

| DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
ROSEBURG, OREGON

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2024
WITH
INDEPENDENT AUDITOR'S REPORT



**DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
ROSEBURG, OREGON
YEAR ENDED JUNE 30, 2024**

BOARD OF DIRECTORS AS OF JUNE 30, 2024

Rodney Cotton	Chair
Andrea Miner	Vice-Chair
Michael Leone	Director
Andrew Shirtcliff	Director
Keith Cubic	Director
Steve Hammerson	Director
Ann Krimetz	Director

All board members receive mail at the address listed below:

**Administrative Office:
1419 NW Valley View Drive
Roseburg, Oregon 97471**

ADMINISTRATIVE STAFF AS OF JUNE 30, 2024

Jared Cordon	Superintendent
Cheryl Northam	Director of Finance & Operations



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YEAR ENDED JUNE 30, 2024

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| INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Douglas County School District No. 4
Roseburg, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of Douglas County School District No. 4 (the District), as of and for the year ended June 30, 2024, 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 and each major fund of the District, as of June 30, 2024, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with 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.

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 fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 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 pension schedules, certain other post-employment benefit schedules, and the general and major special revenue governmental funds budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the management's discussion and analysis, pension schedules, and other post-employment benefit schedules 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 management's discussion and analysis, pension schedules, and other post-employment benefit schedules because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The general and major special revenue governmental funds 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 and major special revenue governmental funds 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* are presented for purposes of additional analysis and are 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 December 2, 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 the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

Other Reporting Required by the State of Oregon

In accordance with Oregon State Regulations, we have also issued our report dated December 2, 2024 on our consideration of the District's compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes (ORS) as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0330 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
December 2, 2024



| MANAGEMENT'S DISCUSSION AND ANALYSIS

**DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

As management of Douglas County School District No. 4 (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, 2024. 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 the District exceeded liabilities/deferred inflows at June 30, 2024 by \$40 million. Of this amount, \$52.7 million represents the District's net investment in capital assets, \$5.1 million is restricted, and the deficit of \$17.8 million is considered unrestricted.
- For the fiscal year ended, the District's total net position increased by \$15.2 million. In the prior year, the District's total net position increased by \$10.4 million. The increase in performance during fiscal 2024 compared to fiscal 2023 can mostly be attributed to higher revenues, primarily related to an increase in program revenues, state school funding, and earnings on investments.
- The District's governmental funds report a combined ending fund balance of \$41.0 million, an increase of \$3.3 million from the prior year.
- At the end of the fiscal year, unassigned fund balance in the general fund was \$22.5 million or 32.6% of total general fund expenditures. In total, the general fund balance increased by \$2.4 million from the prior year.
- The District's long-term debt decreased by \$4.4 million during the 2023-2024 fiscal year primarily as a result of pension bonds debt payments.

OVERVIEW OF THE 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. These statements include:

Statement of Net Position. The *Statement of Net Position* presents information on all of the assets and liabilities of the District at year-end. Net position is what remains after the liabilities have been recognized. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

**DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Statement of Activities. The Statement of Activities presents information showing how the net position of the District changed over the year by tracking revenues, expenses and other transactions that increase or reduce net position. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

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 regular and special education, child nutrition services, transportation, administration, and facilities acquisition and construction. These activities are primarily financed through property taxes, Oregon's State School Fund and other intergovernmental revenues.

The government-wide financial statements can be found as listed in the Table of Contents of this report.

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. All of the funds of the District can be categorized as governmental funds.

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

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

The District maintains four individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General, Special Revenue, Debt Service, and Capital Projects Funds, all of which are considered to be major funds.

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

**DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

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 and detail of certain assets/deferred outflows and liabilities/deferred inflows 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.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The District's assets/deferred outflows exceeded liabilities/deferred inflows by \$40 million at June 30, 2024. At June 30, 2023 District assets/deferred were greater than outflows liabilities/deferred inflows by \$24.7 million.

	Governmental Activities		Increase (Decrease) From
	June 30, 2024	June 30, 2023	June 30, 2023
Assets:			
Current assets	\$ 46,934	\$ 41,830	\$ 5,104
Other assets	1,130	1,009	121
Capital assets	52,785	45,234	7,551
Total assets	100,849	88,073	12,776
Deferred outflows	19,516	28,660	(9,144)
Total assets and deferred outflows	120,365	116,733	3,632
Liabilities:			
Current liabilities (including current portion of long-term debt and lease liability)	10,032	8,215	1,817
Pension & OPEB liabilities	9,765	21,123	(11,358)
Long-term debt and lease liability	39,222	44,110	(4,888)
Total liabilities	59,019	73,448	(14,429)
Deferred inflows	21,333	18,551	2,782
Total liabilities and deferred inflows	80,352	91,999	(11,647)
Net position:			
Net investment in capital assets	52,710	45,153	7,557
Restricted	5,088	4,968	120
Unrestricted	(17,785)	(25,386)	7,601
Total net position	\$ 40,013	\$ 24,735	\$ 15,278

(Table is Presented in Thousands)

**DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

As noted previously, net position may serve over time as a useful indicator of a government's financial position. Net position increased by \$15.3 million from the prior year.

Capital assets, which consist of the District's land, construction in progress, buildings, building improvements, vehicles and equipment, right of use assets, and software represent about 43.34% of total assets/deferred outflows. The remaining assets consist mainly of cash and investments, grants and property taxes receivable, inventory, prepaids, RHIA, and deferred outflows related to pensions.

The District's largest liabilities consist of PERS bonds, unfunded OPERS obligations, and unfunded post employment benefit obligations. Other more current liabilities consist of payables on accounts, accrued salaries and benefits, unearned revenue, and accrued interest.

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

	Governmental Activities		Increase (Decrease) From
	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2023</u>
Revenues:			
Program revenues:			
Charges for service	\$ 1,631	\$ 1,576	\$ 55
Operating grants and contributions	22,195	21,816	379
Capital grants and contributions	2,273	1,799	474
General revenues:			
Property taxes	20,527	19,607	920
State school fund - general support	47,754	45,678	2,076
Other federal, state and local sources	2,184	1,737	447
Earnings on investments	2,093	1,085	1,008
Total revenues	<u>98,657</u>	<u>93,298</u>	<u>5,359</u>
Expenses:			
Instruction	47,582	48,026	(444)
Support services	30,395	29,898	497
Enterprise and community services	3,430	3,121	309
Interest on long-term debt	1,658	1,826	(168)
Facilities acquisition and construction	314	33	281
Total expenses	<u>83,379</u>	<u>82,904</u>	<u>475</u>
Change in net position	<u>\$ 15,278</u>	<u>\$ 10,394</u>	<u>\$ 4,884</u>

(Table is Presented in Thousands)

**DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

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

At June 30, 2024, the District's governmental funds reported combined ending fund balance of \$41 million, an increase of \$3.3 million from the prior year. Approximately \$22.5 million (55%) of the ending fund balance constitutes unassigned *ending fund balance*, which is available for spending at the government's discretion.

General Fund. The General Fund is the chief operating fund of the District. At June 30, 2024, the fund balance was \$22.9 million. This is an increase of about \$2.4 million (11.66%) from the previous year. The general fund unassigned fund balance represents 33.6% of total general fund expenditures. This is comparable to 2023.

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. All funds are utilized to carry out specific programs, and the majority of the ending fund balance is restricted for food service, student body programs and activities and grant related activities. The fund balance decreased by \$203 thousand (3.53%) from the previous year. Special revenue funding has become much more volatile over the last several years as state and federal stimulus programs are established for short periods of time. As general funding continues to be impacted by the economy, our reliance on special revenues increases.

Debt Service Fund. The Debt Service Fund has a total fund balance of \$8.6 million, \$33 thousand of which is restricted for the payment of debt service, and \$8.5 million is assigned for pension obligation bonds debt service. The increase in fund balance during the current year was about \$544 thousand. This increase can be attributed to the ongoing internal charge intended to offset future debt service increases associated with the pension obligation bonds.

Capital Projects Fund. The Capital Projects Fund has a total fund balance of \$3.9. million, all of which is assigned for ongoing capital projects. The fund balance increased by \$600 thousand during the current fiscal year as a result of planned underspending in anticipation of supplementing seismic grants.

**DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The District's investment in capital assets includes land, construction in progress, buildings and improvements, vehicles and equipment, right-of-use assets, and software. As of June 30, 2024, the District had invested approximately \$52.8 million in capital assets, net of depreciation, as shown in the following table:

	Governmental Activities		Increase (Decrease) From
	June 30, 2024	June 30, 2023	June 30, 2023
Capital assets (net of depreciation):			
Land	\$ 4,225	\$ 4,225	\$ -
Construction in progress	4,506	945	3,561
Buildings and improvements	40,419	37,166	3,253
Vehicles and equipment	2,714	1,889	825
Right-of-use assets	27	77	(50)
SBITA software	894	933	(39)
Total capital assets (net)	<u>\$ 52,785</u>	<u>\$ 45,235</u>	<u>\$ 7,550</u>

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

Long-term debt. At the end of the current fiscal year, the District had outstanding long-term debt of \$44.1 million, consisting of pension obligation debt.

	Governmental Activities		Increase (Decrease) From
	June 30, 2024	June 30, 2023	June 30, 2023
Debt obligations:			
Pension obligation bonds	\$ 44,080	\$ 48,490	\$ (4,410)
Total debt obligations	<u>\$ 44,080</u>	<u>\$ 48,490</u>	<u>\$ (4,410)</u>

During the current fiscal year, the District's total debt decreased by \$4.4 million. This was the result of scheduled payments on pension bond obligations.

Additional information on the District's long-term debt can be found in the notes to the basic financial statements of this report.

**DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Oregon's state school fund remains the district's single largest source of funding. The funding level for the 2023-25 biennium was set at \$10.2 billion which was a welcome increase from the previous biennium. The 2025-27 biennium estimate is expected in March of 2025, and we remain cautiously hopeful for sufficient funding. Our district continues to navigate inflation with utility, fuel, supplies, and construction costs rising and preparing for next year's budget to reflect those increases.

The fiscal year 2023-24 brought successful negotiations among both bargaining groups. This agreement allows the district to recruit and retain quality employees, while also addressing employee concerns about inflation and rising costs. These adjustments will impact budgeting in the 2024-25, 2025-26, and 2026-27 school year. The district has budgeted accordingly and looks forward to our continued success with our bargaining groups.

A significant economic factor is the number of aging buildings in the district. As buildings become 75-100 years old, the challenges of maintaining and repairing those facilities become more profound. Since 2019 the district has put three capital improvement bond levy requests before voters, all three have been unsuccessful. The district is now faced with repairs that will be funded from the general fund.

The PERS pension bond side accounts earned 6.34% for 2024, a considerable increase from the negative 1.55% rate of return for 2023. The district's pension obligation bond series 2002 and 2004 are set to expire in December 2027 and there is concern about an increase in the district's rate as those side accounts are depleted. That increase would be projected for the 2027-29 biennium.

Student enrollment has been down by over 100 students in the last couple of years. The district has successfully adjusted when needed and continues to evaluate enrollment to guide decisions related to funding and needs. The district continues to monitor these enrollment numbers closely and is not expecting any significant changes in the 2025-26 school year.

The district continues to place a priority on student and staff safety, and we have been very fortunate to continue to be awarded seismic rehabilitation grants. The district will continue Seismic work in 2025-26 anticipating awards around \$2.5m. The district continues to apply for grants for other areas that have not been seismically upgraded. The district successfully utilized the remainder of the Elementary and Secondary Schools Education Relief funding (ESSER) funding in September of 2024 to complete the remaining projects including secure entryway work, security fencing, and electronic lock systems. The district has also applied for and received the federally funded Renew America Grant to improve HVAC in Eastwood Elementary and Jolane Middle School that will take place in 2025-26.

The district looks forward to 2024-25 and beyond with caution and optimism, always keeping students as our focus in decision making.

