 1.74% to 3.98%.

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 7 – Leases Payable (continued)

During the year ended June 30, 2023, lease principal and interest payments for \$326,350 and \$8,375 were made, respectively. Future maturities of the leases payable are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 148,354	\$ 8,758	\$ 157,112
2025	54,946	5,452	60,398
2026	66,597	3,771	70,368
2027	55,921	1,261	57,182
2028	1,640	12	1,652
	<u>\$ 327,458</u>	<u>\$ 19,254</u>	<u>\$ 346,712</u>

Changes in leases payable in the government-wide financial statements for the fiscal year ended June 30, 2023 are as follows:

	Balance July 1, 2022 (as restated)	Additions	Reductions	Balance June 30, 2023	Due in One Year
Leases payable	<u>\$ 80,142</u>	<u>\$ 573,666</u>	<u>\$ (326,350)</u>	<u>\$ 327,458</u>	<u>\$ 148,354</u>

Lease Payments Not Included in Liability

The District has one non-qualified lease under GASB 87 related to student transportation which is variable in nature. Variable lease payments for this non-qualified lease was \$2,537,240 for the year ended June 30, 2023.

Note 8 – Subscription-Based Information Technology Arrangements (SBITA)

The District is the lessee under two non-cancellable lease agreements related to software licenses. Both agreements qualify as a subscription based information technology agreement under GASB Statement No. 96 covering a period of September 1, 2022 through February 1, 2028. Subscription payments are due prior to inception of the subscription term. The agreement includes extensions expected to be exercised. Interest rates range from 3.57% to 3.62%.

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 8 – Subscription-Based Information Technology Arrangements (SBITA) (continued)

During the year ended June 30, 2023, subscription principal and interest payments of \$44,613 and \$1,507 were made, respectively. The future principal and interest subscription liability payments are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 24,084	\$ 2,767	\$ 26,851
2025	25,245	1,915	27,160
2026	19,505	1,145	20,650
2027	20,105	546	20,651
	<u>\$ 88,939</u>	<u>\$ 6,373</u>	<u>\$ 95,312</u>

Changes in subscriptions payable in the government-wide financial statements for the fiscal year ended June 30, 2023 are as follows:

	July 1, 2022	Additions	Deletions	June 30, 2023	Current
Subscriptions payable	<u>\$ -</u>	<u>\$ 133,552</u>	<u>\$ (44,613)</u>	<u>\$ 88,939</u>	<u>\$ 24,084</u>

Note 9 - Long-Term Debt

Tax-Exempt Installment Purchase Agreement

On October 5, 2020, the District (Purchaser) entered into a purchase agreement with U.S. Bancorp Government Leasing and Finance, Inc. (Seller) in the amount of \$542,833. The purchase agreement carries an interest rate of 1.81%. The proceeds are for certain energy saving equipment, and the purchase agreement is secured by the equipment. The agreement contains a provision that in the event of default, the Seller may exercise any remedy available at law or in equity, including declaring all installment payments due. The District made an initial principal payment on the agreement on June 25, 2021 in the amount of \$254,244. The loan matures on December 25, 2025.

At June 30, 2023 the District's commitment for the loan is \$163,212. Interest paid on the loan during the year ended June 30, 2023 totaled \$2,815.

The purchase agreement maturities are as follows:

Year Ending June 30,	Principal	Interest	Total	Interest Rates
2024	\$ 64,404	\$ 2,664	\$ 67,068	1.81%
2025	65,575	1,493	67,068	1.81%
2026	33,233	302	33,534	1.81%
	<u>\$ 163,212</u>	<u>\$ 4,459</u>	<u>\$ 167,670</u>	

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 9 - Long-Term Debt (continued)

Series 2019 General Obligation Bonds

On June 27, 2019, the District issued \$53,730,000 General Obligation Bonds, Series 2019A (Tax-Exempt Current Interest Bonds) and \$28,269,023 General Obligation Bonds, Series 2019B (Tax-Exempt Deferred Interest Bonds), collectively the "Bonds". The Bonds have interest rates ranging between 3.36% and 5.00%. They were issued at a premium of \$9,601,986 and incurred issuance cost of \$477,552. The \$91,601,009 proceeds from the sale of the Bonds will be used to finance capital costs (Project), deposit for a Bond interest fund, and to pay the costs of issuance of the Bonds. Specifics on the Project include: 1) safety and security enhancements, 2) HVAC and mechanical/electrical/plumbing upgrades, 3) conversion of District building to an early learning center, 4) construction of new gyms and multipurpose rooms, and 5) remodeling and improvements to District learning spaces.

At June 30, 2023, the District's commitment for the Bonds is \$78,989,023. Additionally, at June 30, 2023, the 2019 Series B Bonds carried an accreted interest balance of \$4,069,252. Interest paid on the 2019 Series A bonds come from the debt service fund and was \$2,303,948.

In the event of default, the owner of fifty-one percent (51%) of some of the principal amount of Bonds outstanding may take whatever action may appear necessary or desirable to enforce or protect any of the rights of the owners of the Bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement confirmed in the resolution of the bonds or in aid of the exercise of any power granted in the resolution or in the Bonds or for the enforcement after any legal or equitable right vested in the owners by the resolution of the Bonds or by law.

The 2019A Series bond maturities are as follows:

Year Ending June 30,	Principal	Interest	Premium	Total	Interest Rates
2024	\$ 1,305,000	\$ 2,257,950	\$ 658,614	\$ 4,221,564	5.00%
2025	1,485,000	2,192,700	641,668	4,319,368	5.00%
2026	1,680,000	2,118,450	622,386	4,420,836	5.00%
2027	1,890,000	2,034,450	600,570	4,525,020	5.00%
2028	2,110,000	1,939,950	576,028	4,625,978	5.00%
2029-2033	14,445,000	7,867,500	2,404,296	24,716,796	5.00%
2034-2038	22,265,000	3,915,200	1,271,000	27,451,200	4.00%-5.00%
2039	5,540,000	221,600	71,942	5,833,542	4.00%
	<u>\$ 50,720,000</u>	<u>\$ 22,547,800</u>	<u>\$ 6,846,504</u>	<u>\$ 80,114,304</u>	

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 9 - Long-Term Debt (continued)

The 2019B Series bond maturities are as follows:

Year Ending June 30,	Principal	Interest	Total	Interest Rates
2024	\$ -	\$ -	\$ -	N/A
2025	-	-	-	N/A
2026	-	-	-	N/A
2027	-	-	-	N/A
2028	-	-	-	N/A
2029-2033	-	-	-	N/A
2034-2038	-	-	-	N/A
2039-2043	11,578,235	13,131,765	24,710,000	3.36%-3.45%
2044-2048	13,956,947	21,743,053	35,700,000	3.48%-3.55%
2049	2,733,841	5,116,159	7,850,000	3.56%
	<u>\$ 28,269,023</u>	<u>\$ 39,990,977</u>	<u>\$ 68,260,000</u>	

Asante Building Loan

The District entered into a loan with Banner Bank on June 1, 2018 in the amount of \$1,927,721. The loan began in June of 2018 and carries a 3.75% fixed interest rate. The loan proceeds were used to purchase property in Central Point, Oregon. The loan is secured by any and all of its legally available taxes, revenue and other funds as authorized by ORS 271.390. The agreement contains a provision that in an event upon the occurrence of Default, the Bank may exercise any remedy available at law or in equity; however, the amounts due are not subject to acceleration. In addition, if the continuance of default continues, the Bank may in addition to pursuing other remedies, at the Banks election increase the interest rate by 1.50 percent. The loan matured and was paid in full on June 1, 2023. Interest paid on the building loan during the year ended June 30, 2023 totaled \$16,774.

CraterWorks Building Loan

The District entered into a construction loan with Banner Bank on April 12, 2019 in the amount of \$2,700,000. The draw period for the loan ended on November 15, 2019. Payments of principal and interest are at a 3.75% fixed rate and began on December 15, 2019. The loan proceeds were used to redevelop the CraterWorks building in Central Point, Oregon. The loan is secured by any and all of its legally available taxes, revenue and other funds as authorized by ORS 271.390. The agreement contains a provision that in an event of default, the Bank may exercise any remedy available at law or in equity; however, the payments are not subject to acceleration. The loan matures on June 15, 2025. At June 30, 2023 the District's commitment for the loan is \$163,759. Interest paid on the construction loan during the year ended June 30, 2023 totaled \$29,426.

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 9 - Long-Term Debt (continued)

The CraterWorks building loan maturities are as follows:

Year Ending June 30,	Principal	Interest	Total	Interest Rates
2024	\$ 156,376	\$ 5,864	\$ 162,240	3.750%
	<u>\$ 156,376</u>	<u>\$ 5,864</u>	<u>\$ 162,240</u>	

The changes in long-term debt for the year ended June 30, 2023 are as follows:

	Original Issue	Balance at June 30, 2022 (as restated)	Issued	Matured and Redeemed	Balance at June 30, 2023	Due in One Year
<i>General Obligation Bonds</i>						
2019A Series	\$ 53,730,000	\$ 51,870,000	\$ -	\$ (1,150,000)	\$ 50,720,000	\$ 1,305,000
2019B Series	28,269,023	28,269,023	-	-	28,269,023	-
Total premium on bonds	9,601,986	7,520,052	-	(673,548)	6,846,504	658,614
Total General Obligation Bonds	<u>91,601,009</u>	<u>87,659,075</u>	<u>-</u>	<u>(1,823,548)</u>	<u>85,835,527</u>	<u>1,963,614</u>
<i>Loans Payable</i>						
Asante Building (direct borrowing)	1,927,721	414,874	-	(414,874)	-	-
CraterWorks (direct borrowing)	2,700,000	892,866	-	(736,490)	156,376	156,376
US Bank (direct borrowing)	542,833	226,465	-	(63,253)	163,212	64,404
Total Loans Payable	<u>5,170,554</u>	<u>1,534,205</u>	<u>-</u>	<u>(1,214,617)</u>	<u>319,588</u>	<u>220,780</u>
Total Long Term Debt	<u>\$ 96,771,563</u>	<u>\$ 89,193,280</u>	<u>\$ -</u>	<u>\$ (3,038,165)</u>	<u>\$ 86,155,115</u>	<u>\$ 2,184,394</u>

Note 10 - Interfund Activities

Interfund transfers for the year ended June 30, 2023 were as follows:

	Transfers In	Transfers Out
General Fund	\$ -	\$ 1,100,000
Special Revenue Fund	<u>1,100,000</u>	<u>-</u>
	<u>\$ 1,100,000</u>	<u>\$ 1,100,000</u>

The District made transfers from the General Fund to the Special Revenue Fund to support facility improvement projects and assist with Crater truss/roof repair.

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 10 - Interfund Activities (continued)

Due to/from other funds for the year ended June 30, 2023 were as follows:

	<u>Due To</u>	<u>Due From</u>
Special Revenue Fund	\$ -	\$ 612,614
Capital Projects Fund	<u>612,614</u>	<u>-</u>
	<u>\$ 612,614</u>	<u>\$ 612,614</u>

Due to/from balances above resulted from grant funded capital purchases originally recorded in the Capital Projects Fund which were pending reimbursement by the Special Revenue Fund.

Note 11 - Pension and Retirement Plans

Tax Sheltered Annuity Plan

The District offers its employees a tax deferred annuity program established pursuant to Section 403(b) of the Internal Revenue Code (the Code), and deferred compensation program pursuant to Section 457 of the Internal Revenue Code. Contributions are made through salary reductions from participating employees up to the amounts specified in the Code. During 2023, the District provided \$200,162 in employer matching contributions for the 403(b) plan. No matching contributions are provided for the 457 plan.

Early Retirement Stipend Pension Plan

Plan Description

The District provides a single-employer defined benefit early retirement stipend benefit for certain employees until the participants are age 65, or death. Benefits and eligibility for members are established through the collective bargaining agreements and employment contracts. Different contracts govern the employees.