REQUESTS FOR INFORMATION

This financial report is designed to present the user (citizens, taxpayers, investors, and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the District's Business Office at 1419 NW Valley View Drive, Roseburg, Oregon 97471.



| BASIC FINANCIAL STATEMENTS



| GOVERNMENT-WIDE FINANCIAL STATEMENTS

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
STATEMENT OF NET POSITION
JUNE 30, 2024

	Governmental Activities
ASSETS AND DEFERRED OUTFLOWS:	
Assets:	
Cash and investments	\$ 40,077,680
Receivables:	
Taxes receivable	1,909,920
Grants receivable	4,505,020
Inventory - general	356,657
Prepaid expense	52,008
Restricted cash and investments	33,391
Net post-employment benefit (RHIA)	1,129,662
Capital assets (net of accumulated depreciation)	52,784,797
TOTAL ASSETS	100,849,135
Deferred Outflows of Resources:	
Deferred outflows related to pensions (OPERS)	19,452,239
Deferred outflows related to other post-employment benefits (single-employer medical benefit plan)	59,699
Deferred outflows related to other post-employment benefits (RHIA)	4,136
TOTAL DEFERRED OUTFLOWS OF RESOURCES	19,516,074
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	120,365,209
LIABILITIES AND DEFERRED INFLOWS:	
Liabilities:	
Accounts payable and accrued liabilities	1,498,377
Accrued payroll and related charges	2,579,269
Accrued compensated absences	75,579
Unearned revenue	945,662
Pension liability (stipend):	
Due within one year	55,324
Due in more than one year	145,017
Other post employment benefit obligation:	
Due within one year	322,021
Due in more than one year	3,135,848
Net pension liability (OPERS) (due in more than one year)	6,107,196
Long-term debt:	
Due within one year	4,865,000
Due in more than one year	39,215,000
Lease liability:	
Due within one year	23,392
Due in more than one year	7,051
Subscription liability:	
Due within one year	44,769
TOTAL LIABILITIES	59,019,505
Deferred Inflows of Resources:	
Deferred inflows related to pensions (OPERS)	20,518,145
Deferred inflows related to other post-employment benefits (single-employer medical benefit plan)	723,978
Deferred inflows related to other post-employment benefits (RHIA)	90,664
TOTAL DEFERRED INFLOWS OF RESOURCES	21,332,787
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	80,352,292
NET POSITION:	
Net investment in capital assets	52,709,585
Restricted	3,958,255
Restricted other postemployment benefits (RHIA)	1,129,662
Unrestricted	(17,784,585)
TOTAL NET POSITION	\$ 40,012,917

See accompanying notes to basic financial statements.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

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:				
Instructional services	\$47,582,337	\$ 887,298	\$11,946,205	\$ -
Support services	30,395,494	481,910	6,236,386	-
Community services	3,430,293	261,758	4,012,509	-
Interest on long-term liabilities	1,657,917	-	-	-
Facilities acquisition and construction	313,532	-	-	2,273,071
Total governmental activities	<u>\$83,379,573</u>	<u>\$ 1,630,966</u>	<u>\$22,195,100</u>	<u>\$ 2,273,071</u>
General revenues:				
Property taxes levied for general purposes				20,523,507
Property taxes levied for debt service				3,856
State school fund				47,754,209
Common school fund				748,083
Federal forest fees				637,330
County school fund				77,326
Earnings on investments				2,093,216
Miscellaneous				687,155
Gain/(loss) on disposal of assets				34,591
Total general revenues				<u>72,559,273</u>
CHANGE IN NET POSITION				<u>15,278,837</u>
NET POSITION - JULY 1, 2023				<u>24,734,080</u>
NET POSITION - JUNE 30, 2024				<u>\$ 40,012,917</u>



| FUND FINANCIAL STATEMENTS

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
ASSETS:					
Cash and investments	\$ 25,433,126	\$ 3,209,351	\$ 8,576,633	\$ 2,858,570	\$ 40,077,680
Taxes receivable	1,887,007	-	22,913	-	1,909,920
Receivable from other Governmental sources	485,947	2,915,160	-	1,103,913	4,505,020
Restricted cash and investments	-	-	33,391	-	33,391
Inventory - general	356,657	-	-	-	356,657
Prepaid	28,732	841,050	-	-	869,782
TOTAL ASSETS	<u>\$ 28,191,469</u>	<u>\$ 6,965,561</u>	<u>\$ 8,632,937</u>	<u>\$ 3,962,483</u>	<u>\$ 47,752,450</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES:					
Liabilities:					
Accounts payable	\$ 1,013,521	\$ 472,353	\$ -	\$ 12,503	\$ 1,498,377
Accrued payroll and related charges	2,579,269	-	-	-	2,579,269
Unearned revenue	-	945,662	-	-	945,662
TOTAL LIABILITIES	<u>3,592,790</u>	<u>1,418,015</u>	<u>-</u>	<u>12,503</u>	<u>5,023,308</u>
Deferred Inflows of Resources:					
Unavailable revenue - property taxes	1,661,852	-	19,774	-	1,681,626
TOTAL LIABILITIES AND DEFERRED INFLOWS	<u>5,254,642</u>	<u>1,418,015</u>	<u>19,774</u>	<u>12,503</u>	<u>6,704,934</u>
Fund Balances:					
Nonspendable	385,389	841,050	-	-	1,226,439
Restricted - debt service	-	-	33,391	-	33,391
Restricted - grants	-	859,593	-	-	859,593
Restricted - student body funds	-	1,145,450	-	-	1,145,450
Restricted - food service	-	1,919,821	-	-	1,919,821
Committed - technology program	-	726,302	-	-	726,302
Committed - vehicle purchase	-	127,193	-	-	127,193
Assigned - debt service	-	-	8,579,772	-	8,579,772
Assigned - capital projects	-	-	-	3,949,980	3,949,980
Unassigned	22,551,438	(71,863)	-	-	22,479,575
TOTAL FUND BALANCES	<u>22,936,827</u>	<u>5,547,546</u>	<u>8,613,163</u>	<u>3,949,980</u>	<u>41,047,516</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 28,191,469</u>	<u>\$ 6,965,561</u>	<u>\$ 8,632,937</u>	<u>\$ 3,962,483</u>	<u>\$ 47,752,450</u>

**DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO STATEMENT OF NET POSITION
YEAR ENDED JUNE 30, 2024**

TOTAL FUND BALANCES		\$ 41,047,516
Capital assets are not financial resources and therefore are not reported in the governmental funds.		52,784,797
A portion of the District's property taxes are collected after year-end but are not available to pay for current operations, therefore, are not reported as revenue in the governmental funds.		1,681,626
The asset(liability) associated with the District's pension (OPERS) is not recorded in the governmental funds as it is not available nor payable currently.		(6,107,196)
Subscription-based information technology agreements that are prepaid in the governmental funds are included within capital assets on the statement of net position.		(817,774)
The net deferred outflow/(inflow) associated with the District's Pension and OPEB programs are not recorded in the governmental funds as they are not available nor payable currently.		(1,816,713)
The asset for the retirement health insurance account is not recorded as a governmental fund asset as it is not available nor payable currently.		1,129,662
The liability for other post employment benefits obligations (medical subsidy) is not recorded as a governmental fund liability as it is not available nor payable currently.		(3,457,869)
The liability for the District's stipend pension is not recorded in the governmental funds as it is not available nor payable currently.		(200,341)
Long-term liabilities not payable in the current year are not reported as governmental fund liabilities. These liabilities consist of:		
Long-term debt	\$ (44,080,000)	
Lease liability	(30,443)	
Accrued compensated absences	(75,579)	
Subscription liability	(44,769)	
	<u>(44,230,791)</u>	<u>(44,230,791)</u>
TOTAL NET POSITION		<u><u>\$ 40,012,917</u></u>

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
REVENUES:					
Property taxes	\$ 20,188,145	\$ -	\$ 18,430	\$ -	\$ 20,206,575
Intergovernmental	49,194,965	21,987,552	-	2,273,071	73,455,588
Local grant	-	229,531	-	-	229,531
Charges for services	209,211	1,416,256	-	5,499	1,630,966
Pension obligation bonds (internal fee)	-	-	6,209,965	-	6,209,965
Interest on investments	1,713,184	-	380,032	-	2,093,216
Miscellaneous	305,341	41,773	-	340,041	687,155
TOTAL REVENUES	71,610,846	23,675,112	6,608,427	2,618,611	104,512,996
EXPENDITURES:					
Current:					
Instruction	38,806,207	11,065,676	-	-	49,871,883
Support services	26,175,973	6,537,061	-	-	32,713,034
Community services	5,146	4,107,529	-	-	4,112,675
Facilities acquisition and construction	2,054,590	3,086,245	-	3,297,909	8,438,744
Debt service	54,444	48,550	6,064,683	-	6,167,677
TOTAL EXPENDITURES	67,096,360	24,845,061	6,064,683	3,297,909	101,304,013
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,514,486	(1,169,949)	543,744	(679,298)	3,208,983
OTHER FINANCING SOURCES (USES):					
Transfers in	-	874,000	-	1,280,000	2,154,000
Transfers out	(2,154,000)	-	-	-	(2,154,000)
Issuance of SBITA	-	93,119	-	-	93,119
Proceeds from sale of capital assets	34,591	-	-	-	34,591
TOTAL OTHER FINANCING SOURCES (USES)	(2,119,409)	967,119	-	1,280,000	127,710
NET CHANGE IN FUND BALANCE	2,395,077	(202,830)	543,744	600,702	3,336,693
FUND BALANCE - JULY 1, 2023	20,541,750	5,750,376	8,069,419	3,349,278	37,710,823
FUND BALANCE - JUNE 30, 2024	\$ 22,936,827	\$ 5,547,546	\$ 8,613,163	\$ 3,949,980	\$ 41,047,516

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

NET CHANGE IN FUND BALANCE \$ 3,336,693

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

Governmental funds report capital outlay as expenditures. In the statement of activities, depreciation and amortization are reported as an expense, thus allocating the asset over its useful life. This is the amount by which depreciation and amortization and disposals exceeded capital outlays. 7,550,540

Expenditures for services extending over more than one accounting period may be accounted for as expenditures of the period of acquisition in the governmental funds. This is the change in the amount of prepaids in the statement of activities. 84,842

Long-term debt proceeds are reported as other financing sources in the governmental funds. In the statement of net position, issuing long-term debt increases the liabilities. Repayment of principal is an expenditure in the governmental funds and a reduction of the liability in the statement of net position.

Issuance of subscription payable	\$	(93,119)	
Debt principal repaid		4,410,000	
Lease principal repaid		51,210	
Subscription principal repaid		48,350	
			4,416,441

Government funds report other post-employment benefits (OPEB-RHIA) contributions as expenditures. In the statement of activities, the cost of OPEB-RHIA (actuarially determined) is reported as either pension expense or income. This is the net change in OPEB-RHIA related items (including deferred outflows and inflows). 110,088

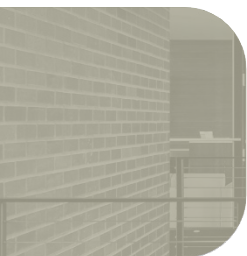
Compensated absences are recognized as an expenditure in the governmental funds when they are paid. In the statement of activities compensated absences are recognized as an expenditure when earned. 17,209

In the statement of activities, contributions for other post employment benefits (stipend and medical subsidy) greater than the actuarially determined amount decrease the other post employment benefit obligation. In the governmental funds, the entire contribution is recognized as an expenditure. This is the amount by which the obligation decreased. 275,005

Government funds report pension contributions as expenditures. In the statement of activities, the cost of pension benefits (actuarially determined) is reported as either pension expense or income. This is the net change in pension related items (OPERS, including deferred outflows and inflows). (832,769)

Property taxes which are not measurable and available are unavailable in the governmental funds. In the statement of activities property taxes are recognized when levied. 320,788

CHANGE IN NET POSITION \$ 15,278,837



| NOTES TO THE BASIC FINANCIAL STATEMENTS

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Douglas County School District No. 4 (the District) 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 seven-member Board of Directors (Board) who approves the administrative officials. The daily functioning of the District is under the supervision of the Superintendent. As required by generally accepted accounting principles, all activities of the District have been included in the basic financial statements.

The District qualifies as a primary government since it has a separately elected governing body, is a legally separate entity, and is fiscally independent. There are various governmental agencies and special 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.

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. As a general rule, 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. The District has no proprietary funds or fiduciary funds.

Net Position is reported as restricted when constraints placed on 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. All the District's funds are categorized as major funds.

The District reports the following major governmental funds:

General Fund - This is the District's primary operating fund and accounts for all revenues and expenditures, except those required to be accounted for in another fund.

Special Revenue Fund - This fund accounts for funds received through Federal, State and Private grant sources. It is also used to account for the District's school lunch program, major curriculum and technology purchases, and special revenues derived from Associated Student Body activities.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements (continued)

Debt Service Fund - This fund provides for the payment of principal and interest on debt obligations of the District. Principal revenue sources are property taxes and charges to other funds.