Eligible Administrators must have at least five or more years of service and be hired prior to July 1, 2014. Supervisors must retire on or after the age of 58 with at least five years of District service, or have at least thirty years of PERS service, where at least five of which were with the District. Monthly benefit amounts for eligible Administrators and Supervisors is based on years of service and range between \$275 and \$550 per month. The Superintendent must meet PERS eligibility requirements. The benefit duration is dependent on date of retirement and monthly payments range between \$0 and \$1,000. Licensed staff that retired prior to August 26, 2004 with at least ten years of service in the District are eligible to receive \$200 per month up to the age of 58, then \$275 per month for the remaining payments. Licensed staff that retired between August 26, 2004 and August 25, 2007 are eligible to receive \$230 per month. Licensed staff that retire on or after August 26, 2007 are not eligible for stipend benefits. For all classes of retirees, the last stipend payment is made in the month preceding the earlier of the participant's 65th birthday, or death. Total number of payments is not to exceed 120 months. Confidential and Classified employees are not eligible.

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 11 - Pension and Retirement Plans (continued)

Early Retirement Stipend Pension Plan (continued)

Employees Covered by Benefit Terms

At June 30, 2023, the following employees were covered by the stipend benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	5
Active plan members	20
	<u>25</u>

Total Stipend Pension Liability

The Districts total stipend pension liability of \$397,840 has a measurement date of June 30, 2023, and was determined by an actuarial valuation date at July 1, 2022.

Actuarial Assumptions and Other Inputs

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

Input	Assumption
Actuarial Cost Method	Entry age normal, level percent of salary
Interest Rate Utilized for Discounting	3.75% per year, based on all years discounted at municipal bond rate
General Inflation	2.5% per year
Payroll Growth	3.5% per year
Annual Premium Increase Rate	Between 4.5% and 5.4% annually
Mortality Rates	As developed for the valuation of benefits under Oregon PERS
Turnover Rates	As developed for the valuation of benefits under Oregon PERS, depending on YOS
Disability Rates	As developed for the valuation of benefits under Oregon PERS, age dependent
Retirement Rates	As developed for the valuation of benefits under Oregon PERS
Plan Enrollment	Current and future retirees are assumed to remain enrolled in the plans in which currently enrolled, if any
Marital Status	70% of future retirees electing coverage are assumed to cover a spouse as well
Coverage of Eligible Children	Assumed 50% of married future retirees will cover children until both retiree and spouse have attained age 60

Changes in the Total Stipend Pension Liability

Total stipend pension liability at June 30, 2022	\$ 339,988
Changes for the year:	
Service cost	10,038
Interest	11,749
Differences between expected and actual experience	79,918
Changes of assumptions or other input	(15,173)
Benefit payments	<u>(28,680)</u>
Total stipend pension liability at June 30, 2023	<u>\$ 397,840</u>

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 11 - Pension and Retirement Plans (continued)

Early Retirement Stipend Pension Plan (continued)

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

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

	1% Decrease (2.75%)	Current Discount Rate (3.75%)	1% Increase (4.75%)
Total Stipend Pension Liability	\$ 418,841	\$ 397,840	\$ 377,553

Stipend Pension Plan, Deferred Outflows of Resources, and Deferred Inflows of Resources

For the year ended June 30, 2023, the District recognized an increase in stipend pension expense of \$26,436. The increase of pension expense was treated as an increase of payroll related expense in the Statement of Activities and allocated to Instruction, Support Services, and Enterprise and Community Services using allocation percentages of 64%, 32%, and 4% respectively.

For the year ended June 30, 2023, the District recognized stipend pension expense from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 142,364	\$ -
Changes of assumptions	13,332	(31,936)
Total	<u>\$ 155,696</u>	<u>\$ (31,936)</u>

Other 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,	Deferred Outflows/(Inflows) of Resources
2024	\$ 33,329
2025	33,329
2026	26,365
2027	23,678
2028	7,059
Total	<u>\$ 123,760</u>

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 11 - Pension and Retirement Plans (continued)

Early Retirement Stipend Pension Plan (continued)

Changes in Assumptions and Methods Since Prior Valuation

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

OPERS Plan

Plan Description. Employees are provided pensions as participants under one or more plans currently available through Oregon Public Employees Retirement System (OPERS), a cost-sharing multiple-employer defined benefit plan administered in accordance with Oregon Revised Statutes Chapter 238, Chapter 23A, and Internal Revenue Service Code Section 401(a).

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

The 1995 Legislature enacted Chapter 654, Section 3, Oregon Laws 1995, which has been codified into ORS 238.435. This legislation created a second tier of benefits for those who established membership on or after January 1, 1996. The second tier does not have the Tier One assumed earnings rate guarantee and has a higher normal retirement age of 60, compared to age 58 for Tier One.

The 2003 Legislature enacted House Bill 2021, codified as ORS 238A, which created the Oregon Public Service Retirement Plan (OPSRP). OPSRP consists of the Pension Program and the Individual Account Program. Membership includes public employees hired on or after August 29, 2003.

Beginning January 1, 2004, OPERS active Tier 1 and Tier 2 members became members of the Individual Account Program (IAP) of OPSRP. PERS members retain their existing Regular or Variable accounts, but member contributions are now deposited into the member's IAP account. Accounts are credited with earnings and losses net of administrative expenses. OPSRP is part of OPERS and is administered by the Board. The PERS Board is directed to adopt any rules necessary to administer OPSRP, and such rules are to be considered part of the plan for IRS purposes.

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 11 - Pension and Retirement Plans (continued)

OPERS Plan (continued)

Tier One/Tier Two Retirement Benefit (Chapter 238)

Pension Benefits. The OPERS retirement allowance is payable monthly for life. Members may select from 13 retirement benefit options that are actuarially equivalent to the base benefit. 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 under a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results. Monthly payments must be a minimum of \$200 per month or the member will receive a lump-sum payment of the actuarial equivalent of benefits to which he or she is entitled.

Under Senate Bill 1049, passed during 2019 legislative session, the salary included in the determination of final average salary will be limited for all members beginning in 2021. The limit will be equal to \$210,582 in 2022 and indexed with inflation every year.

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 One 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 Two members are eligible for full benefits at age 60. The plans are closed to new members hired on or after August 29, 2003.

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

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

Disability Benefits. A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive 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 OPERS-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 their Variable Account after retiring and may experience annual benefit fluctuations covered by changes in the fair value of the underlying global equity investments of that account.

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

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 11 - Pension and Retirement Plans (continued)

OPERS Plan (continued)

OPSRP Pension Program (Chapter 238A)

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

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

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

Under Senate Bill 1049, passed during 2019 legislative session, the salary included in the determination of final average salary will be limited for all members beginning in 2021. The limit will be equal to \$210,582 in 2022, and is indexed with inflation every year.

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

Death Benefits. Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse receives for life 50 percent of the pension that would otherwise have been paid to the deceased member. The surviving spouse or other person may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70 ½ years.

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 adjustment (COLA). The COLA is capped at 2.0%.

Contributions

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

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

**JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

Note 11 - Pension and Retirement Plans (continued)

OPERS Plan (continued)

The District's employer contributions for the year ended June 30, 2023 were \$8,100,758, excluding amounts to fund employer specific liabilities. The contribution rates in effect for the fiscal year ended June 30, 2023 for each pension program were: Tier1/Tier 2 – 26.83%, OPSRP general service – 23.72%, and OPSRP Police and Fire employees – 28.08%.

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

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2022-Annual-Comprehensive-Financial-Report.pdf>

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

Actuarial Methods and Assumptions Used in Developing Total Pension Liability

Valuation date	December 31, 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 <i>Moro</i> decision; blend based on service.
Mortality	<i>Healthy retirees and beneficiaries:</i> Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. <i>Active members:</i> Pub-2010 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. <i>Disabled retirees:</i> Pub-2010 Disabled Retirees, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 11 - Pension and Retirement Plans (continued)

OPERS Plan (continued)

Actuarial Methods and Assumptions Used in Developing Total Pension Liability (continued)

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The 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 projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Assumed Asset Allocation.

<u>Asset Class</u>	<u>Target Allocation</u>
Cash	0.00%
Debt securities	20.00%
Public equity	30.00%
Private equity	20.00%
Real estate	12.50%
Real assets	7.50%
Diversifying strategies	7.50%
Risk parity	2.50%
Total	<u>100.00%</u>

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. 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.

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 11 - Pension and Retirement Plans (continued)

OPERS Plan (continued)

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>20-year Annualized Geometric Mean</u>
Global Equity	30.62%	5.58%
Private Equity	25.50%	7.71%
Core Fixed Income	23.75%	2.73%
Real Estate	12.25%	5.66%
Master Limited Partnerships	0.75%	5.71%
Infrastructure	1.50%	6.26%
Commodities	0.63%	3.10%
Hedge Fund of Funds - Multistrategy	1.25%	5.11%
Hedge Fund Equity - Hedge	0.63%	5.31%
Hedge Fund - Macro	5.62%	5.06%
US Cash	-2.50% *	1.76%
Total	<u>100.00%</u>	
Assumed inflation - means		2.40%

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

Pension Liabilities/Assets, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2023, the District has \$43,879,612 as 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. The District's proportion of the net pension liability was based on the District's long-term contribution effort to the pension plan compared with the total projected long-term effort of all participating employers, actuarially determined. At June 30, 2023, the District's proportion was approximately 0.28656997 percent.

For the year ended June 30, 2023, the District recognized a decrease in pension expense of \$1,907,538. The \$1,907,538 was treated as a decrease of payroll related expense in the Statement of Activities and allocated to Instruction, Support Services, and Enterprise and Community Services using allocation percentages of 61%, 35%, and 4%, respectively.

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 11 - Pension and Retirement Plans (continued)

OPERS Plan (continued)

For the year ended June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 2,130,001	\$ (273,641)
Changes of assumptions	6,884,948	(62,901)
Net difference between projected and actual earning on investments	-	(7,844,826)
Changes in proportionate share	597,761	(3,351,652)
Difference between employer contributions and employer's proportionate share of system contributions	1,639,277	(3,246,310)
Contributions subsequent to the measurement date	8,100,758	-
Total	<u>\$ 19,352,745</u>	<u>\$ (14,779,330)</u>

\$8,100,758 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2024.

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

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2024	\$ (787)
2025	(1,671,700)
2026	(4,241,886)
2027	2,784,832
2028	(397,802)
Total	<u>\$ (3,527,343)</u>

Sensitivity for the District's Proportionate Share of the Net Pension Liability to Changes in Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.90 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percent lower (5.90 percent) or 1-percent higher (7.90 percent) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Defined Benefit Pension Plan Liability/(Asset)	\$ 77,816,696	\$ 43,879,612	\$ 15,475,839

**JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

Note 11 - Pension and Retirement Plans (continued)

OPERS Plan (continued)

Changes in Assumptions

A summary of key changes implemented since the December 31, 2020 valuation are noted below. Additional detail and list of changes can be found in the 2020 Experience Study for the System, which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/Actuarial/2022/Actuarial-Valuation-Results.pdf>

Assumption Changes

- There were no changes to actuarial assumptions since the December 31, 2020 actuarial valuation.

Actuarial Methods

- There were no changes to actuarial methods since the December 31, 2020 actuarial valuation.

Plan Changes

- There were no changes to plan provisions valued since the December 31, 2020 actuarial valuation. The provisions of Senate Bill 111 and House Bill 2906, both enacted in June 2021, were reflected in the December 31, 2020 actuarial valuation.

Defined Contribution Plan - Individual Account Program (IAP)

Pension Benefits. The IAP is an individual account-based program under the OPERS tax-qualified governmental plan as defined under ORS 238A.400. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. The accounts fall under Internal Revenue Code Section 401(a). All members, with the exception of judges, are required by State statute to contribute 6% of their salary to the plan.

Upon retirement, a member of the IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5, 10, 15, 20-year period or an anticipated life span option. When chosen, the distribution option must result in a \$200 minimum distribution amount, or the frequency of the installments will be adjusted to reach that minimum.