Capital Projects Fund - This fund accounts for activities related to the acquisition, construction, equipping and furnishing of facilities. Principal revenue sources are proceeds from the sale of bonds, state grants, interest earnings and transfers from other funds.

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, 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.

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

Cash and Investments

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

The District's investments may consist of time certificates of deposit, banker's acceptances, commercial paper, U.S. Government Agency securities, and the State of Oregon Treasurer's Local Government Investment Pool (LGIP). The District's investments are reported at fair value at year end. 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, 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).

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Uncollected property taxes are recorded on the statement of net position. Uncollected taxes are deemed to be substantially collectible or recoverable through liens; therefore, no allowance for un-collectible taxes has been established. All property taxes receivable are due from property owners within the District.

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.

Grants

Unreimbursed expenditures due from grantor agencies are reflected in the basic financial statements as inter-governmental 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

Inventories consist of supplies held for sale or use by the District. Inventories are charged as expenditures when used and are stated at cost using the average-cost method.

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.

Leases

Lessee. The District is a lessee for noncancellable leases of various pieces of equipment. The District recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. The District recognizes lease liabilities with an initial, annual value of \$5,000 or more.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price (if applicable) that the District is reasonably certain to exercise.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (continued)

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

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 outflows of cash for lessee leases.

Subscription-based information technology arrangements (SBITAs)

The District has noncancellable subscription-based information technology arrangements. The District recognizes a subscription liability and an intangible right-to-use subscription asset in the government-wide financial statements. The District recognizes subscription liabilities with an initial, annual value of \$5,000 or more.

At the commencement of a subscription, the District initially measures the subscription liability at the present value of payments expected to be made during the SBITA term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to subscriptions include how the District determines (1) the discount rate it uses to discount the expected SBITA payments to present value, (2) subscription term, and (3) subscription payments. The District uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for SBITAs. The subscription term includes the noncancellable period of the subscription. Subscription payments included in the measurement of the subscription liability are composed of fixed payments and purchase option price (if applicable) that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its subscription and will remeasure the subscription asset and subscription liability if certain changes occur that are 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.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets are recorded at original or estimated original cost. Donated capital assets are recorded at their estimated fair market value on the date donated. The District defines capital assets as assets with an initial cost of more than \$5,000 and an estimated life in excess of one reporting period. 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 site improvements	10 to 50 years
Vehicles and equipment	5 to 30 years
Right of use assets - lease	Depends on life of the lease
Right of use assets - SBITA	Depends on life of the subscription

Pensions

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

The District offers its employees a tax deferred annuity plan established pursuant to Section 403(b) 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.

Post-Employment Benefits

Licensed employees, classified employees, and eligible administrative employees are eligible at age fifty-eight, subject to terms of employment and bargaining agreements, for early retirement benefits. Eligible employees who elect early retirement and meet certain criteria are entitled to payment of group medical insurance premiums at the proportion currently being paid by the District. Such costs are recorded as expenses in the Special Revenue Fund and funded as premiums become due. Employees hired after July 1, 1990 are generally not eligible for benefits. In the Government-wide financial statements, the District reports its liability for other post-employment benefits consistent with established generally accepted accounting principles and to reflect an actuarially determined liability for the present value of projected future benefits for retired and active employees. Such costs are recorded as expenses in the Governmental Funds and funded as premiums become due. Additionally, 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.

Compensated Absences

It is the District's policy to permit employees to accumulate limited earned but unused vacation and unlimited sick pay benefits. There is no liability for unpaid accumulated sick leave since the District does not have a policy to pay any amounts when employees separate from service with the District. All unused vacation pay is accrued when earned in the government-wide financial statements and must be used within the next fiscal year.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 and deferred charges associated with advanced refunding are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premiums and discounts.

Deferred charges associated with the advance refunding are reported as deferred outflows of resources. Bond issuance costs are expensed as incurred.

In the fund financial statements, bond premiums and discounts, and deferred charges are recognized when incurred and not deferred. The face amount of the debt issued, premiums and discounts received on debt issuances, and deferred charges are reported as other financing sources and uses. Issuance costs are reported as support services expenditures.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial 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 (revenue) until that time.

Additionally, the District has one type of deferred inflows 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 funds balance sheet.

Net Position and 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 position with constraints placed on the use by either (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* – consists of all other net position that does not meet the definition of the above two components and is available for general use by the District.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position and Fund Balance (continued)

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

- *Non-Spendable* – Includes items not immediately converted to cash, such as prepaid items and inventory.
- *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 purposes, authorized by the District's Superintendent and/or Chief Operations Officer.
- *Unassigned* – This is the residual classification used for those balances not included in 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.

Budget

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

Appropriations are established at the major function level (instruction, support services, enterprise and community services, facilities acquisition and construction, debt service, operating contingency and transfers) for each fund. The detailed 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/or 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 between the levels of control (major function levels) with Board approval.

During the fiscal year ended June 30, 2024, the District was in compliance with Local Budget Law.

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.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of New GASB Pronouncements

During the year ended June 30, 2024, the District implemented the following GASB Pronouncements:

GASB Statement No. 100, *Accounting Changes and Error Corrections*. This Statement clarifies the presentation and disclosures requirements for prior period adjustments to beginning net position. There is no effect on the District's financial statements as a result of this Statement.

Future GASB Pronouncements

The following GASB pronouncements have been issued, but are not effective as of June 30, 2024:

GASB Statement No. 101, *Compensated Absences*. Issued in June 2022, this Statement updates recognition and measurement guidelines for compensated absences. This Statement will be effective for the District for fiscal year ending June 30, 2025.

GASB Statement No. 102, *Certain Risk Disclosures*. This standard requires governments to disclose essential information about risks related to vulnerabilities due to certain concentrations or constraints. This Statement will be effective for the District for fiscal year ending June 30, 2025.

GASB Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. This Statement will be effective for the District for fiscal year ending June 30, 2026.

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 pronouncements will have a significant impact to the District's financial statements.

NOTE 2 – CASH AND INVESTMENTS

The District maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Cash and investments."

Cash and investments are comprised of the following as of June 30, 2024:

Investments - LGIP	\$ 25,230,821
Deposits with financial institutions, demand deposits	14,877,550
Cash on hand	<u>2,700</u>
Total cash and investments	<u><u>\$ 40,111,071</u></u>

Cash and investments are shown on the Statement of Net Position as follows:

Cash and investments	\$ 40,077,680
Restricted cash and investments	<u>33,391</u>
Total cash and investments	<u><u>\$ 40,111,071</u></u>

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

At year-end, the District's net carrying amount of deposits was \$14,880,250 and the bank balance was \$17,539,486. Of these deposits, \$17,013,196 was not covered by the Federal Depository Insurance Corporation (FDIC).

As required by Oregon Revised Statutes, Chapter 295, deposits in excess of insurance limits were held at qualified depositories for public funds.

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

As a means of limiting its exposure to fair value losses arising from rising interest rates, the District's investment policy limits investments to no more than 18 months.

Custodial credit risk, for deposits, is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As required by Oregon Revised Statutes, Chapter 295, deposits in excess of FDIC and NCUSIF coverage were held at qualified depositories for public funds.

All qualified depositories for public funds are included in the multiple financial institution collateral pool that is maintained by and in the name of the Office of the State Treasurer. As a result, the District has no exposure to custodial credit risk for deposits with financial institutions.

Custodial credit risk, for investments, is the risk that, in the event of the failure of the counter-party, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Of the District's total investments, the District has no custodial credit risk.

State of Oregon statutes restrict the types of investments in which the District may invest. Authorized investments include obligations of the United States Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, time certificates of deposit, certain commercial paper, and the State of Oregon Treasurer's Local Government Investment Pool.

The District has invested funds in the State Treasurer's Oregon Short-term Fund Local Government Investment Pool during fiscal year 2023-2024. 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.

In addition, the Oregon State Treasury LGIP distributes investment income on an amortized cost basis and participants' equity in the pool is determined by the amount of participant deposits, adjusted for withdrawals and distributed income. Accordingly, the adjustment to fair value would not represent an expendable increase in the District's cash position.

Investments in the Oregon State Treasury LGIP are made under the provisions of ORS 294.035 and 294.810. These funds are held in the District's name and are not subject to collateralization requirements of ORS 295.015. Investments are stated at amortized cost, which approximated fair value.

As of June 30, 2024 and for the year then ended, the District was in compliance with the aforementioned State of Oregon statutes.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

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. The District has no such investments.

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.

NOTE 3 – CAPITAL ASSETS

The changes in capital assets for the year ended June 30, 2024, are as follows (Governmental activities):

	Balance July 1, 2023	Additions	Deletions	Transfers	Balance June 30, 2024
Capital assets not being depreciated or amortized:					
Land	\$ 4,224,844	\$ -	\$ -	\$ -	\$ 4,224,844
Construction in progress	945,291	5,212,055	-	(1,651,370)	4,505,976
Total capital assets not being depreciated or amortized	5,170,135	5,212,055	-	(1,651,370)	8,730,820
Capital assets being depreciated or amortized:					
Site improvements	7,233,612	2,794,299	-	89,294	10,117,205
Buildings	65,244,097	739,511	-	1,562,076	67,545,684
Equipment	6,004,167	1,252,211	(93,401)	-	7,162,977
Right-of-use - leases	175,306	-	-	-	175,306
Right-of-use - SBITA	1,216,462	326,413	-	-	1,542,875
Total capital assets being depreciated or amortized	79,873,644	5,112,434	(93,401)	1,651,370	86,544,047
Less accumulated depreciation or amortization for:					
Site improvements	(5,210,223)	(496,632)	-	-	(5,706,855)
Buildings	(30,101,384)	(1,436,123)	-	-	(31,537,507)
Equipment	(4,115,469)	(426,990)	93,401	-	(4,449,058)
Right-of-use - leases	(98,729)	(49,365)	-	-	(148,094)
Right-of-use - SBITA	(283,717)	(364,839)	-	-	(648,556)
Total accumulated depreciation or amortization	(39,809,522)	(2,773,949)	93,401	-	(42,490,070)
Total capital assets (net)					
Land	4,224,844	-	-	-	4,224,844
Construction in progress	945,291	5,212,055	-	(1,651,370)	4,505,976
Site improvements	2,023,389	2,297,667	-	89,294	4,410,350
Buildings	35,142,713	(696,612)	-	1,562,076	36,008,177
Equipment	1,888,698	825,221	-	-	2,713,919
Right-of-use - leases	76,577	(49,365)	-	-	27,212
Right-of-use - SBITA	932,745	(38,426)	-	-	894,319
Total capital assets (net)	<u>\$45,234,257</u>	<u>\$7,550,540</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 52,784,797</u>

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 3 – CAPITAL ASSETS (CONTINUED)

Depreciation and amortization expense for the year ended June 30, 2024 was charged to the following programs:

Program:

Instructional services	\$ 1,581,151
Support services	1,054,101
Community services	<u>138,697</u>
 Total	 <u><u>\$ 2,773,949</u></u>

Lease and Subscription 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.

A subscription-based information technology arrangement (SBITA) is defined as a contract that conveys the right to use vendor-provided information technology and associated tangible capital assets for subscription payments without granting governments a perpetual license or title to the IT software and associated tangible capital assets. The District is involved in various SBITAs for information technology software and underlying subscription assets which are subscribed mainly from commercial and retail software vendors.

Further information on these transactions can be found in Note 7.

Lease and subscription right-of-use assets at June 30, 2024 consisted of the following:

	Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024
Leased assets being amortized:				
Right-of-use equipment	\$ 175,306	\$ -	\$ -	\$ 175,306
Right-of-use SBITA software	<u>1,216,462</u>	<u>326,413</u>	<u>-</u>	<u>1,542,875</u>
Total leased assets being amortized	<u>1,391,768</u>	<u>326,413</u>	<u>-</u>	<u>1,718,181</u>
Less accumulated amortization for:				
Right-of-use equipment	(98,729)	(49,365)	-	(148,094)
Right-of-use SBITA software	<u>(283,717)</u>	<u>(364,839)</u>	<u>-</u>	<u>(648,556)</u>
Total accumulated depreciation or amortization	<u>(382,446)</u>	<u>(414,204)</u>	<u>-</u>	<u>(796,650)</u>
Total leased assets (net)				
Right-of-use equipment	76,577	(49,365)	-	27,212
Right-of-use SBITA software	<u>932,745</u>	<u>(38,426)</u>	<u>-</u>	<u>894,319</u>
Total leased assets (net)	<u><u>\$ 1,009,322</u></u>	<u><u>\$ (87,791)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 921,531</u></u>

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 4 – LONG-TERM DEBT

Pension Obligations:

Series 2002 Obligations

In October of 2002, the District participated in a pooled issuance of Series 2002A limited tax deferred interest obligations, and Series 2002B limited tax pension obligations. Certain Oregon District districts and education service districts issued limited tax obligations (Pension Obligation), the proceeds of which were used to finance a portion of the estimated unfunded actuarial liability of each issuer with the Oregon Public Employees Retirement System (PERS). The full faith and credit of the District was pledged for the punctual payment of the principal of and interest on its Pension Obligation, and debt service on the Pension Obligation is not subject to annual appropriation. The Pension Obligation is further secured by an Intercept Agreement under which an amount equal to the debt service on each issuer's Pension Obligation will be diverted from State Education Revenues.