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

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

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 11 - Pension and Retirement Plans (continued)

OPERS Plan (continued)

Contributions. Starting July 1, 2020, Senate Bill 1049 required a portion of member contributions to their IAP accounts to be redirected to the Defined Benefit fund. If the member's gross pay in a month exceeds the monthly salary threshold, tied to the consumer price index, 0.75 percent (if OPSRP member) or 2.5 percent (if Tier One/Tier Two member) of the member's contributions that were previously contributed to the member's IAP now fund the new Employee Stability Accounts (EPSA). The EPSA accounts will be used to fund the cost of future pension benefits without changing those benefits, which means reduced contributions to the member's IAP account. Members may elect to make voluntary IAP contributions equal to the amount redirected.

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

During 2023, the District, as an employee benefit, paid the employee portion of the contribution. Employer contributions for the year ended June 30, 2023 were \$1,887,395, of which \$1,585,229 was deposited into the individual members' accounts.

Note 12 - Post-Employment Health Care Benefits (OPEB)

The District has two separate other post-employment benefits (OPEB) plans. The District provides a single employer defined benefit health care plan to staff and different contracts govern eligibility. Additionally, the District contributes to the State of Oregon's PERS cost-sharing multiple employer defined benefit plan.

Single-Employer Defined Benefit Health Care Plan

Plan Description

The District operates a single-employer defined benefit post-retirement health benefits program which provides explicit and implicit realized benefits.

For implicit medical benefits, all classes of employee are available to continue medical coverage upon retirement. Qualified spouses, domestic partners, and children may qualify for medical coverage. Medical coverage for retirees and eligible dependents continues until Medicare eligibility for each individual (or until dependent children become ineligible). There is an implicit subsidy for retired employees because the medical premium rates charged for medical coverage typically are less than actual expected retiree claims costs. This is due to medical premium rates being determined by blending both active employee and retiree experience.

For explicit medical benefits, different contracts govern different classes of employees; Administrators must have been hired prior to August 1, 2014, and have at least five years of service with the District. The Superintendent must meet PERS eligibility requirements. Classified employees and Supervisors are not eligible. Confidential employees must have been hired prior to July 1, 2016 and have at least ten years of service with the District as a Confidential employee. Licensed employees are eligible if they retired prior to August 26, 2007 with at least eight years of service as of June 30, 2007. Qualified spouses, domestic partners, and children may qualify for coverage. The benefit amount is equal to the medical/prescription drug, dental and vision premiums paid by the District to the extent covered for their active counterparts. However, the District will pay 100% of medical/prescription drug and vision premiums for Licensed retirees who retired prior to August 26, 2004 with at least ten years of service, or who have at least 13 years of service as of June 30, 2007.

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 12 - Post-Employment Health Care Benefits (OPEB) (continued)

Single-Employer Defined Benefit Health Care Plan (continued)

The last premium payment is made in the month preceding the earlier of the participant's 65th birthday, or death. However, payments to spouses end at the earlier of their death, their age 65 (or Medicare eligibility), or the participants age 65 (or the date the participant would have been age 65 should the participant pre-decease the spouse). Total number of payments is not to exceed 120 months.

Employees Covered by Benefit Terms

At June 30, 2023, the following employees were covered by the single employer medical benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	28
Active plan members	<u>357</u>
	<u><u>385</u></u>

Total OPEB Liability

The District's total OPEB liability of \$5,471,886 has a measurement date of June 30, 2023, and was determined by an actuarial valuation date at July 1, 2022.

Actuarial Assumptions and Other Inputs

The actuarial valuation used for the total OPEB liability is identical to the actuarial valuation details related to the Early Retirement Stipend Pension Plan disclosed in *Note 11 – Pension and Retirement Plans*.

Changes in the Total OPEB Liability.

Total OPEB Liability at June 30, 2022	\$ 6,323,266
Changes for the year:	
Service cost	238,200
Interest	221,738
Differences between expected and actual experience	(495,399)
Changes of assumptions or other input	(363,724)
Benefit payments	<u>(452,195)</u>
Total OPEB Liability at June 30, 2023	<u><u>\$ 5,471,886</u></u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate:

	1% Decrease (2.75%)	Current Discount Rate (3.75%)	1% Increase (4.75%)
Total OPEB Liability	\$ 5,807,066	\$ 5,471,886	\$ 5,152,389

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 11 - Post-Employment Health Care Benefits (OPEB) (continued)

Single-Employer Defined Benefit Health Care Plan (continued)

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

	1% Decrease 3.00% to 5.00% Graded Down to 3.50%	Current Trend Rate 4.00% to 6.00% Graded Down to 4.50%	1% Increase 5.00% to 7.00% Graded Down to 5.50%
Total OPEB Liability	\$ 4,977,690	\$ 5,471,886	\$ 6,039,468

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

For the year ended June 30, 2023, the District recognized a reduction of OPEB expense of \$109,484. The reduction of OPEB expense is treated as a reduction of payroll related expense in the Statement of Activities and allocated to Instruction, Support Services, and Enterprise and Community Services using allocation percentages of 64%, 32%, and 4% respectively.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 925,000	\$ (704,327)
Changes of assumptions	197,137	(1,106,237)
	<u>\$ 1,122,137</u>	<u>\$ (1,810,564)</u>

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

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2024	\$ (117,227)
2025	(117,227)
2026	(117,234)
2027	(4,225)
2028	(53,510)
Thereafter	<u>(279,004)</u>
Total	<u>\$ (688,427)</u>

Changes in Assumptions

The changes in assumptions used for OPEB are identified in the change in assumptions related to the Early Retirement Stipend Pension Plan in *Note 11 - Pension and Retirement Plans*

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 12 - Post-Employment Health Care Benefits (OPEB) (continued)

Retirement Health Insurance Account (RHIA)

Plan Description

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

OPEB Benefits

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

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

Contributions

Participating employees are contractually required to contribute to RHIA at a rate assessed each year by OPERS. The contribution rates in effect for the fiscal year ended June 30, 2023 for the OPEB program were: Tier1/Tier 2 – 0.05%, and OPSRP general service – 0.00%. The District contributed \$4,416 for the year ended June 30, 2023.

Oregon PERS Annual Comprehensive Financial Report (ACFR).

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

<https://www.oregon.gov/pers/Documents/Financials/Actuarial/2022/Actuarial-Valuation-Results.pdf>

Actuarial Valuation

The actuarial valuation used for RHIA is identical to the actuarial valuation details related to the OPERS Plan disclosed in *Note - 11 Pension and Retirement Plans* except for the table listed below:

Actuarial assumptions:

Retiree healthcare participation	Healthy retirees: 27.5%; Disabled retirees: 15%
Healthcare cost trend rate	Not applicable
Cost-of-living adjustments (COLA)	Not applicable

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 12 - Post-Employment Health Care Benefits (OPEB) (continued)

Retirement Health Insurance Account (RHIA) (continued)

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

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

At June 30, 2023, the District has \$765,446 as its proportionate share of the net RHIA OPEB asset. The net RHIA OPEB asset was measured as of June 30, 2022, and the total RHIA OPEB asset used to calculate the net RHIA OPEB asset was determined by an actuarial valuation as of December 31, 2020. The District's proportion of the net RHIA OPEB asset was based on a projection of the District's long-term share of contributions to the RHIA OPEB plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023, the District's proportion was approximately 0.21541534 percent.

For the year ended June 30, 2023, the District recognized a reduction of OPEB expense related to RHIA of \$94,774. The \$94,774 was treated as a reduction of payroll related expense in the Statement of Activities and allocated to Instruction, Support Services, and Enterprise and Community Services using allocation percentages of 61%, 35%, and 4% respectively.

For the year ended June 30, 2023, the District reports deferred outflows of resources and deferred inflows of resources related to RHIA OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ (20,743)
Changes of assumptions	5,993	(25,515)
Net difference between projected and actual earning on investments	-	(58,375)
Changes in proportionate share	26,791	-
Difference between employer contributions and employer's proportionate share of system contributions	-	-
Contributions subsequent to the measurement date	4,416	-
	<u>\$ 37,200</u>	<u>\$ (104,633)</u>
Total		

The \$4,416 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as an increase to the net OPEB asset in the year ended June 30, 2024.

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 12 - Post-Employment Health Care Benefits (OPEB) (continued)

Retirement Health Insurance Account (RHIA) (continued)

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

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

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2024	\$ (23,798)
2025	(29,909)
2026	(36,837)
2027	18,695
Total	<u>\$ (71,849)</u>

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

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

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1 % Increase (7.90%)
Defined Benefit OPEB Liability/(Asset)	\$ (689,883)	\$ (765,446)	\$ (830,222)

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

Changes in Assumptions

The changes in assumptions used for RHIA are identified in the change in assumptions related to the OPERS Plan in *Note 11 - Pension and Retirement Plans*.

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 13 - Contingencies

Amounts received/receivable from grantor agencies are subject to compliance audits by grantors or their representatives. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial. The District, in the regular course of business, may be named as a defendant in various lawsuits. The likely outcome of these lawsuits, if any, is not presently determinable.

Note 14 - Commitments

The District has obligations for project management, architecture and design, and surveying. The grand total of commitments is for \$69,164,509 with \$22,024,399 remaining to be paid on the contracts at June 30, 2023. The majority of these upgrades will be paid for with the 2019 GO Bonds.

Note 15 - Current Vulnerability Due to Certain Concentrations

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

Note 16 - Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. Worker's compensation insurance is also provided through a commercial carrier. There has been no significant reduction in insurance coverage from the prior year and the District has not been required to pay any settlements in excess of insurance coverage during the past three fiscal years ending June 30, 2023.

Note 17 - Tax Abatements

At June 30, 2023, Jackson County provides tax abatements through various State of Oregon programs. For the fiscal year ended June 30, 2023, Central Point School District's abated property taxes totaled \$146,232 under these programs.

Note 18 - CraterWorks LLC Agreement

On February 12, 2019 the District signed an Operating Agreement with Direct Involvement Recreation Teaching (DIRT) for CraterWorks LLC, an Oregon Limited Liability Company. The membership of CraterWorks LLC, (CraterWorks) is divided 50 percent to DIRT and 50 percent to the District. Craterworks is a collaborative work space that exists as a public/private facility, designed for making, learning, exploring and sharing. It offers a variety of industrial maker equipment including 3D printers, laser cutters, computer numerical control machines, and helps prepare those who need critical 21st century skills in the fields of science, technology, engineering, and math, providing hands-on learning and critical thinking skills while fostering entrepreneurship as incubators and accelerators for business startups.

Since inception, the District has provided \$216,805 of start-up funds for CraterWorks; \$0 of which was provided in 2023.

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

Note 18 - CraterWorks LLC Agreement (continued)

The District leases property to CraterWorks commencing May 18, 2019 and ending May 18, 2022, including a renewal option of up to three consecutive terms of two years each. On March 24, 2023, a one-year renewal option was signed with an effective date of July 1, 2023. Base rent for the property is \$5,000 per month. On the second anniversary, and annually, thereafter, the base rent will increase 2.5 percent throughout the initial term of the lease. CraterWorks paid the District \$7,800 for rent during 2023.

On February 1, 2020, the District and CraterWorks entered a Memorandum of Understanding in which all or part of the first twelve months of rent is waived in exchange for professional development, facility use, and other membership services provided by CraterWorks to the District. The exchange included remaining rent balances outstanding at the time the Memorandum was signed.

During the fiscal year ended June 30, 2023, the District reimbursed CraterWorks \$8,555 for supplies and equipment purchased, and paid \$134,150 for District usage fees.

No separately issued financial statements are available for CraterWorks.

Note 19 - Restricted Net Position

For the fiscal year ended June 30, 2023, the District reported restricted net position as follows:

Food service	\$	2,943,916
Debt service		507,665
Capital projects		17,457,912
Student body		878,267
Grants		200,675
RHIA OPEB asset		765,446
		<hr/>
	\$	22,753,881
		<hr/>

Note 20 - Subsequent Events

Management of the District has evaluated events and transactions occurring after June 30, 2023 through the date the financial statements were available to be issued, for recognition and/or disclosure in the financial statements.



| Required Supplementary Information

**JACKSON COUNTY SCHOOL DISTRICT NO. 6
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED JUNE 30, 2023**

	Budget			Variance with Final Budget Positive (Negative)
	Adopted	Final	Actual	
REVENUES				
Local sources:				
Property taxes	\$ 13,404,721	\$ 13,404,721	\$ 13,591,127	\$ 186,406
Charges for services	237,991	237,991	307,892	69,901
Interest on investments	67,000	67,000	341,747	274,747
Donations	-	-	192	192
Miscellaneous	260,000	260,000	235,204	(24,796)
Intermediate sources:				
Intergovernmental	1,186,086	1,186,086	1,097,584	(88,502)
State sources:				
State school support	39,475,752	39,475,752	42,274,505	2,798,753
Intergovernmental	1,039,190	1,039,190	987,577	(51,613)
Federal sources:				
Intergovernmental	5,230,543	5,230,543	5,179,162	(51,381)
TOTAL REVENUES	60,901,283	60,901,283	64,014,990	3,113,707
EXPENDITURES				
Current:				
Instruction	36,903,930	36,553,930	36,001,129	552,801
Support services	20,445,870	20,645,870	19,603,606	1,042,264
Enterprise and community services	2,505	2,505	-	2,505
Facilities acquisition and construction	4,161,056	5,261,056	4,864,906	396,150
Debt service	497,719	497,719	497,715	4
Contingency	2,540,203	490,203	-	490,203
TOTAL EXPENDITURES	64,551,283	63,451,283	60,967,356	2,483,927
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,650,000)	(2,550,000)	3,047,634	5,597,634
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of asset	-	-	3,405	3,405
Interfund transfer	-	(1,100,000)	(1,100,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	-	(1,100,000)	(1,096,595)	3,405
NET CHANGE IN FUND BALANCE	(3,650,000)	(3,650,000)	1,951,039	5,601,039
BEGINNING FUND BALANCE, JULY 1, 2022, as restated	3,650,000	3,650,000	(2,517,930)	(6,167,930)
ENDING FUND BALANCE, JUNE 30, 2023	\$ -	\$ -	\$ (566,891)	\$ (566,891)

**JACKSON COUNTY SCHOOL DISTRICT NO. 6
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2023**

	Budget			Variance with Final Budget Positive (Negative)
	Adopted	Final	Actual	
REVENUES				
Local sources:				
Construction excise tax	\$ 250,000	\$ 250,000	\$ 190,796	\$ (59,204)
Charges for services	911,250	911,250	1,235,253	324,003
Donations	129,500	129,500	341,320	211,820
Miscellaneous	295,810	295,810	247,626	(48,184)
State sources:				
Intergovernmental	12,377,530	12,377,530	11,295,205	(1,082,325)
Federal sources:				
Intergovernmental	4,762,385	4,762,385	4,914,644	152,259
TOTAL REVENUES	18,726,475	18,726,475	18,224,844	(501,631)
EXPENDITURES				
Current:				
Instruction	7,064,379	6,609,379	4,712,831	1,896,548
Support services	2,827,180	2,827,180	2,689,815	137,365
Enterprise and community services	3,353,328	3,353,328	2,746,682	606,646
Facilities acquisition and construction	7,045,671	8,345,671	6,153,169	2,192,502
Debt Service	510,917	765,917	765,917	-
TOTAL EXPENDITURES	20,801,475	21,901,475	17,068,414	4,833,061
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,075,000)	(3,175,000)	1,156,430	4,331,430
OTHER FINANCING SOURCES (USES):				
Interfund Transfer	-	1,100,000	1,100,000	-
TOTAL OTHER FINANCING SOURCES (USES)	-	1,100,000	1,100,000	-
NET CHANGE IN FUND BALANCE	(2,075,000)	(2,075,000)	2,256,430	4,331,430
BEGINNING FUND BALANCE, JULY 1, 2022, as restated	2,075,000	2,075,000	3,183,266	1,108,266
ENDING FUND BALANCE, JUNE 30, 2023	\$ -	\$ -	\$ 5,439,696	\$ 5,439,696

JACKSON COUNTY SCHOOL DISTRICT NO. 6
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION
ASSET/(LIABILITY) AND SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)
LAST 10 FISCAL YEARS ENDING JUNE 30

Central Point School District No. 6 Proportionate Share of Net Pension Asset / (Liability) at the measurement date

	2023	2022	2021	2020	2019
District proportion of the net pension asset/(liability)	0.2865700%	0.2954018%	0.3102962%	0.3184184%	0.2964370%
District proportion of the net pension asset/(liability)	\$ (43,879,612)	\$ (35,349,197)	\$ (67,717,308)	\$ (55,078,763)	\$ (44,906,304)
Covered payroll	\$ 33,549,674	\$ 30,802,626	\$ 29,198,232	\$ 28,306,678	\$ 26,969,083
Proportionate share of the pension asset/(liability) as a percentage of its covered payroll	130.79%	114.76%	231.92%	194.58%	166.51%
Plan fiduciary net position as a percentage of the total pension liability	84.50%	87.60%	75.79%	80.23%	81.81%
	2018	2017	2016	2015	2014
District proportion of the net pension asset/(liability)	0.3018797%	0.3288581%	0.3674069%	0.3621042%	0.3621042%
District proportion of the net pension asset/(liability)	\$ (40,693,502)	\$ (49,369,235)	\$ (21,094,524)	\$ 8,207,869	\$ (18,478,707)
Covered payroll	\$ 24,279,631	\$ 22,418,030	\$ 20,883,533	\$ 19,813,404	\$ 18,742,621
Proportionate share of the pension asset/(liability) as a percentage of its covered payroll	167.60%	220.22%	101.01%	-41.43%	98.59%
Plan fiduciary net position as a percentage of the total pension liability	83.12%	80.53%	91.88%	103.59%	91.97%

Central Point School District No. 6 Contributions

	2023	2022	2021	2020	2019
Contractually required contributions	\$ 8,100,758	\$ 7,623,572	\$ 8,111,380	\$ 7,791,203	\$ 6,233,916
Contribution in relation to the contractually required	(8,100,758)	(7,623,572)	(8,111,380)	(7,791,203)	(6,233,916)
Contributions deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 34,364,122	\$ 33,549,674	\$ 30,802,626	\$ 29,198,232	\$ 28,306,678
Contributions as a percentage of covered payroll	23.57%	22.72%	26.33%	26.68%	22.02%
	2018	2017	2016	2015	2014
Contractually required contributions	\$ 5,650,499	\$ 4,203,936	\$ 3,972,524	\$ 3,999,259	\$ 3,469,139
Contribution in relation to the contractually required	(5,650,499)	(4,203,936)	(3,972,524)	(3,999,259)	(3,469,139)
Contributions deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 26,969,083	\$ 24,279,631	\$ 22,418,030	\$ 20,883,533	\$ 19,813,404
Contributions as a percentage of covered payroll	20.95%	17.31%	17.72%	19.15%	17.51%

Note 1 - Changes of Benefit Terms and Assumptions -

Significant Methods and Assumptions:

A summary of assumption changes implemented since the December 31, 2019 valuation are outlined briefly in *Note 11* in the notes to the basic financial statements. Additional detail and a comprehensive list of changes in methods and assumptions can be found in the 2022 Experience Study for the system, which was published July 2021, and can be found at:

https://www.oregon.gov/pers/Documents/Financials/Actuarial/2023/2022_Exp_Study.pdf

JACKSON COUNTY SCHOOL DISTRICT NO. 6
SCHEDULE OF CHANGES IN THE DISTRICTS
TOTAL PENSION LIABILITY AND RELATED RATIOS (STIPEND)
LAST 10 FISCAL YEARS ENDING JUNE 30 (FOR YEARS INFORMATION IS AVAILABLE)

Total Pension Liability (Stipend):	2023	2022	2021	2020
Service cost	\$ 10,038	\$ 11,997	\$ 8,813	\$ 6,746
Interest	11,749	8,357	5,992	8,920
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	79,918	-	107,097	-
Changes of assumptions of other inputs	(15,173)	(26,117)	9,229	18,797
Benefit payments	<u>(28,680)</u>	<u>(27,376)</u>	<u>(30,960)</u>	<u>(19,223)</u>
Net change in total pension liability (stipend)	57,852	(33,139)	100,171	15,240
Total Pension Liability (Stipend) - beginning	<u>\$ 339,988</u>	<u>\$ 373,127</u>	<u>\$ 272,956</u>	<u>\$ 257,716</u>
Total Pension liability (Stipend) - ending	<u><u>\$ 397,840</u></u>	<u><u>\$ 339,988</u></u>	<u><u>\$ 373,127</u></u>	<u><u>\$ 272,956</u></u>
Estimated Covered - employee payroll	\$ 2,483,480	\$ 2,569,505	\$ 2,482,614	\$ 1,741,158
Total pension liability (Stipend) as a percentage of estimated covered - employee payroll	16.02%	13.23%	15.03%	15.68%
Total Pension Liability (Stipend):	2019	2018	2017	
Service cost	\$ 7,788	\$ 6,236	\$ 6,236	
Interest	7,472	7,598	8,235	
Changes of benefit terms	-	-	-	
Differences between expected and actual experience	50,999	-	-	
Changes of assumptions of other inputs	(2,237)	-	-	
Benefit payments	<u>(24,010)</u>	<u>(20,220)</u>	<u>(45,095)</u>	
Net change in total pension liability (stipend)	40,012	(6,386)	(30,624)	
Total Pension Liability (Stipend) - beginning	<u>\$ 217,704</u>	<u>\$ 224,090</u>	<u>\$ 254,714</u>	
Total Pension liability (Stipend) - ending	<u><u>\$ 257,716</u></u>	<u><u>\$ 217,704</u></u>	<u><u>\$ 224,090</u></u>	
Estimated Covered - employee payroll	\$ 1,685,390	\$ 1,915,862	\$ 1,860,060	
Total pension liability (Stipend) as a percentage of estimated covered - employee payroll	15.29%	11.36%	12.05%	

Notes to Schedule:

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

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

Changes in benefit terms:

None noted.