The 2002A Obligations were issued in the aggregate original principal amount of \$5,197,283. The 2002A obligations matured on June 30, 2021.

The 2002B Obligations were issued in the aggregate original principal amount of \$15,150,000. Interest on the 2002B Obligations is payable semiannually June 30 and December 30 of each year until maturity (maturity dates range from 6/30/2021 to 6/30/2028). Interest on the 2002B Obligations range between 5.49% and 5.55% based upon maturity date. The Series 2002B Obligation maturing on June 30, 2028 is subject to mandatory prepayment prior to its stated maturity, in part, pro rata amounts the owners of the 2028 Term Obligation, on any June 30 on or after June 30, 2024, at the principal amount thereof together with accrued interest thereon to the date of prepayment, solely from mandatory sinking fund payments.

Series 2004 Obligations

In February of 2004, the District participated in a pooled issuance of Series 2004 limited tax pension obligations. Certain Oregon District districts and education service districts issued limited tax obligations (Pension Obligation), the proceeds of which were used to finance a portion of the estimated unfunded actuarial liability of each issuer with the Oregon Public Employees Retirement System (OPERS). The full faith and credit of the District was pledged for the punctual payment of the principal of and interest on its Pension Obligation, and debt service on the Pension Obligation is not subject to annual appropriation. The Pension Obligation is further secured by an Intercept Agreement under which an amount equal to the debt service on each issuer's Pension Obligation will be diverted from State Education Revenues.

The 2004 Obligations were issued in the aggregate original principal amount of \$14,900,000. Interest on the 2004 Obligations is payable semiannually on June 30 and December 30 of each year until maturity (maturity dates range from 6/30/2009 to 6/30/2028). Interest on the 2004 Obligations range between 3.66% and 5.53% based upon maturity date. The agreement contains a provision that in an event of default, the Trustee may exercise any remedy available at law or in equity; however, the payments are not subject to acceleration. The 2004 Obligations are subject to prepayment as further described in the official statement.

Series 2021 Obligations

In July of 2021, the District participated in a pooled issuance of Series 2021A limited tax pension obligations. Certain Oregon District districts and education service districts issued limited tax obligations (Pension Obligation), the proceeds of which were used to finance a portion of the estimated unfunded actuarial liability of each issuer with the Oregon Public Employees Retirement System (OPERS). The full faith and credit of the District was pledged for the punctual payment of the principal of and interest on its Pension Obligation, and debt service on the Pension Obligation is not subject to annual appropriation. The Pension Obligation is further secured by an Intercept Agreement under which an amount equal to the debt service on each issuer's Pension Obligation will be diverted from State Education Revenues.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 4 – LONG-TERM DEBT (CONTINUED)

Pension Obligations (continued):

The 2021A Obligations were issued in the aggregate original principal amount of \$32,535,000. Interest on the 2021A Obligations is payable semiannually on June 30 and December 30 of each year until maturity (maturity dates range from 6/30/2022 to 6/30/2040). Interest on the 2021A Obligations range between 0.18% to 2.90%. The agreement contains a provision that in an event of default, the Trustee may exercise any remedy available at law or in equity; however, the payments are not subject to acceleration. The 2021A Obligations are subject to prepayment as further described in the official statement.

Future maturities of the Pension Obligations are as follows:

Fiscal Year Ending June 30,	Series 2002 Principal	Series 2004 Principal	Series 2021 Principal	Total Principal	Series 2002 Interest	Series 2004 Interest	Series 2021 Interest	Total Interest
2025	\$ 2,180,000	\$ 1,515,000	\$ 1,170,000	\$ 4,865,000	\$ 475,636	\$ 328,916	\$ 660,461	\$ 1,465,013
2026	2,430,000	1,690,000	1,245,000	5,365,000	354,646	245,167	650,235	1,250,048
2027	2,700,000	1,875,000	1,325,000	5,900,000	219,780	151,744	636,491	1,008,015
2028	1,260,000	870,000	1,410,000	3,540,000	69,930	48,094	618,471	736,495
2029	-	-	1,500,000	1,500,000	-	-	596,898	596,898
2030-2034	-	-	9,060,000	9,060,000	-	-	2,529,312	2,529,312
2035-2039	-	-	12,390,000	12,390,000	-	-	1,306,901	1,306,901
2040	-	-	1,460,000	1,460,000	-	-	42,267	42,267
Total	\$ 8,570,000	\$ 5,950,000	\$ 29,560,000	\$ 44,080,000	\$ 1,119,992	\$ 773,921	\$ 7,041,036	\$ 8,934,949

The issuance of the Pension Obligations were evaluated based on advance refunding criteria. The total estimated savings over the life of the 2002 issuance was approximately \$9,586,850, the 2004 issuance was \$6,324,000 and the 2021 issuance was \$17,927,775. The estimated present value savings was approximately \$5,488,750 for the 2002 issue, \$3,771,000 for the 2004 issue and \$13,986,233 for the 2021 issue. The actual savings realized by the District over the life of the bonds is uncertain due to various legislative changes and legal issues pending with the OPERS system, which could impact the District's future required contribution rate.

Changes in long-term debt for the year ended June 30, 2024, are as follows:

	Original Issue	Outstanding July 1, 2023	Issued	Matured	Outstanding June 30, 2024	Due in One Year
Pension Obligations:						
Series 2002	\$ 20,347,283	\$ 10,520,000	\$ -	\$ (1,950,000)	\$ 8,570,000	\$ (2,180,000)
Series 2004	14,900,000	7,305,000	-	(1,355,000)	5,950,000	(1,515,000)
Series 2021	32,535,000	30,665,000	-	(1,105,000)	29,560,000	(1,170,000)
Total Pension Obligations		48,490,000	-	(4,410,000)	44,080,000	(4,865,000)
Total Long Term Debt		\$48,490,000	\$ -	\$ (4,410,000)	\$ 44,080,000	\$ (4,865,000)

Interest expense on the above debt was \$1,634,683 for the year ended June 30, 2024.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 5 – INTERFUND TRANSACTIONS

Interfund transfers for the year ended June 30, 2024 are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General fund	\$ -	\$ 2,154,000
Special revenue fund	874,000	-
Capital projects fund	1,280,000	-
Total Transfers	<u>\$ 2,154,000</u>	<u>\$ 2,154,000</u>

The District made transfers from the General Fund to the Capital Projects Fund to fund major capital projects and to the Special Revenue Fund to support district curriculum needs, technology purchases and to fund replacement vehicle purchases.

NOTE 6 – ACCRUED COMPENSATED ABSENCES

The changes in accrued compensated absences for the year ended June 30, 2024 are as follows:

	<u>Accrued June 30, 2023</u>	<u>Earned</u>	<u>Used</u>	<u>Accrued June 30, 2024</u>	<u>Due Within One Year</u>
Governmental Activities	<u>\$ 92,788</u>	<u>\$ 379,425</u>	<u>\$ (396,634)</u>	<u>\$ 75,579</u>	<u>\$ 75,579</u>

It is the District's opinion that the liability is current in nature as it has capped amounts which can be earned to encourage employees to take their vacation annually. The Special Revenue Fund and General Fund are typically used to liquidate this liability.

NOTE 7 – LEASES PAYABLE AND SUBSCRIPTION BASED INFORMATION TECHNOLOGY AGREEMENTS (SBITA)

Lessee Lease Payables

The District is the lessee under two non-cancellable lease agreements related to copiers and postage machines. Of these, both are qualified leases under GASB Statement No. 87 with periods covering various ranges and the latest expiring on July 2, 2026. Monthly payments for the current year range from \$600 to \$3,936, with an interest rate of 6%.

Lease payables currently outstanding as of June 30, 2024 are as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Equipment	<u>\$ 81,653</u>	<u>\$ -</u>	<u>\$ (51,210)</u>	<u>\$ 30,443</u>
Total	<u>\$ 81,653</u>	<u>\$ -</u>	<u>\$ (51,210)</u>	<u>\$ 30,443</u>

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 7 – LEASES PAYABLE AND SUBSCRIPTION BASED INFORMATION TECHNOLOGY AGREEMENTS (SBITA) (CONTINUED)

Lessee Lease Payables (continued)

During the year ended June 30, 2024, lease principal and interest payments of \$51,210 and \$3,234 were made, respectively. Lease payable at June 30, 2024 consisted of the following:

Lease Liability Fiscal Year Ending June 30,	Principal	Interest	Total
2025	\$ 23,392	\$ 744	\$ 24,136
2026	7,016	196	7,212
2027	35	-	35
Total	<u>\$ 30,443</u>	<u>\$ 940</u>	<u>\$ 31,383</u>

Variable payments related to lease agreements that are qualified leases under GASB 87 are not included in the measurement of the lease liability. During the year ended June 30, 2024, the District paid \$98,943 in variable payments related to the qualified leases for copiers and postage machines. The District also has a non-qualified lease under GASB 87 related to student transportation. This lease is variable in nature. Total variable lease payments for the non-qualified lease was \$4,473,255 for the year ended June 30, 2024.

Subscription Payables

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.

The District has entered into fourteen qualified SBITA agreements as the subscriber for software, only one of which was not prepaid upon inception of the contract. The interest rate utilized for this SBITA was 8%. During the year ended June 30, 2024, subscription principal payments of \$48,350 were made.

Subscription payables currently outstanding as of June 30, 2024 are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Software	\$ -	\$ 93,119	\$ (48,350)	\$ 44,769
Total	<u>\$ -</u>	<u>\$ 93,119</u>	<u>\$ (48,350)</u>	<u>\$ 44,769</u>

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 7 – LEASES PAYABLE AND SUBSCRIPTION BASED INFORMATION TECHNOLOGY AGREEMENTS (SBITA) (CONTINUED)

Subscription Payables (continued)

Future annual subscription commitments as of June 30, 2024 are as follows:

Subscription Liability Fiscal Year Ending June 30,	Principal	Interest	Total
2025	\$ 44,769	\$ 3,581	\$ 48,350
Total	<u>\$ 44,769</u>	<u>\$ 3,581</u>	<u>\$ 48,350</u>

NOTE 8 – 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). Contributions are made through salary reductions from participating employees up to the amounts specified in the Code. A \$20.00 licensed employee, \$20.00 classified employee, and a \$75.00 administrative employee monthly contribution is required from the District as a matching contribution for participating employees who are not eligible for early retirement benefits. 317 employees are currently participating in the plan and received matching contributions of \$178,700 for the year ended June 30, 2024.

Early Retirement Stipend Pension Plan

Plan Description – The District maintains a single-employer defined benefit pension early retirement supplemental plan for eligible teachers and administrators of the District (not administered through a trust). The program generally covers licensed and administrative staff that have been continuously employed since 1990 and who remain employed by the District until they reach retirement age. Upon reaching age 55 (and having at least 9-10 years of service as of June 30, 2000 – sunset date), an employee may elect early retirement. A stipend from the District is calculated by multiplying the stipend factor (between .833%-1.5%) times the final salary, times years of service (with a 12-year maximum). The maximum stipend factor is between 10%-18% depending on the age elected for retirement (i.e. 10% if elected retirement at age 55 vs. 18% if elected retirement at age 58). The stipend is paid to the participant until age 62 unless the retiree resumes participation in the Public Employees Retirement System (PERS) in any employment capacity.

Funding Policy – The benefits from this program are fully paid by the District and, consequently, no contributions by employees are required. The District funds this benefit as it comes due and the amount estimated to be paid by the District for this benefit for the period ended June 30, 2024 was \$58,407. There are no assets accumulated in a trust.