Other information:

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

JACKSON COUNTY SCHOOL DISTRICT NO. 6
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB
ASSET/(LIABILITY) AND SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
OPERS RETIREMENT HEALTH INSURANCE ACCOUNT (RHIA)
LAST 10 FISCAL YEARS ENDING JUNE 30 (FOR YEARS INFORMATION IS AVAILABLE)

Central Point School District No. 6 Proportionate Share of Net OPEB Asset / (Liability) at the measurement date

	2023	2022	2021
District proportion of the net OPEB asset/(liability)	0.21541534%	0.22650028%	0.24439602%
District's proportion of the net OPEB asset/(liability)	\$ 765,446	\$ 777,803	\$ 501,490
District's covered-employee payroll	\$ 33,549,674	\$ 30,802,626	\$ 29,198,232
District's proportionate share of the net OPEB asset/(liability) as a percentage of its covered-employee payroll	2.28%	2.53%	1.72%
Plan fiduciary net position as a percentage of the total pension liability	194.60%	183.90%	150.10%
	2020	2019	2018
District proportion of the net OPEB asset/(liability)	0.24439602%	0.23117419%	0.21215608%
District's proportion of the net OPEB asset/(liability)	\$ 472,261	\$ 258,053	\$ 88,541
District's covered-employee payroll	\$ 28,306,678	\$ 26,969,083	\$ 24,279,631
District's proportionate share of the net OPEB asset/(liability) as a percentage of its covered-employee payroll	1.67%	0.96%	0.36%
Plan fiduciary net position as a percentage of the total pension liability	144.40%	123.99%	108.88%

Central Point School District No. 6 Contributions

	2023	2022	2021
Contractually required contributions	\$ 4,416	\$ 5,309	\$ 6,060
Contribution in relation to the contractually required	(4,416)	(5,309)	(6,060)
Contributions deficiency (excess)	\$ -	\$ -	\$ -
District's covered - employee payroll	\$ 34,364,122	\$ 33,549,674	\$ 30,802,626
Contributions as a percentage of covered-employee payroll	0.01%	0.02%	0.02%
	2020	2019	2018
Contractually required contributions	\$ 17,576	\$ 121,128	\$ 111,935
Contribution in relation to the contractually required	(17,576)	(121,128)	(111,935)
Contributions deficiency (excess)	\$ -	\$ -	\$ -
District's covered - employee payroll	\$ 29,198,232	\$ 28,306,678	\$ 26,969,083
Contributions as a percentage of covered-employee payroll	0.06%	0.43%	0.42%

Note 1 - Changes of Benefit Terms and Assumptions -

Significant Methods and Assumptions:

A summary of assumption changes implemented since the December 31, 2019 valuation are outlined briefly in Note 12 in the notes to the basic financial statements. Additional detail and a comprehensive list of changes in methods and assumptions can be found in the 2020 Experience Study for the system, which was published July 2022, and can be found at:

https://www.oregon.gov/pers/Documents/Financials/Actuarial/2023/2022_Exp_Study.pdf

Other Information:

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

JACKSON COUNTY SCHOOL DISTRICT NO. 6
SCHEDULE OF THE DISTRICT'S TOTAL OPEB LIABILITY
AND RELATED RATIOS (HEALTH CARE PLAN)
LAST 10 FISCAL YEARS ENDING JUNE 30 (FOR YEARS INFORMATION IS AVAILABLE)

Total OPEB Liability:	2023	2022	2021	2020
Service cost	\$ 238,200	\$ 281,498	\$ 296,485	\$ 230,479
Interest	221,738	155,204	134,518	246,463
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(495,399)	-	1,480,000	-
Changes of assumptions of other inputs	(363,724)	(513,837)	(535,112)	394,273
Benefit payments	<u>(452,195)</u>	<u>(432,129)</u>	<u>(450,864)</u>	<u>(420,372)</u>
Net change in total OPEB liability	(851,380)	(509,264)	925,027	450,843
Total OPEB liability - beginning	<u>\$ 6,323,266</u>	<u>\$ 6,832,530</u>	<u>\$ 5,907,503</u>	<u>\$ 5,456,660</u>
Total OPEB liability - ending	<u><u>\$ 5,471,886</u></u>	<u><u>\$ 6,323,266</u></u>	<u><u>\$ 6,832,530</u></u>	<u><u>\$ 5,907,503</u></u>
Estimated Covered - employee payroll	\$ 22,343,815	\$ 24,239,509	\$ 23,419,815	\$ 19,487,406
Total OPEB liability as a percentage of estimated covered - employee payroll	24.49%	26.09%	29.17%	30.31%
Total OPEB Liability:	2019	2018	2017	
Service cost	\$ 210,051	\$ 204,928	\$ 204,928	
Interest	223,689	224,519	231,843	
Changes of benefit terms	-	-	-	
Differences between expected and actual experience	(722,268)	-	-	
Changes of assumptions of other inputs	(181,747)	-	-	
Benefit payments	<u>(508,240)</u>	<u>(613,249)</u>	<u>(678,832)</u>	
Net change in total OPEB liability	(978,515)	(183,802)	(242,061)	
Total OPEB liability - beginning	<u>\$ 6,435,175</u>	<u>\$ 6,618,977</u>	<u>\$ 6,861,038</u>	
Total OPEB liability - ending	<u><u>\$ 5,456,660</u></u>	<u><u>\$ 6,435,175</u></u>	<u><u>\$ 6,618,977</u></u>	
Estimated Covered - employee payroll	\$ 18,828,412	\$ 21,114,927	\$ 20,499,929	
Total OPEB liability as a percentage of estimated covered - employee payroll	28.98%	30.48%	32.29%	

Notes to Schedule:

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

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

Changes in benefit terms:

None noted.

Other information:

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



| **Supplementary Information**

**JACKSON COUNTY SCHOOL DISTRICT NO. 6
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2023**

	Budget			Variance with Final Budget Positive (Negative)
	Adopted	Final	Actual	
REVENUES				
Local sources:				
Property taxes	\$ 3,419,478	\$ 3,419,478	\$ 3,501,290	\$ 81,812
Interest on investments	7,500	7,500	61,677	54,177
TOTAL REVENUES	3,426,978	3,426,978	3,562,967	135,989
EXPENDITURES				
Debt service	3,580,353	3,580,353	3,453,948	126,405
TOTAL EXPENDITURES	3,580,353	3,580,353	3,453,948	126,405
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(153,375)	(153,375)	109,019	262,394
NET CHANGE IN FUND BALANCE	(153,375)	(153,375)	109,019	262,394
BEGINNING FUND BALANCE, JULY 1, 2022, as restated	153,375	153,375	398,646	245,271
ENDING FUND BALANCE, JUNE 30, 2023	\$ -	\$ -	\$ 507,665	\$ 507,665

**JACKSON COUNTY SCHOOL DISTRICT NO. 6
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2023**

	Budget			Variance with Final Budget Positive (Negative)
	Adopted	Final	Actual	
REVENUES				
Local sources:				
Interest on investments	\$ 250,000	\$ 250,000	\$ 900,779	\$ 650,779
State sources:				
Intergovernmental	-	-	4,810,407	4,810,407
TOTAL REVENUES	<u>250,000</u>	<u>250,000</u>	<u>5,711,186</u>	<u>5,461,186</u>
EXPENDITURES				
Facilities acquisition and construction	<u>54,161,293</u>	<u>54,161,293</u>	<u>36,252,922</u>	<u>17,908,371</u>
TOTAL EXPENDITURES	<u>54,161,293</u>	<u>54,161,293</u>	<u>36,252,922</u>	<u>17,908,371</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(53,911,293)</u>	<u>(53,911,293)</u>	<u>(30,541,736)</u>	<u>23,369,557</u>
NET CHANGE IN FUND BALANCE	(53,911,293)	(53,911,293)	(30,541,736)	23,369,557
BEGINNING FUND BALANCE, JULY 1, 2022, as restated	<u>53,911,293</u>	<u>53,911,293</u>	<u>47,843,190</u>	<u>(6,068,103)</u>
ENDING FUND BALANCE, JUNE 30, 2023	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,301,454</u>	<u>\$ 17,301,454</u>

**JACKSON COUNTY SCHOOL DISTRICT NO. 6
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – PERS RESERVE FUND
YEAR ENDED JUNE 30, 2023**

	Budget			Variance with Final Budget Positive (Negative)
	Adopted	Final	Actual	
EXPENDITURES				
Contingency	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	-	-
BEGINNING FUND BALANCE, JULY 1, 2022	962,183	962,183	962,183	-
ENDING FUND BALANCE, JUNE 30, 2023	<u>\$ 962,183</u>	<u>\$ 962,183</u>	<u>\$ 962,183</u>	<u>\$ -</u>

**JACKSON COUNTY SCHOOL DISTRICT NO. 6
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – FIDUCIARY FUND
YEAR ENDED JUNE 30, 2023**

	Budget			Variance with Final Budget Positive (Negative)
	Adopted	Final	Actual	
REVENUES				
Local sources:				
Contributions	\$ 20,000	\$ 20,000	\$ 16,500	\$ (3,500)
TOTAL REVENUES	<u>20,000</u>	<u>20,000</u>	<u>16,500</u>	<u>(3,500)</u>
EXPENDITURES				
Current:				
Enterprise and community services	<u>20,000</u>	<u>20,000</u>	<u>16,500</u>	<u>3,500</u>
TOTAL EXPENDITURES	<u>20,000</u>	<u>20,000</u>	<u>16,500</u>	<u>3,500</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
BEGINNING FUND BALANCE, JULY 1, 2022	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
ENDING FUND BALANCE, JUNE 30, 2023	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**JACKSON COUNTY SCHOOL DISTRICT NO. 6
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
GENERAL FUND
YEAR ENDED JUNE 30, 2023**

	General Fund	PERS Reserve Fund	Total
REVENUES			
Local sources:			
Property taxes	\$ 13,591,127	\$ -	\$ 13,591,127
Charges for services	307,892	-	307,892
Interest on investments	341,747	-	341,747
Donations	192	-	192
Miscellaneous	235,204	-	235,204
Intermediate sources:			
Intergovernmental	1,097,584	-	1,097,584
State sources:			
State school support	42,274,505	-	42,274,505
Intergovernmental	987,577	-	987,577
Federal sources:			
Intergovernmental	5,179,162	-	5,179,162
TOTAL REVENUES	<u>64,014,990</u>	<u>-</u>	<u>64,014,990</u>
EXPENDITURES			
Current:			
Instruction	36,001,129	-	36,001,129
Support services	19,603,606	-	19,603,606
Facilities acquisition and construction	4,864,906	-	4,864,906
Debt service	497,715	-	497,715
TOTAL EXPENDITURES	<u>60,967,356</u>	<u>-</u>	<u>60,967,356</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>3,047,634</u>	<u>-</u>	<u>3,047,634</u>
OTHER FINANCING SOURCES (USES):			
Proceeds from sale of asset	3,405	-	3,405
Interfund transfer	(1,100,000)	-	(1,100,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,096,595)</u>	<u>-</u>	<u>(1,096,595)</u>
NET CHANGE IN FUND BALANCE	1,951,039	-	1,951,039
BEGINNING FUND BALANCE, JULY 1, 2022, as restated	<u>(2,517,930)</u>	<u>962,183</u>	<u>(1,555,747)</u>
ENDING FUND BALANCE, JUNE 30, 2022	<u><u>\$ (566,891)</u></u>	<u><u>\$ 962,183</u></u>	<u><u>\$ 395,292</u></u>