Employees Covered by Benefit Terms – As of June 30, 2024, the following employees were covered by the stipend benefit terms:

Active plan members	5
Inactive employees or beneficiaries currently receiving benefit payments	<u>7</u>
	<u>12</u>

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 8 – PENSION AND RETIREMENT PLANS (CONTINUED)

Early Retirement Stipend Pension Plan (continued)

Total Stipend Pension Liability – The District's total stipend pension liability of \$200,341 was measured as of June 30, 2024, and was determined by an actuarial valuation date as of 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:

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
Salary Scale	3.5% per year
Salary Merit Scale	Total payroll increase is overall payroll growth
Annual Premium Increase Rate	Between 4.0% and 6.0% annually
Mortality Rates	Pub-2010 male and female tables
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
Marital Status	70% of future retirees electing coverage are assumed to cover a spouse as well
Coverage of Eligible Children	We have assumed no impact of dependent children on the implicit subsidy

Changes in the Total Stipend Pension Liability

Total Stipend Pension Liability as of June 30, 2023	\$ 247,476
Changes for the year:	
Service cost	2,975
Interest	8,297
Differences between expected and actual experience	-
Changes in assumptions or other input	-
Benefit payments	(58,407)
Total Stipend Pension Liability as of June 30, 2024	<u>\$ 200,341</u>

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 8 – 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:

District's Total Pension Asset/(Liability)	1% Decrease Rate 2.75%	Current Discount Rate 3.75%	1% Increase Rate 4.75%
Total Stipend Pension Liability	\$ (203,449)	\$ (200,341)	\$ (197,140)

Stipend Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources – For the year ended June 30, 2024, the District recognized a reduction in stipend pension expense of \$47,135. The \$47,135 was treated as a reduction of payroll related expense in the Statement of Activities and allocated to Instruction, Supporting Services, and Community Services using allocation percentages of 57%, 38% and 5%, respectively. As of June 30, 2024, the District reported no deferred outflows or inflows associated with its stipend pension plan.

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 (ORS) Chapter 238, Chapter 238A, and Internal Revenue Service Code Section 401(a). Oregon Legislature has delegated authority to the Public Employees Retirement Board (Board) to administer and manage the System.

There are currently two programs within OPERS, with eligibility determined by the date of employment. Those employed prior to August 29, 2003 are OPERS Program members, and benefits are provided based on whether a member qualifies for Tier One or Tier Two described below. Those employed on or after August 29, 2003 are Oregon Public Service Retirement Plan (OPSRP) Program members. 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 was codified into ORS 238.435. This legislature 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. OPSRP is part of PERS 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.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 8 – PENSION AND RETIREMENT PLANS (CONTINUED)

Plan Description (continued)

Beginning January 1, 2004, OPERS active Tier One and Tier Two members became members of the Individual Account Program (IAP) or OPSRP. OPERS members retain their existing Regular or Variable (if applicable) accounts, but member contributions are now deposited into the member's IAP account. Accounts are credited with earnings and losses net of administrative expenses.

Tier One/Tier Two (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 they are entitled.

Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of final average salary will be limited for all members beginning in 2021. The limit was equal to \$255,533 as of January 1, 2023, and it is 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 receives a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

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

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 8 – PENSION AND RETIREMENT PLANS (CONTINUED)

Tier One/Tier Two (Chapter 238) (continued)

As of 2020, the Legislature introduced an Optional Spouse Death Benefit (OSDB) which may provide higher survivor benefit than the standard per-retirement death benefit described above. To be eligible for the OSDB, the member must have died before retiring, named their spouse or other person who is constitutionally required to be treated in the same manner as the spouse as their pre-retirement beneficiary, and met the following conditions:

- Member's date of death must be on or after January 1, 2020.
- Member's account must be eligible for the employer-matching death benefit (as described above).
- Member must have a surviving spouse.
- Surviving spouse must be member's sole beneficiary as determined by a valid Tier One/Tier Two Pre-retirement Beneficiary Designation form on file with PERS.

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 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 due to changes in the fair value of the underlying global equity investments of that account.

Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA), starting with the monthly benefits received or entitled to be received on August 1. The COLA is capped at 2.0 percent.

OPSRP Pension Program (Chapter 238A)

Pension Benefits - The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003. 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 multiplied by the number of years of service and the final average salary. Normal retirement age for a Police and Fire members is age 60 or age 53 with 25 years of retirement credit. To retire under the Police and Fire classification, the individual's last 60 months of retirement credit preceding retirement eligibility must be classified as retirement credit for service as a police officer or a firefighter.

General Service – 1.5 percent 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 was equal to \$225,533 as of January 1, 2023, and is indexed with inflation every year.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 8 – PENSION AND RETIREMENT PLANS (CONTINUED)

OPSRP Pension Program (Chapter 238A) (continued)

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 nonretired 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 the age of their federally required minimum distribution.

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

Contributions

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

Member Contributions - Beginning January 1, 2004, all member contributions, except for contributions by judge members, were placed in the 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 for District employees and are remitted by participating employers. The contributions are either deducted from member salaries or paid by the employers on the members' behalf.

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 OPERS Defined Benefit Plan and OPEB plans.

Employer contributions during the period July 1, 2023 through June 30, 2024, were based on the December 31, 2021 actuarial valuation, which became effective July 1, 2023. For the period July 1, 2023 through June 30, 2025, net employer contribution rates were 1.38% for Tier 1/Tier 2 employees and 0.00% for OPSRP General Employees. Employer contributions for the year ended June 30, 2024 were \$3,002.

Pension Plan Annual Comprehensive Financial Report (ACFR)

OPERS prepares their financial statements in accordance with GAAP as set forth in GASB pronouncements that apply to fiduciary funds and enterprise funds. The accrual basis of accounting is used for all funds. 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.

**DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 8 – PENSION AND RETIREMENT PLANS (CONTINUED)

Pension Plan Annual Comprehensive Financial Report (ACFR) (continued)

OPERS produces an independently audited ACFR which includes the OPEB plans and can be found at:

<https://www.oregon.gov/pers/Documents/Financials/ACFR/2023-ACFR.pdf>

Actuarial Valuation

The employer contribution rates effective July 1, 2023 through June 30, 2025, 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, 2021
Measurement date	June 30, 2023
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.

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

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 8 – PENSION AND RETIREMENT PLANS (CONTINUED)

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	0.0%
Debt Securities	25.0%
Public Equity	27.5%
Private Equity	20.0%
Real Estate	12.5%
Real Assets	7.5%
Diversifying Strategies	7.5%
Total	100.0%

Long-term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in January 2023 the OPERS 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.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 8 – PENSION AND RETIREMENT PLANS (CONTINUED)

Long-term Expected Rate of Return (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:

Asset Class	Target Allocation	20-Year Annualized (Geometric) Return
Global Equity	27.50%	7.07%
Private Equity	25.50%	8.83%
Core Fixed Income	25.00%	4.50%
Real Estate	12.25%	5.83%
Master Limited Partnerships	0.75%	6.02%
Infrastructure	1.50%	6.51%
Hedge Fund of Funds - Multistrategy	1.25%	6.27%
Hedge Fund Equity - Hedge	0.63%	6.48%
Hedge Fund - Macro	5.62%	4.83%
Total	100.00%	

Assumed Inflation - Mean

2.35%

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

As of June 30, 2024, the District reported a liability of \$6,107,196 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. 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 contribution effort of all participating employers, actuarially determined. As of June 30, 2023 (measurement date), the District's proportion was approximately 0.03260530 percent.

For the year ended June 30, 2024, the District recognized a decrease in the pension expense of \$832,769. The \$832,769 was treated as a decrease of payroll related expense in Statement of Activities and allocated to Instruction, Support Services and Community Services using the allocation percentages of 57%, 38% and 5%, respectively.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 8 – PENSION AND RETIREMENT PLANS (CONTINUED)

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

As of June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 298,661	\$ 24,216
Change of assumptions	542,527	4,045
Net difference between projected and actual earnings on investments	109,771	-
Changes in proportionate share	-	19,721,607
Difference in proportion and contribution differences	18,498,278	768,277
District's contributions subsequent to the measurement date	3,002	-
	<u>19,452,239</u>	<u>20,518,145</u>
Total	\$ 19,452,239	\$ 20,518,145

The \$3,002 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, 2025.

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

Year Ended June 30	Deferred Outflow/(Inflow) of
2025	\$ 67,868
2026	(290,927)
2027	836,505
2028	(742,451)
2029	(939,903)
Thereafter	-
Total	<u>\$ (1,068,908)</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 one percent lower (5.90 percent) or one percent higher (7.90 percent) than the current rate:

District's Net Pension Asset/(Liability)	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Defined Benefit Pension Plan	\$ (10,087,939)	\$ (6,107,196)	\$ (2,775,737)

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 8 – PENSION AND RETIREMENT PLANS (CONTINUED)

Changes in Assumptions and Methods

A summary of key changes implemented since the December 31, 2021 valuation are noted below. Additional detail and list of changes can be found in the December 31, 2022 Actuarial Valuation, which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/Actuarial/2022/12312022%20Actuarial%20Valuation.pdf>

Assumption Changes

- The merit/longevity component assumption of individual member salary increases were updated for all groups.
- Assumed administrative expenses were updated and changed to a combined assumption of \$64 million for Tier One/Tier Two and OPSRP.
- The assumed healthcare cost trend rates for the RHIPA program were updated.
- The mortality improvement projection scale applied to all groups is based on 60-year unisex average mortality improvement rates by age. The assumption was updated to reflect the most recent publicly available data at the time of the latest experience study.
- Termination, disability and retirement rates were updated for some groups to more closely match observed and anticipated future experience.
- Assumptions for unused sick leave and vacation pay were updated.
- Participation assumptions for both RHIA and RHIPA were updated.

Actuarial Methods

- An adjustment was added to the side account amortization calculations and Pre-SLGRP liability and surplus calculations to reflect the delay between when a rate is calculated and when it takes effect.
- The timing of the amortization period for Pre-SLGRP liabilities and surpluses for SLGRP employers was revised to align the biennial rate-setting cycle.

Plan Changes

- There were no changes to plan provisions valued since the December 31, 2021 actuarial valuation.

Defined Contribution Plan – Individual Account Program (IAP)

Benefit Terms - 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 contributions are deposited into a separate employer account. 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).

Upon retirement, a member of the OPSRP Individual Account Program (IAP) may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5, 10, 15, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 8 – PENSION AND RETIREMENT PLANS (CONTINUED)

Defined Contribution Plan – Individual Account Program (IAP) (continued)

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

Contributions –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. In 2023, if a member earns more than \$3,570 per month, 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 Pension Stability Accounts (EPSA). The EPSA accounts will be used to help 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.

During 2024, the District, as an employee benefit, paid the employee portion of the contribution. Employer contributions for the year ended June 30, 2024 were \$2,200,319, of which \$1,879,786 was deposited into the individual members' accounts.

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Single-Employer Defined Benefit Health Care Plan (Medical Subsidy)

The District has two separate other post-employment benefits (OPEB) plans. The District provides a single employer defined benefit health care plan to staff that were hired before July 1, 2003 and the District contributes to the State of Oregon's PERS cost-sharing multiple employer defined benefit plan.

Plan Description – The District maintains a single-employer defined benefit OPEB plan that provides post-employment health benefits to eligible employees and their spouses. Generally, the program covers all eligible employees who had 10 years or more of service as of June 30, 2000 (sunset date), who remain employed by the District until they reach retirement age. An eligible employee qualifies for 50% of the current medical insurance benefit premium if they elect to retire on June 30 following their 55th birthday. If an eligible employee elects to receive the retirement benefit before age 58, they must continue paying 50% of the premium for the duration of coverage. An eligible employee qualifies for 100% of the current medical insurance benefit premium if they elect to retire at age 58. The program covers employees who have qualified for early retirement to receive health insurance benefits until they reach age sixty-five.

In addition, the District's post-retirement healthcare plan was established in accordance with Oregon Revised Statutes (ORS) 243.303, which requires that all eligible retirees are allowed to continue receiving health insurance benefits, at their cost, until age 65 or they become otherwise eligible for Medicare. ORS stipulate that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees. The requirement to make available to retirees (at the retirees own cost) access in to the healthcare plan has an implicit cost to the District.

Funding Policy – The benefits from the single-employer defined benefit OPEB plan are paid by the District based on bargaining agreement language and contributions by employees are also required. The plan is not accounted for in a pension trust fund; therefore, designated funds are not legally restricted to pay future benefits. The benefits from the healthcare plan established in accordance with ORS 243.303 are paid by the retired employees on a self-pay basis and the required contribution is based on projected pay-as-you go financing requirements. There is no obligation on the part of the District to fund these benefits in advance. The District did not establish an irrevocable trust (or equivalent arrangement) to account for the plan.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

Single-Employer Defined Benefit Health Care Plan (Medical Subsidy) (continued)

Employees Covered by Benefit Terms – The explicit benefit for the single-employer defined benefit OPEB plan was ceased to all employees entering employment subsequent to June 30, 2000. As a result, the total plan members receiving the explicit benefit will decrease over time. As of June 30, 2024, the following employees were covered by the explicit benefit terms:

Active plan members	745
Inactive employees or beneficiaries currently receiving benefit payments	30
	<u>775</u>

Total OPEB Liability – The district's total OPEB liability of \$3,457,869 was measured as of June 30, 2024, and was determined by an actuarial valuation date as of July 1, 2022.

Actuarial Assumptions and Other Inputs – The changes in assumptions used for the OPEB liability in the actuarial valuation are identical to the changes in assumptions related to the stipend pension liability disclosed in *Note 8 – Pension and Retirement Plans*.

Changes in the Total OPEB Liability

Total OPEB Liability as of June 30, 2023	\$ 3,477,845
Changes for the year:	
Service cost	204,102
Interest	131,408
Differences between expected and actual experience	-
Changes in assumptions or other input	-
Benefit payments	<u>(355,486)</u>
Total OPEB Liability as of June 30, 2024	<u>\$ 3,457,869</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:

District's Total OPEB Asset/(Liability)	1% Decrease Rate 2.75%	Current Discount Rate 3.75%	1% Increase Rate 4.75%
Total OPEB Liability	\$ (3,671,439)	\$ (3,457,869)	\$ (3,255,591)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – 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:

District's Total OPEB Asset/(Liability)	1% Decrease 3.0%, trending up to 5.0%, then back down to 3.5%	Current Trend Rate 4.0%, trending up to 6.0%, then back down to 4.5%	1% Increase 5.0%, trending up to 7.0%, then back down to 5.5%
Total OPEB Liability	\$ (3,097,763)	\$ (3,457,869)	\$ (3,882,713)

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

Single-Employer Defined Benefit Health Care Plan (Medical Subsidy) (continued)

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources – For the year ended June 30, 2024, the District recognized an decrease of expense related to OPEB of \$227,870. The \$227,870 was treated as a decrease of payroll related expense in the Statement of Activities and allocated to Instruction, Supporting Services, and Community Services using allocation percentages of 57%, 38%, and 5%, respectively.

As of June 30, 2024, 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
Differences between expected and actual experience:	\$ 59,531	\$ 78,004
Change of assumptions or other input:	168	645,974
Total	<u>\$ 59,699</u>	<u>\$ 723,978</u>

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

Year Ended June 30	Deferred Outflow/(Inflow) of
2025	\$ (138,396)
2026	(138,396)
2027	(138,394)
2028	(112,453)
2029	(68,318)
Thereafter	<u>(68,322)</u>
Total	<u>\$ (664,279)</u>

Retirement Health Insurance Account (RHIA)

Plan Description

As a member of Oregon Public Employees Retirement System (OPERS), the District contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other post-employment benefit plan administered by OPERS. ORS 238.420 established the RHIA and authorizes a payment of up to \$60 from RHIA toward the monthly cost of \$60 from RHIA toward the monthly cost of health insurance for eligible OPERS members. The plan was closed to new entrants hired on or after August 29, 2003.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

Funding Policy

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

To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in OPERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in OPERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a OPERS-sponsored health plan

A surviving spouse or dependent of a deceased OPERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Contributions

Employer Contributions - PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the PERS Defined Benefit Plan and OPEB plans. The contribution rates in effect for the period July 1, 2023 through June 30, 2024 for the OPEB program were: Tier1/Tier 2 - 0.00%, and OPSRP General Service - 0.00%. The District contributed \$932 for the year ended June 30, 2024.

Actuarial Valuation

The actuarial valuation used for RHIA is identical to the actuarial valuation details related to the OPERS Plan disclosed in *Note 8 Pension and Retirement Plans* except 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

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

At June 30, 2023, the District reported \$1,129,662 for its proportionate share of the net OPEB asset. The net OPEB liability was measured as of June 30, 2023, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2021. The District's proportion of the net OPEB asset was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023 (measurement date) the District's proportion was approximately 0.30851090 percent.

For the year ended June 30, 2024, the District recognized a reduction of OPEB expense related to RHIA of \$110,088. The \$110,088 was treated as a reduction of payroll related expense in the Statement of Activities and allocated to Instruction, Supporting Services, and Community Services using allocation percentages of 57%, 38% and 5%, respectively.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

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

At June 30, 2024, 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
Differences between expected and actual experience	\$ -	\$ 28,360
Change of assumptions	-	12,180
Net difference between projected and actual earnings on investments	3,204	-
Changes in proportionate share	-	50,124
District's contributions subsequent to the measurement date	932	-
Total	<u>\$ 4,136</u>	<u>\$ 90,664</u>

The \$932 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.

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

<u>Year Ended June 30</u>	<u>Deferred Outflow/(Inflow) of Resources</u>
2025	\$ (91,786)
2026	(52,396)
2027	41,748
2028	14,974
2029	-
Thereafter	-
Total	<u>\$ (87,460)</u>

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

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 OPEB asset calculated using the discount rate of 6.90 percent, as well as what the District's proportionate share of the net 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:

District's Net Pension Asset/(Liability)	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Retirement Health Insurance Account	\$ 1,026,864	\$ 1,129,662	\$ 1,217,861

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 identical to the changes in assumptions related to the OPERS plan disclosed in Note 8.

NOTE 10 – CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS

The District's operations are concentrated within Douglas 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 11 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The District carries commercial insurance for these risks of loss.

NOTE 12 – CONTINGENCIES

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

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 13 – TAX ABATEMENTS

As of June 30, 2024, Douglas County provides certain tax abatement programs that impact the District. Those programs are as follows:

Non-Profit Low Income Rental Housing (ORS 307.515)

The largest abatement program for Douglas District is the Non-Profit Low Income Rental Housing. In 1985, Oregon legislature authorized a property tax exemption for low-income housing held by charitable, nonprofit organizations. The tax exemption is intended to benefit low-income renters by alleviating the property tax burden on those agencies that provide this type of housing. The qualifying property must be located within the District.

Charitable, nonprofit organizations that provide housing to low-income persons are eligible, and must be certified by the Internal Revenue Service as 501(c)(3) or (4) organization. Organizations must own or have a leasehold interest in the property or participate in a partnership as long as the non-profit organization is responsible for the day-to-day management of the property. Applicants who are leaseholders must have a signed leasehold agreement by the application deadline. Vacant land intended to be developed as low-income housing is also eligible for the exemption. The property tax exemption applies only to the tax levy of a governing body that adopts the provisions of ORS 307.515.

Enterprise Zone (ORS 285.597)

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

The Enterprise Zone program provides qualified firms that will be making a substantial new capital investment within the defined enterprise zone, a waiver of 100% of the amount of real property taxes attributable to the new investment for a period of five years following completion of the new investment. Land or existing machinery or equipment is not tax exempt; therefore, there is no loss of current property tax levies to local taxing jurisdiction.

For the fiscal year ended June 30, 2024, the District's abated property taxes totaled \$47,621 under these programs:

<u>Tax Abatement Program</u>	<u>Amount of Taxes Abated during the Fiscal Year</u>
Non-profit low income rental housing	\$ 45,288
Enterprise zone	<u>2,333</u>
	<u>\$ 47,621</u>

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 14 – COMMITMENTS

The District has various active construction obligations at June 30, 2024. The total project costs of these obligations are as follows:

<u>Project</u>	<u>Contract Amount</u>	<u>Completed to Date</u>	<u>Remaining Commitment</u>
Eastwood seismic	\$ 2,497,895	742,904	\$ 1,754,991
Winchester Seismic	2,499,915	735,317	1,764,598
Hucrest Bathroom Addition	806,131	702,650	103,481
Fullerton Vestibule	460,245	253,815	206,430
Sunnyslope Vestibule	163,892	127,863	36,029
Green Vestibule	337,545	117,072	220,473
Hucrest Vestibule	230,542	117,188	113,354
Melrose Vestibule	236,125	107,136	128,989
RHS Arts Storage Building	255,000	152,233	102,767
Total	<u>\$ 7,487,290</u>	<u>\$ 3,056,178</u>	<u>\$ 4,431,112</u>

NOTE 13 – SUBSEQUENT EVENTS

Management of the District has evaluated events and transactions occurring after June 30, 2024 through December 2, 2024, the date the financial statements were available for issuance, for recognition and/or disclosure in the financial statements. There were no additional events and/or transactions that required recognition and disclosure in the financial statements.



| REQUIRED SUPPLEMENTARY INFORMATION

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
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

Douglas County School District No.4 Proportionate Share of Net Pension Asset/(Liability)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's proportion of the net pension asset/(liability)	0.0326053%	0.1136204%	0.1899731%	0.2081714%	0.2096088%	0.2608346%	0.2375517%	0.2276021%	0.2237450%	0.2233169%
District's proportion of the net pension asset/(liability)	\$ (6,107,196)	\$ (17,397,566)	\$ (22,733,087)	\$ (45,430,155)	\$ (36,257,299)	\$ (39,513,009)	\$ (32,022,059)	\$ (34,168,364)	\$ (12,846,235)	\$ 5,061,957
District's covered-employee payroll	\$ 40,324,612	\$ 37,794,000	\$ 32,331,124	\$ 30,458,259	\$ 29,705,347	\$ 28,338,797	\$ 27,589,159	\$ 26,974,079	\$ 23,433,260	\$ 24,845,141
District's proportionate share of the net pension asset/(liability) as a percentage of its covered-employee payroll	15.15%	46.03%	70.31%	149.16%	122.06%	139.43%	116.07%	126.67%	54.82%	20.37%
Plan fiduciary net position as a percentage of the total pension liability	81.70%	84.55%	87.57%	75.79%	80.23%	82.06%	83.12%	80.53%	91.88%	103.59%

Douglas County School District No. 4 Contributions

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 3,002	\$ 53,074	\$ 861,467	\$ 3,633,586	\$ 6,039,911	\$ 2,332,551	\$ 2,401,770	\$ 1,306,185	\$ 1,487,654	\$ 2,349,931
Contribution in relation to the contractually required	(3,002)	(53,074)	(861,467)	(3,633,586)	(6,039,911)	(2,332,551)	(2,401,770)	(1,306,185)	(1,487,654)	(2,349,931)
Contributions deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered - employee payroll	\$ 42,169,684	\$ 40,324,612	\$ 37,794,000	\$ 32,331,124	\$ 30,458,259	\$ 29,705,347	\$ 28,338,797	\$ 27,589,159	\$ 26,974,079	\$ 23,433,260
Contributions as a percentage of covered-employee payroll	0.01%	0.13%	2.28%	11.24%	19.83%	7.85%	8.48%	4.73%	5.52%	10.03%

Notes to Schedule -

A summary of key changes implemented since the December 31, 2021 valuation are described in *Note 8* in the Notes to the Basic Financial Statements.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
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)

Douglas County School District No.4 Proportionate Share of Net OPEB Asset/(Liability)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the net OPEB asset/(liability)	0.30851090%	0.28395197%	0.26986057%	0.40745225%	0.27400606%	0.2722438%	0.26942259%
District's proportion of the net OPEB asset/(liability)	\$ 1,129,662	\$ 1,008,981	\$ 926,703	\$ 830,226	\$ 529,479	\$ 303,898	\$ 112,441
District's covered-employee payroll	\$40,324,612	\$37,794,000	\$32,331,124	\$30,458,259	\$29,705,347	\$28,338,797	\$27,589,159
District's proportionate share of the net OPEB asset/(liability) as a percentage of its covered-employee payroll	2.80%	2.67%	2.87%	2.73%	1.78%	1.07%	0.41%
Plan fiduciary net position as a percentage of the total OPEB liability	201.60%	194.65%	183.90%	150.10%	144.37%	123.99%	108.88%

Douglas County School District No. 4 Contributions

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contributions	\$ 932	\$ 6,080	\$ 6,999	\$ 7,220	\$ 29,097	\$ 135,803	\$ 131,821
Contribution in relation to the contractually required	<u>(932)</u>	<u>(6,080)</u>	<u>(6,999)</u>	<u>(7,220)</u>	<u>(29,097)</u>	<u>(135,803)</u>	<u>(131,821)</u>
Contributions deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered - employee payroll	\$42,169,684	\$40,324,612	\$37,794,000	\$32,331,124	\$30,458,259	\$29,705,347	\$28,338,797
Contributions as a percentage of covered-employee payroll	0.00%	0.02%	0.02%	0.02%	0.10%	0.46%	0.47%

Notes to Schedule -

A summary of assumption changes implemented since the December 31, 2021 valuation are outlined briefly in *Note 9* to the financial statements.