| Other Financial Schedules

JACKSON COUNTY SCHOOL DISTRICT NO. 6

2022-23 DISTRICT AUDIT ALL FUND REVENUE SUMMARY

YEAR ENDED JUNE 30, 2023

Revenue from Local Sources	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
1110 Ad Valorem Taxes Levied by District	\$13,582,008	\$0	\$3,498,885	\$0	\$0	\$0	\$0
1120 Local Option Ad Valorem Taxes Levied by District	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1130 Construction Excise Tax	\$0	\$190,796	\$0	\$0	\$0	\$0	\$0
1190 Penalties and Interest on Taxes	\$9,119	\$0	\$2,405	\$0	\$0	\$0	\$0
1200 Revenue from Local Governmental Units Other Than Districts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1310 Regular Day School Tuition	\$3,240	\$0	\$0	\$0	\$0	\$0	\$0
1320 Adult/Continuing Education Tuition	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1330 Summer School Tuition	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1410 Regular Day School Transportation	\$25,390	\$0	\$0	\$0	\$0	\$0	\$0
1420 Summer School Transportation Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1500 Earnings on Investments	\$341,747	\$0	\$61,677	\$900,779	\$0	\$0	\$0
1600 Food Service	\$0	\$299,155	\$0	\$0	\$0	\$0	\$0
1700 Extracurricular Activities	\$2,270	\$904,207	\$0	\$0	\$0	\$0	\$0
1800 Community Services Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1910 Rentals	\$7,800	\$31,891	\$0	\$0	\$0	\$0	\$0
1920 Contributions and Donations From Private Sources	\$192	\$341,320	\$0	\$0	\$0	\$0	\$16,500
1930 Rental or Lease Payments From Private Contractors	\$87,228	\$0	\$0	\$0	\$0	\$0	\$0
1940 Services Provided Other Local Education Agencies	\$6,264	\$0	\$0	\$0	\$0	\$0	\$0
1950 Textbook Sales and Rentals	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1960 Recovery of Prior Years' Expenditure	\$13,243	\$0	\$0	\$0	\$0	\$0	\$0
1970 Services Provided Other Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1980 Fees Charged to Grants	\$162,457	\$0	\$0	\$0	\$0	\$0	\$0
1990 Miscellaneous	\$235,204	\$247,626	\$0	\$0	\$0	\$0	\$0
Total Revenue from Local Sources	\$14,476,162	\$2,014,995	\$3,562,967	\$900,779	\$0	\$0	\$16,500
Revenue from Intermediate Sources	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
2101 County School Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2102 General ESD Revenue	\$1,082,291	\$0	\$0	\$0	\$0	\$0	\$0
2103 Excess ESD Local Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2105 Natural Gas, Oil, and Mineral Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2110 Intermediate "I" Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2199 Other Intermediate Sources	\$15,293	\$0	\$0	\$0	\$0	\$0	\$0
2200 Restricted Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2800 Revenue in Lieu of Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2900 Revenue for/on Behalf of the District	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenue from Intermediate Sources	\$1,097,584	\$0	\$0	\$0	\$0	\$0	\$0
Revenue from State Sources	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
3101 State School Fund - General Support	\$42,274,505	\$0	\$0	\$0	\$0	\$0	\$0
3102 State School Fund - School Lunch Match	\$0	\$22,341	\$0	\$0	\$0	\$0	\$0
3103 Common School Fund	\$614,111	\$0	\$0	\$0	\$0	\$0	\$0
3104 State Managed County Timber	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3106 State School Fund - Accrual	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3199 Other Unrestricted Grants-in-Aid	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3204 Driver Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3222 State School Fund (SSF) Transportation Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3299 Other Restricted Grants-in-Aid	\$373,466	\$11,272,864	\$0	\$4,810,407	\$0	\$0	\$0
3800 Revenue in Lieu of Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3900 Revenue for/on Behalf of the District	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenue from State Sources	\$43,262,082	\$11,295,205	\$0	\$4,810,407	\$0	\$0	\$0
Revenue from Federal Sources	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
4100 Unrestricted Revenue Direct From the Federal Government	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4200 Unrestricted Revenue From the Federal Government Through the State	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4201 Transportation Fees for Foster Children	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4202 Medicaid Reimbursement for Eligible K-12 Expenses (Ages 5-21)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4300 Restricted Revenue From the Federal Government	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4500 Restricted Revenue From the Federal Government Through the State	\$5,124,923	\$3,647,785	\$0	\$0	\$0	\$0	\$0
4501 Medicaid Reimbursement for Eligible Early Intervention (EI) Services (Ages Birth to 3)	\$0	\$979,227	\$0	\$0	\$0	\$0	\$0
4502 Medicaid Reimbursement for Eligible Early Childhood Special Education (ECSE) Services (Ages 3-5)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4700 Grants-In-Aid From the Federal Government Through Other Intermediate Agencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4801 Federal Forest Fees	\$54,239	\$0	\$0	\$0	\$0	\$0	\$0
4802 Impact Aid to School Districts for Operation (PL 874)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4803 Coos Bay Wagon Road Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4899 Other Revenue in Lieu of Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4900 Revenue for/on Behalf of the District	\$0	\$287,632	\$0	\$0	\$0	\$0	\$0
Total Revenue from Federal Sources	\$5,179,162	\$4,914,644	\$0	\$0	\$0	\$0	\$0
Revenue from Other Sources	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
5100 Long Term Debt Financing Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5200 Interfund Transfers	\$0	\$1,100,000	\$0	\$0	\$0	\$0	\$0
5300 Sale of or Compensation for Loss of Fixed Assets	\$3,405	\$0	\$0	\$0	\$0	\$0	\$0
5400 Resources - Beginning Fund Balance	-\$2,517,930	\$3,183,266	\$398,646	\$47,843,190	\$962,183	\$0	\$0
Total Revenue from Other Sources	-\$2,514,525	\$4,283,266	\$398,646	\$47,843,190	\$962,183	\$0	\$0
Grand Total	\$61,500,465	\$22,508,110	\$3,961,613	\$53,554,376	\$962,183	\$0	\$16,500

JACKSON COUNTY SCHOOL DISTRICT NO. 6

2022-23 DISTRICT AUDIT EXPENDITURES SUMMARY

YEAR ENDED JUNE 30, 2023

Fund: 100 General Fund

Instruction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111	Elementary, K-5 or K-6	\$14,130,148	\$8,464,704	\$4,807,448	\$411,126	\$440,827	\$0	\$6,043	\$0
1113	Elementary Extracurricular	\$750	\$0	\$0	\$0	\$750	\$0	\$0	\$0
1121	Middle/Junior High Programs	\$6,736,286	\$3,984,360	\$2,332,895	\$257,840	\$138,924	\$5,000	\$17,267	\$0
1122	Middle/Junior High School Extracurricular	\$246,434	\$146,302	\$46,024	\$15,410	\$37,562	\$0	\$1,136	\$0
1131	High School Programs	\$7,314,248	\$4,195,512	\$2,550,438	\$245,833	\$296,238	\$5,150	\$21,077	\$0
1132	High School Extracurricular	\$1,022,260	\$574,116	\$200,016	\$146,525	\$74,678	\$6,232	\$20,693	\$0
1140	Pre-Kindergarten Programs	\$81,030	\$0	\$0	\$81,030	\$0	\$0	\$0	\$0
1210	Programs for the Talented and Gifted	\$14,859	\$10,450	\$4,081	\$0	\$328	\$0	\$0	\$0
1220	Restrictive Programs for Students with Disabilities	\$3,542,808	\$2,114,146	\$1,284,927	\$124,819	\$18,816	\$0	\$100	\$0
1250	Less Restrictive Programs for Students with Disabilities	\$1,600,927	\$958,093	\$620,760	\$15,692	\$6,282	\$0	\$100	\$0
1260	Treatment and Habilitation	\$155,623	\$97,176	\$57,476	\$817	\$104	\$0	\$50	\$0
1271	Remediation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1272	Title I	\$-1,394	\$-2,069	\$30	\$0	\$0	\$0	\$645	\$0
1280	Alternative Education	\$171,891	\$94,833	\$69,714	\$6,356	\$988	\$0	\$0	\$0
1291	English Second Language Programs	\$549,392	\$309,698	\$210,243	\$29,411	\$40	\$0	\$0	\$0
1292	Teen Parent Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1293	Migrant Education	\$8,761	\$2,645	\$1,000	\$4,700	\$416	\$0	\$0	\$0
1294	Youth Corrections Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1299	Other Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1300	Adult/Continuing Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1400	Summer School Programs	\$427,106	\$349,504	\$8,575	\$0	\$69,027	\$0	\$0	\$0
Total Instruction Expenditures		\$36,001,129	\$21,299,470	\$12,193,627	\$1,339,559	\$1,084,980	\$16,382	\$67,111	\$0
Support Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110	Attendance and Social Work Services	\$303,755	\$82,409	\$78,747	\$142,043	\$555	\$0	\$0	\$0
2120	Guidance Services	\$1,002,896	\$666,378	\$334,305	\$380	\$1,833	\$0	\$0	\$0
2130	Health Services	\$136,314	\$79,778	\$51,196	\$2,356	\$2,605	\$0	\$378	\$0
2140	Psychological Services	\$800,394	\$490,319	\$297,354	\$5,172	\$7,398	\$0	\$150	\$0
2150	Speech Pathology and Audiology Services	\$878,452	\$538,124	\$317,171	\$16,598	\$4,663	\$0	\$1,896	\$0
2160	Other Student Treatment Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2190	Service Direction, Student Support Services	\$526,094	\$312,742	\$148,926	\$58,041	\$3,967	\$0	\$2,418	\$0
2210	Improvement of Instruction Services	\$241,737	\$147,646	\$81,790	\$10,321	\$827	\$0	\$1,153	\$0
2220	Educational Media Services	\$429,550	\$243,728	\$165,430	\$2,629	\$17,763	\$0	\$0	\$0
2230	Assessment & Testing	\$188,727	\$105,213	\$83,514	\$0	\$0	\$0	\$0	\$0
2240	Instructional Staff Development	\$60,300	\$5,532	\$3,764	\$40,944	\$9,662	\$0	\$399	\$0
2310	Board of Education Services	\$203,533	\$0	\$0	\$183,115	\$9,582	\$0	\$10,835	\$0
2320	Executive Administration Services	\$427,858	\$249,531	\$155,975	\$9,651	\$8,202	\$0	\$4,499	\$0
2410	Office of the Principal Services	\$4,770,584	\$2,936,027	\$1,626,733	\$106,790	\$89,090	\$0	\$11,943	\$0
2490	Other Support Services - School Administration	\$3,600	\$0	\$0	\$0	\$0	\$0	\$3,600	\$0
2510	Direction of Business Support Services	\$463,565	\$257,778	\$136,547	\$23,784	\$16,424	\$5,926	\$23,107	\$0
2520	Fiscal Services	\$294,245	\$176,860	\$113,264	\$0	\$826	\$0	\$3,295	\$0
2540	Operation and Maintenance of Plant Services	\$3,865,618	\$1,835,181	\$981,751	\$209,631	\$354,370	\$87,230	\$397,455	\$0
2550	Student Transportation Services	\$2,934,957	\$0	\$0	\$2,623,014	\$311,943	\$0	\$0	\$0
2570	Internal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2610	Direction of Central Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2620	Planning, Research, Development, Evaluation Services, Grant Writing and Statistical	\$5	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2630	Information Services	\$83,845	\$40,749	\$32,810	\$7,497	\$1,805	\$0	\$983	\$0
2640	Staff Services	\$615,124	\$373,503	\$181,460	\$37,576	\$18,027	\$0	\$4,558	\$0
2660	Technology Services	\$941,801	\$262,115	\$143,821	\$238,996	\$296,569	\$0	\$300	\$0
2670	Records Management Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2680	Interpretation and Translation Services	\$1,271	\$920	\$352	\$0	\$0	\$0	\$0	\$0
2690	Other Support Services - Central	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2700	Supplemental Retirement Program	\$429,382	\$30,705	\$398,677	\$0	\$0	\$0	\$0	\$0
Total Support Services Expenditures		\$19,603,606	\$8,835,238	\$5,333,587	\$3,718,539	\$1,156,112	\$93,156	\$466,970	\$0
Enterprise and Community Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100	Food Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3200	Other Enterprise Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3300	Community Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3500	Custody and Care of Children Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Enterprise and Community Services Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Facilities Acquisition and Construction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110	Service Area Direction	\$2,049	\$0	\$0	\$0	\$0	\$2,049	\$0	\$0
4120	Site Acquisition and Development Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4150	Building Acquisition, Construction, and Improvement Services	\$4,862,857	\$0	\$0	\$35,771	\$3,075	\$4,825,607	\$453	\$0
4180	Other Capital Items	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4190	Other Facilities Construction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Facilities Acquisition and Construction Expenditures		\$4,864,906	\$0	\$0	\$35,771	\$3,075	\$4,825,607	\$453	\$0
Other Uses Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100	Debt Service	\$497,715	\$0	\$0	\$0	\$0	\$0	\$497,715	\$0
5200	Transfers of Funds	\$1,100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$1,100,000
5300	Apportionment of Funds by ESD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5400	PERS UAL Bond Lump Sum	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Uses Expenditures		\$1,597,715	\$0	\$0	\$0	\$0	\$0	\$497,715	\$1,100,000
Grand Total		\$62,067,356	\$30,134,708	\$17,527,214	\$5,093,869	\$2,244,167	\$4,935,144	\$1,032,249	\$1,100,000