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 seven years of information are presented.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
STATEMENT OF CHANGE IN THE DISTRICT'S TOTAL PENSION (STIPEND)
LIABILITY AND RELATED RATIOS
YEAR ENDED JUNE 30 (For Years Information is Available)

Total Pension Liability (Stipend):	2024	2023	2022	2021	2020	2019	2018	2017
Service cost	\$ 2,975	\$ 5,369	\$ 6,787	\$ 8,417	\$ 8,132	\$ 9,680	\$ 9,398	\$ 9,398
Interest	8,297	8,084	6,465	12,118	14,425	18,608	23,611	30,832
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	-	38,357	-	(14,737)	-	(23,792)	-	-
Changes of assumptions of other inputs	-	(425)	(6,171)	7,622	-	(4,621)	-	-
Benefit payments	(58,407)	(59,000)	(65,035)	(76,368)	(101,145)	(134,558)	(227,345)	(265,672)
Net change in total pension liability (Stipend)	(47,135)	(7,615)	(57,954)	(62,948)	(78,588)	(134,683)	(194,336)	(225,442)
Total pension liability (Stipend) - beginning	247,476	255,091	313,045	375,993	454,581	589,264	783,600	1,009,042
Total pension liability (Stipend) - ending	<u>\$ 200,341</u>	<u>\$ 247,476</u>	<u>\$ 255,091</u>	<u>\$ 313,045</u>	<u>\$ 375,993</u>	<u>\$ 454,581</u>	<u>\$ 589,264</u>	<u>\$ 783,600</u>
Estimated covered - employee payroll	\$ 464,241	\$ 448,542	\$ 634,745	\$ 616,257	\$ 981,936	\$ 960,722	\$ 1,356,804	\$ 1,317,285
Total pension liability (Stipend) as a percentage of estimated covered - employee payroll	43.15%	55.17%	40.19%	50.80%	38.29%	47.32%	43.43%	59.49%

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 8* 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 eight years of information is presented.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
STATEMENT OF CHANGES IN THE DISTRICT'S TOTAL OPEB (MEDICAL SUBSIDY)
LIABILITY AND RELATED RATIOS
YEAR ENDED JUNE 30 (For Years Information is Available)

Total OPEB Liability (Medical Subsidy):	2024	2023	2022	2021	2020	2019	2018	2017
Service cost	\$ 204,102	\$ 203,210	\$ 242,883	\$ 206,237	\$ 199,263	\$ 200,786	\$ 194,938	\$ 194,938
Interest	131,408	142,367	101,303	167,904	224,991	200,765	209,986	225,971
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	-	79,375	-	(182,012)	-	(255,123)	-	-
Changes of assumptions of other inputs	-	(625,923)	(308,927)	392	-	(161,866)	-	-
Benefit payments	(355,486)	(371,200)	(489,416)	(558,754)	(708,773)	(729,976)	(813,449)	(941,769)
Net change in total OPEB liability (Medical Subsidy):	(19,976)	(572,171)	(454,157)	(366,233)	(284,519)	(745,414)	(408,525)	(520,860)
Total OPEB liability - beginning	3,477,845	4,050,016	4,504,173	4,870,406	5,154,925	5,900,339	6,308,864	6,829,724
Total OPEB liability - ending	<u>\$ 3,457,869</u>	<u>\$ 3,477,845</u>	<u>\$ 4,050,016</u>	<u>\$ 4,504,173</u>	<u>\$ 4,870,406</u>	<u>\$ 5,154,925</u>	<u>\$ 5,900,339</u>	<u>\$ 6,308,864</u>
Estimated covered - employee payroll	\$ 39,708,167	\$ 38,365,379	\$ 29,074,130	\$ 28,227,311	\$ 27,429,226	\$ 26,501,668	\$ 27,421,654	\$ 26,622,965
Total OPEB liability as a percentage of estimated covered - employee payroll	8.71%	9.07%	13.93%	15.96%	17.76%	19.45%	21.52%	23.70%

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 9* 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 eight years of information is presented.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2024

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ADOPTED	FINAL		
REVENUES:				
Local Sources:				
Property taxes	\$ 19,575,000	\$ 19,575,000	\$ 20,188,145	\$ 613,145
Charges for services	117,500	117,500	209,211	91,711
Investment earnings	151,000	151,000	1,713,184	1,562,184
Miscellaneous	336,664	336,664	305,341	(31,323)
Intermediate Sources:				
Intergovernmental	125,000	125,000	77,326	(47,674)
State Sources:				
State school fund	47,502,834	47,502,834	47,723,770	220,936
Intergovernmental	755,948	755,948	748,083	(7,865)
Federal Sources:				
Intergovernmental	600,000	600,000	645,786	45,786
TOTAL REVENUES	69,163,946	69,163,946	71,610,846	2,446,900
EXPENDITURES:				
Current:				
Instruction	40,882,451	40,382,451	38,806,207	1,576,244
Support services	25,820,630	26,320,630	26,230,417	90,213
Community services	6,865	6,865	5,146	1,719
Facilities acquisition and construction	500,000	2,500,000	2,054,590	445,410
Contingency	1,500,000	1,500,000	-	1,500,000
TOTAL EXPENDITURES	68,709,946	70,709,946	67,096,360	3,613,586
EXCESS OF REVENUE OVER/(UNDER) EXPENDITURES	454,000	(1,546,000)	4,514,486	6,060,486
OTHER FINANCING SOURCES (USES):				
Transfers In	-	2,000,000	-	(2,000,000)
Transfers out	(2,154,000)	(2,154,000)	(2,154,000)	-
Proceeds from sale of capital assets	-	-	34,591	34,591
TOTAL OTHER FINANCING SOURCES (USES)	(2,154,000)	(154,000)	(2,119,409)	(1,965,409)
NET CHANGE IN FUND BALANCE	(1,700,000)	(1,700,000)	2,395,077	4,095,077
FUND BALANCE - JULY 1, 2023	4,000,000	4,000,000	20,541,750	16,541,750
FUND BALANCE - JUNE 30, 2024	\$ 2,300,000	\$ 2,300,000	\$ 22,936,827	\$ 20,636,827

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	BUDGET			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ADOPTED	FINAL	ACTUAL	
REVENUES:				
Local Sources:				
Local grant	\$ 214,677	\$ 214,677	\$ 229,531	\$ 14,854
Charges for services	953,000	953,000	1,416,256	463,256
Miscellaneous	50,000	50,000	41,773	(8,227)
Intermediate Sources:				
Intergovernmental	363,904	363,904	444,071	80,167
State Sources:				
Intergovernmental	9,454,702	9,454,702	9,104,552	(350,150)
Federal Sources:				
Intergovernmental	15,389,759	15,389,759	12,438,929	(2,950,830)
TOTAL REVENUES	26,426,042	26,426,042	23,675,112	(2,750,930)
EXPENDITURES:				
Current:				
Instruction	13,101,623	13,101,623	11,114,226	1,987,397
Supporting services	12,115,584	7,115,584	6,537,061	578,523
Community services	6,578,000	6,578,000	4,107,529	2,470,471
Facilities acquisition and construction	42,000	5,042,000	2,993,126	2,048,874
TOTAL EXPENDITURES	31,837,207	31,837,207	24,751,942	7,085,265
EXCESS OF REVENUE OVER/(UNDER) EXPENDITURES	(5,411,165)	(5,411,165)	(1,076,830)	4,334,335
OTHER FINANCING SOURCES (USES):				
Transfers in	874,000	874,000	874,000	-
TOTAL OTHER FINANCING SOURCES (USES)	874,000	874,000	874,000	-
NET CHANGE IN FUND BALANCE	(4,537,165)	(4,537,165)	(202,830)	4,334,335
FUND BALANCE - JULY 1, 2023	4,537,165	4,537,165	5,750,376	1,213,211
FUND BALANCE - JUNE 30, 2024	\$ -	\$ -	\$ 5,547,546	\$ 5,547,546



| OTHER SUPPLEMENTARY INFORMATION

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2024

	BUDGET			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ADOPTED	FINAL	ACTUAL	
REVENUES:				
Local Sources:				
Property taxes	\$ -	\$ -	\$ 18,430	\$ 18,430
Pension obligation bonds (internal fee)	6,094,149	6,094,149	6,209,965	115,816
Interest on investments	70,534	70,534	380,032	309,498
TOTAL REVENUES	6,164,683	6,164,683	6,608,427	443,744
EXPENDITURES:				
Debt service	6,064,683	6,064,683	6,064,683	-
TOTAL EXPENDITURES	6,064,683	6,064,683	6,064,683	-
EXCESS OF REVENUE OVER/(UNDER) EXPENDITURES	100,000	100,000	543,744	443,744
OTHER FINANCING SOURCES/(USES):				
PERS UAL lump sum payment	(3,100,000)	(3,100,000)	-	3,100,000
TOTAL OTHER FINANCING SOURCES (USES)	(3,100,000)	(3,100,000)	-	3,100,000
NET CHANGE IN FUND BALANCE	(3,000,000)	(3,000,000)	543,744	3,543,744
FUND BALANCE - JULY 1, 2023	6,500,000	6,500,000	8,069,419	1,569,419
FUND BALANCE - JUNE 30, 2024	\$ 3,500,000	\$ 3,500,000	\$ 8,613,163	\$ 5,113,163

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2024

	BUDGET			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ADOPTED	FINAL	ACTUAL	
REVENUES:				
Local Sources:				
Charges for services	\$ 17,000	\$ 17,000	\$ 5,499	\$ (11,501)
Miscellaneous	138,000	138,000	340,041	202,041
State Sources:				
Intergovernmental	6,000,000	6,000,000	2,273,071	(3,726,929)
TOTAL REVENUES	6,155,000	6,155,000	2,618,611	(3,536,389)
EXPENDITURES:				
Current:				
Support services	380,000	380,000	-	380,000
Facilities acquisition and construction	9,190,000	7,190,000	3,297,909	3,892,091
TOTAL EXPENDITURES	9,570,000	7,570,000	3,297,909	4,272,091
EXCESS OF REVENUE OVER/(UNDER) EXPENDITURES	(3,415,000)	(1,415,000)	(679,298)	735,702
OTHER FINANCING SOURCES/(USES):				
Transfers in	1,280,000	1,280,000	1,280,000	-
Transfers Out	-	(2,000,000)	-	2,000,000
TOTAL OTHER FINANCING SOURCES (USES)	1,280,000	(720,000)	1,280,000	2,000,000
NET CHANGE IN FUND BALANCE	(2,135,000)	(2,135,000)	600,702	2,735,702
FUND BALANCE - JULY 1, 2023	2,335,000	2,335,000	3,349,278	1,014,278
FUND BALANCE - JUNE 30, 2024	\$ 200,000	\$ 200,000	\$ 3,949,980	\$ 3,749,980

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
SCHEDULE OF PROPERTY TAX TRANSACTIONS
JUNE 30, 2024

	<u>Tax Year</u>	<u>Uncollected July 1, 2023</u>	<u>Levy as Extended by Assessor</u>	<u>Discounts, Interest and Other Adjustments</u>	<u>Collections Per Treasurer</u>	<u>Uncollected June 30, 2024</u>
<u>GENERAL FUND:</u>						
Current	2023-2024		\$ 21,065,148	\$ (593,215)	\$ 19,510,080	\$ 961,853
Prior	2022-2023	\$ 831,546	-	(6,056)	310,663	514,827
	2021-2022	284,670	-	16,298	122,380	178,588
	2020-2021	166,070	-	17,815	99,273	84,612
	2019-2020	88,925	-	12,893	80,537	21,281
	2018-2019	21,438	-	908	8,510	13,836
	2017-2018	14,235	-	(546)	4,725	8,964
	Prior	113,329	-	(2,660)	7,623	103,046
Total prior		1,520,213	-	38,652	633,711	925,154
TOTAL GENERAL FUND		\$ 1,520,213	\$ 21,065,148	\$ (554,563)	\$ 20,143,791	\$ 1,887,007
<u>DEBT SERVICE:</u>						
Current	2023-2024		\$ -	\$ -	\$ -	\$ -
Prior	2022-2023	\$ -	-	-	-	-
	2021-2022	-	-	-	-	-
	2020-2021	15,376	-	1,649	9,191	7,834
	2019-2020	10,653	-	1,545	9,649	2,549
	2018-2019	2,865	-	121	1,138	1,848
	2017-2018	1,891	-	(73)	628	1,190
	Prior	10,711	-	(315)	904	9,492
Total prior		41,496	-	2,927	21,510	22,913
TOTAL DEBT SERVICE FUND		\$ 41,496	\$ -	\$ 2,927	\$ 21,510	\$ 22,913