JACKSON COUNTY SCHOOL DISTRICT NO. 6
2022-23 DISTRICT AUDIT EXPENDITURES SUMMARY
YEAR ENDED JUNE 30, 2023

Fund: 200 Special Revenue Funds

Instruction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111	Elementary, K-5 or K-6	\$531,090	\$199,024	\$118,628	\$33,244	\$179,745	\$0	\$450	\$0
1113	Elementary Extracurricular	\$371,283	\$1,306	\$507	\$166,383	\$191,364	\$9,840	\$1,883	\$0
1121	Middle/Junior High Programs	\$206,686	\$95,828	\$44,769	\$8,750	\$57,339	\$0	\$0	\$0
1122	Middle/Junior High School Extracurricular	\$203,016	\$0	\$0	\$50,429	\$148,195	\$0	\$4,392	\$0
1131	High School Programs	\$452,300	\$74,320	\$76,256	\$71,488	\$201,058	\$23,699	\$5,479	\$0
1132	High School Extracurricular	\$542,356	\$17,417	\$6,783	\$139,560	\$331,989	\$12,210	\$34,397	\$0
1140	Pre-Kindergarten Programs	\$16,039	\$2,109	\$788	\$4,571	\$8,571	\$0	\$0	\$0
1210	Programs for the Talented and Gifted	\$9,097	\$6,593	\$2,504	\$0	\$0	\$0	\$0	\$0
1220	Restrictive Programs for Students with Disabilities	\$876,022	\$478,517	\$327,889	\$8,308	\$61,308	\$0	\$0	\$0
1250	Less Restrictive Programs for Students with Disabilities	\$234,587	\$117,441	\$99,167	\$526	\$17,453	\$0	\$0	\$0
1260	Treatment and Habilitation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1271	Remediation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1272	Title I	\$940,953	\$560,755	\$311,088	\$50,196	\$18,914	\$0	\$0	\$0
1280	Alternative Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1291	English Second Language Programs	\$9,601	\$872	\$0	\$1,490	\$7,239	\$0	\$0	\$0
1292	Teen Parent Program	\$34,543	\$25,024	\$9,519	\$0	\$0	\$0	\$0	\$0
1293	Migrant Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1294	Youth Corrections Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1299	Other Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1300	Adult/Continuing Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1400	Summer School Programs	\$285,257	\$10,887	\$66,380	\$46,172	\$161,738	\$0	\$79	\$0
Total Instruction Expenditures		\$4,712,831	\$1,590,094	\$1,064,278	\$581,118	\$1,384,912	\$45,749	\$46,680	\$0
Support Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110	Attendance and Social Work Services	\$56,065	\$22,857	\$12,056	\$699	\$3,282	\$17,170	\$0	\$0
2120	Guidance Services	\$218,337	\$126,931	\$90,238	\$0	\$1,167	\$0	\$0	\$0
2130	Health Services	\$290,389	\$64,786	\$45,019	\$177,630	\$2,954	\$0	\$0	\$0
2140	Psychological Services	\$126,422	\$79,092	\$47,330	\$0	\$0	\$0	\$0	\$0
2150	Speech Pathology and Audiology Services	\$129,769	\$79,852	\$49,917	\$0	\$0	\$0	\$0	\$0
2160	Other Student Treatment Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2190	Service Direction, Student Support Services	\$993,704	\$647,035	\$344,137	\$0	\$2,532	\$0	\$0	\$0
2210	Improvement of Instruction Services	\$259,482	\$58,259	\$20,967	\$133,042	\$47,214	\$0	\$0	\$0
2220	Educational Media Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2230	Assessment & Testing	\$14,101	\$0	\$0	\$0	\$14,101	\$0	\$0	\$0
2240	Instructional Staff Development	\$190,938	\$74,333	\$27,729	\$84,144	\$4,732	\$0	\$0	\$0
2310	Board of Education Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2320	Executive Administration Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2410	Office of the Principal Services	\$6,871	\$1,510	\$0	\$675	\$4,686	\$0	\$0	\$0
2490	Other Support Services - School Administration	\$5,235	\$0	\$0	\$0	\$5,235	\$0	\$0	\$0
2510	Direction of Business Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2520	Fiscal Services	\$178,939	\$0	\$0	\$0	\$0	\$0	\$178,939	\$0
2540	Operation and Maintenance of Plant Services	\$153,525	\$0	\$0	\$19,773	\$60,921	\$72,831	\$0	\$0
2550	Student Transportation Services	\$234	\$0	\$0	\$234	\$0	\$0	\$0	\$0
2570	Internal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2610	Direction of Central Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2620	Planning, Research, Development, Evaluation Services, Grant Writing and Statistical	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2630	Information Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2640	Staff Services	\$3,269	\$0	\$3,269	\$0	\$0	\$0	\$0	\$0
2660	Technology Services	\$62,536	\$20,150	\$7,015	\$671	\$34,700	\$0	\$0	\$0
2670	Records Management Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2680	Interpretation and Translation Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2690	Other Support Services - Central	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2700	Supplemental Retirement Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Support Services Expenditures		\$2,689,815	\$1,174,805	\$647,677	\$416,868	\$181,524	\$90,001	\$178,939	\$0
Enterprise and Community Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100	Food Services	\$2,713,665	\$669,914	\$488,905	\$72,523	\$1,429,982	\$30,081	\$22,260	\$0
3200	Other Enterprise Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3300	Community Services	\$33,017	\$0	\$0	\$0	\$33,017	\$0	\$0	\$0
3500	Custody and Care of Children Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Enterprise and Community Services Expenditures		\$2,746,682	\$669,914	\$488,905	\$72,523	\$1,462,999	\$30,081	\$22,260	\$0
Facilities Acquisition and Construction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110	Service Area Direction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4120	Site Acquisition and Development Services	\$27,272	\$0	\$0	\$0	\$0	\$27,272	\$0	\$0
4150	Building Acquisition, Construction, and Improvement Services	\$6,125,897	\$0	\$0	\$133,633	\$30	\$5,973,345	\$18,890	\$0
4180	Other Capital Items	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4190	Other Facilities Construction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Facilities Acquisition and Construction Expenditures		\$6,153,169	\$0	\$0	\$133,633	\$30	\$6,000,617	\$18,890	\$0
Other Uses Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100	Debt Service	\$765,917	\$0	\$0	\$0	\$0	\$0	\$765,917	\$0
5200	Transfers of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5300	Apportionment of Funds by ESD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5400	PERS UAL Bond Lump Sum	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Uses Expenditures		\$765,917	\$0	\$0	\$0	\$0	\$0	\$765,917	\$0
Grand Total		\$17,068,414	\$3,434,813	\$2,200,860	\$1,204,142	\$3,029,464	\$6,166,448	\$1,032,686	\$0

JACKSON COUNTY SCHOOL DISTRICT NO. 6
2022-23 DISTRICT AUDIT EXPENDITURES SUMMARY
YEAR ENDED JUNE 30, 2023

Fund: 300 Debt Service Funds

Instruction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111	Elementary, K-5 or K-6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1113	Elementary Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1121	Middle/Junior High Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1122	Middle/Junior High School Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1131	High School Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1132	High School Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1140	Pre-Kindergarten Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1210	Programs for the Talented and Gifted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1220	Restrictive Programs for Students with Disabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1250	Less Restrictive Programs for Students with Disabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1260	Treatment and Habilitation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1271	Remediation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1272	Title I	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1280	Alternative Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1291	English Second Language Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1292	Teen Parent Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1293	Migrant Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1294	Youth Corrections Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1299	Other Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1300	Adult/Continuing Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1400	Summer School Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Instruction Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Support Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110	Attendance and Social Work Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2120	Guidance Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2130	Health Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2140	Psychological Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2150	Speech Pathology and Audiology Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2160	Other Student Treatment Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2190	Service Direction, Student Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2210	Improvement of Instruction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2220	Educational Media Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2230	Assessment & Testing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2240	Instructional Staff Development	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2310	Board of Education Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2320	Executive Administration Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2410	Office of the Principal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2490	Other Support Services - School Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2510	Direction of Business Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2520	Fiscal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2540	Operation and Maintenance of Plant Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2550	Student Transportation Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2570	Internal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2610	Direction of Central Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2620	Planning, Research, Development, Evaluation Services, Grant Writing and Statistical	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2630	Information Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2640	Staff Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2660	Technology Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2670	Records Management Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2680	Interpretation and Translation Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2690	Other Support Services - Central	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2700	Supplemental Retirement Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Support Services Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Enterprise and Community Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100	Food Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3200	Other Enterprise Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3300	Community Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3500	Custody and Care of Children Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Enterprise and Community Services Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Facilities Acquisition and Construction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110	Service Area Direction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4120	Site Acquisition and Development Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4150	Building Acquisition, Construction, and Improvement Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4180	Other Capital Items	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4190	Other Facilities Construction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Facilities Acquisition and Construction Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Uses Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100	Debt Service	\$3,453,948	\$0	\$0	\$0	\$0	\$0	\$3,453,948	\$0
5200	Transfers of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5300	Apportionment of Funds by ESD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5400	PERS UAL Bond Lump Sum	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Uses Expenditures		\$3,453,948	\$0	\$0	\$0	\$0	\$0	\$3,453,948	\$0
Grand Total		\$3,453,948	\$0	\$0	\$0	\$0	\$0	\$3,453,948	\$0

JACKSON COUNTY SCHOOL DISTRICT NO. 6
2022-23 DISTRICT AUDIT EXPENDITURES SUMMARY
YEAR ENDED JUNE 30, 2023

Fund: 400 Capital Projects Funds

Instruction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111	Elementary, K-5 or K-6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1113	Elementary Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1121	Middle/Junior High Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1122	Middle/Junior High School Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1131	High School Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1132	High School Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1140	Pre-Kindergarten Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1210	Programs for the Talented and Gifted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1220	Restrictive Programs for Students with Disabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1250	Less Restrictive Programs for Students with Disabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1260	Treatment and Habilitation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1271	Remediation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1272	Title I	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1280	Alternative Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1291	English Second Language Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1292	Teen Parent Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1293	Migrant Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1294	Youth Corrections Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1299	Other Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1300	Adult/Continuing Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1400	Summer School Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Instruction Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Support Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110	Attendance and Social Work Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2120	Guidance Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2130	Health Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2140	Psychological Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2150	Speech Pathology and Audiology Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2160	Other Student Treatment Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2190	Service Direction, Student Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2210	Improvement of Instruction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2220	Educational Media Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2230	Assessment & Testing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2240	Instructional Staff Development	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2310	Board of Education Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2320	Executive Administration Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2410	Office of the Principal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2490	Other Support Services - School Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2510	Direction of Business Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2520	Fiscal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2540	Operation and Maintenance of Plant Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2550	Student Transportation Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2570	Internal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2610	Direction of Central Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2620	Planning, Research, Development, Evaluation Services, Grant Writing and Statistical	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2630	Information Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2640	Staff Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2660	Technology Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2670	Records Management Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2680	Interpretation and Translation Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2690	Other Support Services - Central	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2700	Supplemental Retirement Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Support Services Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Enterprise and Community Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100	Food Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3200	Other Enterprise Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3300	Community Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3500	Custody and Care of Children Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Enterprise and Community Services Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Facilities Acquisition and Construction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110	Service Area Direction	\$1,464,544	\$223,724	\$110,973	\$1,104,986	\$21,360	\$0	\$3,500	\$0
4120	Site Acquisition and Development Services	\$2,288,799			\$21,494	\$0	\$2,267,305	\$0	\$0
4150	Building Acquisition, Construction, and Improvement Services	\$32,499,579			\$2,760,449	\$939,226	\$28,549,081	\$250,823	\$0
4180	Other Capital Items	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4190	Other Facilities Construction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Facilities Acquisition and Construction Expenditures		\$36,252,922	\$223,724	\$110,973	\$3,886,930	\$960,586	\$30,816,386	\$254,323	\$0
Other Uses Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100	Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5200	Transfers of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5300	Apportionment of Funds by ESD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5400	PERS UAL Bond Lump Sum	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Uses Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grand Total		\$36,252,922	\$223,724	\$110,973	\$3,886,930	\$960,586	\$30,816,386	\$254,323	\$0

JACKSON COUNTY SCHOOL DISTRICT NO. 6
2022-23 DISTRICT AUDIT EXPENDITURES SUMMARY
YEAR ENDED JUNE 30, 2023

Fund: 600 PERS Reserve Funds

Instruction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111	Elementary, K-5 or K-6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1113	Elementary Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1121	Middle/Junior High Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1122	Middle/Junior High School Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1131	High School Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1132	High School Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1140	Pre-Kindergarten Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1210	Programs for the Talented and Gifted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1220	Restrictive Programs for Students with Disabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1250	Less Restrictive Programs for Students with Disabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1260	Treatment and Habilitation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1271	Remediation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1272	Title I	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1280	Alternative Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1291	English Second Language Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1292	Teen Parent Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1293	Migrant Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1294	Youth Corrections Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1299	Other Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1300	Adult/Continuing Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1400	Summer School Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Instruction Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Support Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110	Attendance and Social Work Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2120	Guidance Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2130	Health Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2140	Psychological Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2150	Speech Pathology and Audiology Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2160	Other Student Treatment Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2190	Service Direction, Student Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2210	Improvement of Instruction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2220	Educational Media Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2230	Assessment & Testing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2240	Instructional Staff Development	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2310	Board of Education Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2320	Executive Administration Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2410	Office of the Principal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2490	Other Support Services - School Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2510	Direction of Business Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2520	Fiscal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2540	Operation and Maintenance of Plant Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2550	Student Transportation Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2570	Internal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2610	Direction of Central Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2620	Planning, Research, Development, Evaluation Services, Grant Writing and Statistical	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2630	Information Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2640	Staff Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2660	Technology Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2670	Records Management Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2680	Interpretation and Translation Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2690	Other Support Services - Central	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2700	Supplemental Retirement Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Support Services Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Enterprise and Community Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100	Food Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3200	Other Enterprise Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3300	Community Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3500	Custody and Care of Children Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Enterprise and Community Services Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Facilities Acquisition and Construction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110	Service Area Direction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4120	Site Acquisition and Development Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4150	Building Acquisition, Construction, and Improvement Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4180	Other Capital Items	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4190	Other Facilities Construction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Facilities Acquisition and Construction Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Uses Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100	Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5200	Transfers of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5300	Apportionment of Funds by ESD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5400	PERS UAL Bond Lump Sum	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Uses Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grand Total		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

JACKSON COUNTY SCHOOL DISTRICT NO. 6
2022-23 DISTRICT AUDIT EXPENDITURES SUMMARY
YEAR ENDED JUNE 30, 2023

Fund: 700 Trust and Agency Funds

Instruction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111	Elementary, K-5 or K-6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1113	Elementary Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1121	Middle/Junior High Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1122	Middle/Junior High School Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1131	High School Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1132	High School Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1140	Pre-Kindergarten Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1210	Programs for the Talented and Gifted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1220	Restrictive Programs for Students with Disabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1250	Less Restrictive Programs for Students with Disabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1260	Treatment and Habilitation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1271	Remediation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1272	Title I	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1280	Alternative Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1291	English Second Language Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1292	Teen Parent Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1293	Migrant Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1294	Youth Corrections Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1299	Other Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1300	Adult/Continuing Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1400	Summer School Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Instruction Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Support Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110	Attendance and Social Work Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2120	Guidance Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2130	Health Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2140	Psychological Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2150	Speech Pathology and Audiology Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2160	Other Student Treatment Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2190	Service Direction, Student Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2210	Improvement of Instruction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2220	Educational Media Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2230	Assessment & Testing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2240	Instructional Staff Development	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2310	Board of Education Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2320	Executive Administration Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2410	Office of the Principal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2490	Other Support Services - School Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2510	Direction of Business Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2520	Fiscal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2540	Operation and Maintenance of Plant Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2550	Student Transportation Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2570	Internal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2610	Direction of Central Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2620	Planning, Research, Development, Evaluation Services, Grant Writing and Statistical	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2630	Information Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2640	Staff Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2660	Technology Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2670	Records Management Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2680	Interpretation and Translation Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2690	Other Support Services - Central	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2700	Supplemental Retirement Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Support Services Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Enterprise and Community Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100	Food Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3200	Other Enterprise Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3300	Community Services	\$16,500	\$0	\$0	\$16,500	\$0	\$0	\$0	\$0
3500	Custody and Care of Children Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Enterprise and Community Services Expenditures		\$16,500	\$0	\$0	\$16,500	\$0	\$0	\$0	\$0
Facilities Acquisition and Construction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110	Service Area Direction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4120	Site Acquisition and Development Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4150	Building Acquisition, Construction, and Improvement Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4180	Other Capital Items	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4190	Other Facilities Construction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Facilities Acquisition and Construction Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Uses Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100	Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5200	Transfers of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5300	Apportionment of Funds by ESD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5400	PERS UAL Bond Lump Sum	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Uses Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grand Total		\$16,500	\$0	\$0	\$16,500	\$0	\$0	\$0	\$0

SUPPLEMENTAL INFORMATION

School District Business Managers and Auditors:

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

A. Energy Bill for Heating - All Funds:

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

	Objects 325 & 326 & *327
Function 2540	\$ 1,036,475
Function 2550	\$ 0

B. Replacement of Equipment – General Fund:

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

Exclude these functions:

\$ 17,585

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

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



| Compliance Section



INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

To the Board of Directors
Jackson County School District No. 6
Central Point, Oregon

We have audited the basic financial statements of the Jackson County School District No. 6 (the District) as of and for the year ended June 30, 2023, and have issued our report thereon dated February 1, 2024. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

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

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

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 grant agreements, including the provisions of Oregon Revised Statutes as specified in Oregon Administration Rules 162-010-0000 through 162-010-0320 of the *Minimum Standards for Audits of Oregon Municipal Corporations*.

OAR 162-010-0230 Internal Control

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

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 entity'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. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001 that we consider to be a material weakness.

Restriction on Use

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

A handwritten signature in black ink, reading "Aria Bettinger". The signature is written in a cursive, flowing style.

Aria Bettinger, CPA, Partner
KDP Certified Public Accountants, LLP
Medford, Oregon
February 1, 2024

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*

To the Board of Directors
Jackson County School District No. 6
Central Point, 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 fiduciary fund information of Jackson County School District No. 6 (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 February 1, 2024.

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 audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

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

District's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

A handwritten signature in black ink, reading "Aria Bettinger". The signature is fluid and cursive, with the first name "Aria" and last name "Bettinger" clearly distinguishable.

Aria Bettinger, CPA, Partner
KDP Certified Public Accountants, LLP
Medford, Oregon
February 1, 2024



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

To the Board of Directors
Jackson County School District No. 6
Central Point, Oregon

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Jackson County School District No. 6's (the District) compliance with the types of compliance requirements described 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, the District complied, in all material respects with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 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 the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

identified.

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

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

A handwritten signature in black ink, reading "Aria Bettinger". The signature is written in a cursive, flowing style. The first name "Aria" is written with a large, stylized 'A' and the last name "Bettinger" follows in a similar cursive script.

Aria Bettinger, CPA, Partner
KDP Certified Public Accountants, LLP
Medford, Oregon
February 1, 2024

JACKSON COUNTY SCHOOL DISTRICT NO. 6
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass Through Grant Number	Federal Expenditures
U.S. Department of Agriculture:			
Passed through Oregon State Department of Education:			
National School Lunch Program	10.555	N/A	\$ 1,389,725
National School Lunch Program - Commodities	10.555	N/A	263,146
Summer Food Service Program for Children	10.559	N/A	285,081
Summer Food Service Program - Commodities	10.559	N/A	24,486
National School Breakfast	10.553	N/A	376,229
Fresh Fruit and Vegetable Program	10.582	N/A	75,276
Total Child Nutrition Cluster			<u>2,413,943</u>
Child and Adult Care Food Program	10.558	N/A	91,135
Child and Adult Care Food - Cash Commodities	10.558	N/A	6,283
Total AL 10.558			<u>97,418</u>
Passed through Southern Oregon Education Service District:			
Schools and Roads - Grants to Counties	10.666	N/A	54,239
Total Forest Service Schools and Roads Cluster			<u>54,239</u>
Total U.S. Department of Agriculture			<u>\$ 2,565,600</u>
U.S. Department of Education:			
Passed through Oregon State Department of Education:			
Title I Grants to Local Educational Agencies (21-22)	84.010	66938	\$ 16,241
Title I Grants to Local Educational Agencies (22-23)	84.010	72478	947,877
Title I Grants to Local Educational Agencies (23-24)	84.010	76443	15,108
Title I Grants to Local Educational Agencies (ESSA Partnerships 21-22)	84.010	67945	26,313
Total AL 84.010			<u>1,005,539</u>
Special Education - Grants to States (21-22)	84.027	68587	239,526
Special Education - Grants to States (22-23)	84.027	73165	679,668
COVID-19 Special Education - Grants to States ARP (21-22)	84.027	68338	140,965
Special Education - Equipment Grant	84.027	75289	35,789
Special Education - Preschool Grants (19-20)	84.173	53930	33,878
Special Education - Preschool Grants (21-22)	84.173	68876	9,521
Special Education - Preschool Grants (22-23)	84.173	69120	6,519
COVID-19 Special Education - Preschool Grants (22-23)	84.173	74178	497
Total Special Education Cluster (IDEA)			<u>1,146,363</u>
Career and Technical Education - Basic Grants to States (21-22)	84.048	66133	6,299
Career and Technical Education - Basic Grants to States (22-23)	84.048	72322	35,398
Total AL 84.048			<u>41,697</u>
English Language Acquisition State Grants (20-21)	84.365	58460	4,392
English Language Acquisition State Grants (21-22)	84.365	67123	9,789
English Language Acquisition State Grants (22-23)	84.365	73081	18,917
Total AL 84.365			<u>33,098</u>
Supporting Effective Instruction State Grants (20-21)	84.367	58723	4,447
Supporting Effective Instruction State Grants (21-22)	84.367	67371	55,047
Supporting Effective Instruction State Grants (22-23)	84.367	72675	44,397
Total AL 84.367			<u>103,891</u>
Student Support and Academic Enrichment State Grant	84.424	66727	5,236
Student Support and Academic Enrichment State Grant	84.424	72872	66,152
Total AL 84.424			<u>71,388</u>
COVID-19 Education Stabilization Fund - ESSER II	84.425D	64545	155,707
COVID-19 Education Stabilization Fund - ESSER III	84.425D	64850	4,969,216
COVID-19 Education Stabilization Fund - ARP ESSER III	84.425U	69327	1,307
Total AL 84.425			<u>5,126,230</u>
Total U.S. Department of Education			<u>\$ 7,528,206</u>
Total Expenditure of Federal Awards			<u>\$ 10,093,806</u>

JACKSON COUNTY SCHOOL DISTRICT NO. 6
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

NOTE A – BASIS OF PRESENTATION

The schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Jackson County School District No. 6 (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, and changes in fund balance of the District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C – INDIRECT COST RATE

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

NOTE D – FOOD DISTRIBUTION

Non-monetary assistance is reported in the Schedule at fair market value of the commodities received and disbursed. For the year ended June 30, 2023, the District received food commodities totaling \$287,632.

NOTE E – SUBRECIPIENTS

The District did not have any federal awards that were passed through to subrecipients for the year ended June 30, 2023.

NOTE F – SCHOOLS AND ROADS – GRANTS TO COUNTIES

The District includes Schools and Roads – Grants to Counties in the schedule due to requirements of the Oregon Department of Education. These expenditures are not subject to the Uniform Guidance audit due to treatment based on guidance provided by both the Oregon Department of Education and United States Department of Agriculture.

**JACKSON COUNTY SCHOOL DISTRICT NO. 6
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023**

SECTION I – SUMMARY OF AUDITOR'S RESULTS

Financial Statements

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

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

Internal control over major federal programs:

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

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

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

Identification of major federal programs:

<u>AL Number(s)</u>	<u>Name of Federal Program or Cluster</u>
#10.553, 10.555, 10.559 ,10.582	Child Nutrition Cluster
#84.425	Education Stabilization Fund

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

Auditee qualified as a low-risk auditee? ☐ Yes ☒ No

**JACKSON COUNTY SCHOOL DISTRICT NO. 6
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

SECTION II – FINANCIAL STATEMENT FINDINGS

2023-001: Financial Reporting: Year-End Close – Material Weakness

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

Condition – Cash, accounts receivable and related revenue, and liabilities and related expenses were not properly recorded at June 30, 2023.

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

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

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

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

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None Reported