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
2023-2024 SCHOOL DISTRICT AUDIT ALL FUND REVENUE SUMMARY

Revenue from Local Sources

1110 Ad Valorem Taxes Levied by District
1120 Local Option Ad Valorem Taxes Levied by District
1130 Construction Excise Tax
1190 Penalties and Interest on Taxes
1200 Revenue from Local Gov't Units Other Than Districts
1310 Regular Day School Tuition
1320 Adult/Continuing Education Tuition
1330 Summer School Tuition
1400 Transportation Fees
1500 Earnings on Investments
1600 Food Service
1700 Extracurricular Activities
1800 Community Services Activities
1910 Rentals
1920 Contributions and Donations From Private Sources
1930 Rental or Lease Payments From Private Contractors
1940 Services Provided Other Local Education Agencies
1950 Textbook Sales and Rentals
1960 Recovery of Prior Years' Expenditure
1970 Services Provided Other Funds
1980 Fees Charged to Grants
1990 Miscellaneous
Total Revenue from Local Sources

Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
20,188,145	-	18,430	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,713,184	-	380,032	-	-	-	-
-	5,381	-	-	-	-	-
63,265	1,096,613	-	5,499	-	-	-
97,807	-	-	-	-	-	-
5,444	314,262	-	-	-	-	-
-	229,531	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	6,209,965	-	-	-	-
42,695	-	-	-	-	-	-
305,341	41,773	-	340,041	-	-	-
22,415,881	1,687,560	6,608,427	345,540	-	-	-

Revenue from Intermediate Sources

2101 County School Funds
2102 Education Service District Apportionment
2105 Natural Gas, Oil, and Mineral Receipts
2199 Other Intermediate Sources
2200 Restricted Revenue
2800 Revenue in Lieu of Taxes
2900 Revenue for/on Behalf of the District
Total Revenue from Intermediate Sources

Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
77,326	-	-	-	-	-	-
-	444,071	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
77,326	444,071	-	-	-	-	-

Revenue from State Sources

3101 State School Fund - General Support
3102 State School Fund - School Lunch Match
3103 Common School Fund
3104 State Managed County Timber
3199 Other Unrestricted Grants-in-Aid
3204 Driver Education
3222 State School Fund (SSF) Transportation Equipment
3299 Other Restricted Grants-in-Aid
3800 Revenue in Lieu of Taxes
3900 Revenue for/on Behalf of the District
Total Revenue from State Sources

Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
47,723,770	-	-	-	-	-	-
-	30,439	-	-	-	-	-
748,083	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	61,635	-	-	-	-	-
-	-	-	-	-	-	-
-	9,012,478	-	2,273,071	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
48,471,853	9,104,552	-	2,273,071	-	-	-

Revenue from Federal Sources

4100 Unrestricted Revenue Direct From the Federal Gov't
4200 Unrest Rev From the Federal Gov't Through the State
4300 Restricted Revenue From the Federal Government
4500 Restricted Rev From the Fed Gov't Through the State
4700 Grants-In-Aid From the Fed Gov't Through Intermediate
4801 Federal Forest Fees
4802 Impact Aid to School Districts for Operation (PL 874)
4803 Coos Bay Wagon Road Funds
4899 Other Revenue in Lieu of Taxes
4900 Revenue for/on Behalf of the District
Total Revenue from Federal Sources

Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
-	-	-	-	-	-	-
8,456	-	-	-	-	-	-
-	-	-	-	-	-	-
-	12,242,013	-	-	-	-	-
-	-	-	-	-	-	-
637,330	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	196,916	-	-	-	-	-
645,786	12,438,929	-	-	-	-	-

Revenue from Other Sources

5100 Long Term Debt Financing Sources
5200 Interfund Transfers
5300 Sale of or Compensation for Loss of Fixed Assets
5400 Resources - Beginning Fund Balance
Total Revenue from Other Sources

Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
-	-	-	-	-	-	-
-	874,000	-	1,280,000	-	-	-
34,591	-	-	-	-	-	-
20,541,750	5,750,376	8,069,419	3,349,278	-	-	-
20,576,341	6,624,376	8,069,419	4,629,278	-	-	-

Grand Totals	\$ 92,187,187	\$ 30,299,488	\$ 14,677,846	\$ 7,247,889	\$ -	\$ -	\$ -
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DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
2023-24 SCHOOL DISTRICT AUDIT EXPENDITURE SUMMARY
FUND 100 - GENERAL FUND

Instruction Expenditures	Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Primary, K-3	14,763,858	9,389,002	4,475,944	457,408	392,255	49,249	-	-
1112 Intermediate Programs	-	-	-	-	-	-	-	-
1113 Elementary Extracurricular	-	-	-	-	-	-	-	-
1121 Middle/Junior High Programs	5,709,125	3,543,140	1,871,008	164,792	130,185	-	-	-
1122 Middle/Junior High Extracurricular	307,053	189,352	51,502	63,236	2,963	-	-	-
1131 High School Programs	7,004,703	4,405,853	2,192,661	175,701	223,589	6,899	-	-
1132 High School Extracurricular	1,140,620	657,992	206,170	170,710	42,326	63,422	-	-
1140 Pre-Kindergarten Programs	222,645	137,290	77,084	8,271	-	-	-	-
1210 Talented & Gifted	130,272	75,910	40,007	1,259	13,096	-	-	-
1220 Restrict Prog for Students w/Disabilities	2,250,298	1,423,382	712,877	113,113	926	-	-	-
1250 Less Restrict Prog Students w/Disabilities	3,604,811	2,265,618	1,210,232	97,091	31,870	-	-	-
1260 Early Intervention	418,857	-	-	417,991	866	-	-	-
1271 Remediation	10,719	8,268	2,451	-	-	-	-	-
1272 Title I	-	-	-	-	-	-	-	-
1280 Alternative Education	2,741,158	308,547	186,944	2,196,647	49,020	-	-	-
1291 English as a Second Language	270,521	190,137	69,566	10,088	730	-	-	-
1292 Teen Parent Program	231,567	155,389	63,739	3,698	8,741	-	-	-
1293 Migrant Education	-	-	-	-	-	-	-	-
1294 Youth Corrections Education	-	-	-	-	-	-	-	-
1299 Other Programs	-	-	-	-	-	-	-	-
1300 Adult/Continuing Education Programs	-	-	-	-	-	-	-	-
1400 Summer School Programs	-	-	-	-	-	-	-	-
Total Instruction	38,806,207	22,749,880	11,160,185	3,880,005	896,567	119,570	-	-
Support Service Expenditures	Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance & Social Work Services	186,125	133,366	46,768	5,991	-	-	-	-
2120 Guidance Services	2,183,922	1,450,534	713,797	18,942	649	-	-	-
2130 Health Services	189,540	29,460	9,732	150,348	-	-	-	-
2140 Psychological Services	515,714	343,832	161,780	2,883	7,219	-	-	-
2150 Speech Pathology & Audiology	-	-	-	-	-	-	-	-
2160 Other Treatment Services	-	-	-	-	-	-	-	-
2190 Service Direction, Student Support	380,424	226,648	114,396	34,745	4,635	-	-	-
2210 Improvement of Instruction	640,124	412,702	173,223	37,033	17,166	-	-	-
2220 Educational Media Services	951,458	543,830	262,375	10,076	135,177	-	-	-
2230 Assessment & Testing	-	-	-	-	-	-	-	-
2240 Instructional Staff Development	119,583	36,879	10,192	68,755	3,757	-	-	-
2310 Board of Education Services	206,018	7,810	4,187	89,793	9,484	-	94,744	-
2320 Executive Administration Services	827,119	479,085	255,732	78,819	13,483	-	-	-
2410 Office of the Principal Services	4,418,161	2,861,894	1,369,296	154,330	32,641	-	-	-
2490 Other Support Services - School Admin	-	-	-	-	-	-	-	-
2510 Direction of Business Support Services	813,546	482,099	189,745	49,570	90,837	-	1,295	-
2520 Fiscal Services	-	-	-	-	-	-	-	-
2540 Operation & Maint of Plant Services	7,660,728	2,856,437	1,621,378	1,820,649	733,036	167,020	462,208	-
2550 Student Transportation Services	4,551,294	96,737	48,213	4,393,779	10,400	-	2,165	-
2570 Internal Services	283,146	181,908	86,899	2,025	12,314	-	-	-
2610 Direction of Central Support Services	-	-	-	-	-	-	-	-
2620 Planning, Research, Development, Evaluation	-	-	-	-	-	-	-	-
2630 Information Services	13,633	7,699	2,084	-	3,850	-	-	-
2640 Staff Services	613,818	323,577	184,382	55,203	50,656	-	-	-
2660 Technology Services	1,383,020	578,658	271,718	380,418	152,226	-	-	-
2670 Records Management Services	-	-	-	-	-	-	-	-
2690 Other Support Services	-	-	-	-	-	-	-	-
2700 Supplemental Retirement Program	293,044	86,754	206,290	-	-	-	-	-
Total Support Services	26,230,417	11,139,909	5,732,187	7,353,359	1,277,530	167,020	560,412	-
Community Services Expenditures	Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	5,146	2,555	699	-	1,892	-	-	-
3200 Other Enterprise Services	-	-	-	-	-	-	-	-
3300 Community Services	-	-	-	-	-	-	-	-
3500 Custody & Care of Children Services	-	-	-	-	-	-	-	-
Total Enterprise/Community Services	5,146	2,555	699	-	1,892	-	-	-
Facilities Acquisition and Construction Expenditures	Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	-	-	-	-	-	-	-	-
4120 Site Acquisition & Development Services	1,547,104	-	-	-	-	1,547,104	-	-
4150 Bldg Acquisition, Construction & Improvement	507,486	-	-	2,071	-	505,415	-	-
4190 Other Facilities Construction Services	-	-	-	-	-	-	-	-
Total Facilities Acquisition and Construction	2,054,590	-	-	2,071	-	2,052,519	-	-
Other Uses Expenditures	Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	-	-	-	-	-	-	-	-
5200 Transfers to Other Funds	2,154,000	-	-	-	-	-	-	2,154,000
5300 Apportionment of Funds by ESD	-	-	-	-	-	-	-	-
5400 Lump Sum PERS Payment	-	-	-	-	-	-	-	-
6000 Contingencies	-	-	-	-	-	-	-	-
Total Other Uses Expenditures	2,154,000	-	-	-	-	-	-	2,154,000
Total Requirements and Balances	\$ 69,250,360	\$ 33,892,344	\$ 16,893,071	\$ 11,235,436	\$ 2,175,988	\$ 2,339,109	\$ 560,412	\$ 2,154,000

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
2023-24 SCHOOL DISTRICT AUDIT EXPENDITURES SUMMARY
FUND 200 - SPECIAL REVENUE FUND

Instruction Expenses	Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Primary, K-3	2,335,253	1,004,409	450,356	125,415	755,073	-	-	-
1112 Intermediate Programs	-	-	-	-	-	-	-	-
1113 Elementary Extracurricular	193,765	32,783	9,726	-	151,256	-	-	-
1121 Middle/Junior High Programs	1,557,765	868,172	421,645	23,429	226,864	17,655	-	-
1122 Middle/Junior High Extracurricular	193,678	8,790	2,395	-	182,493	-	-	-
1131 High School Programs	1,485,744	462,003	176,848	117,248	651,777	77,868	-	-
1132 High School Extracurricular	804,244	80,187	21,741	1,634	665,327	32,823	2,532	-
1140 Pre-Kindergarten Programs	172,093	106,478	52,923	12,692	-	-	-	-
1210 Talented & Gifted	-	-	-	-	-	-	-	-
1220 Restrict Prog for Students w/Disabilities	603,510	396,190	188,197	19,123	-	-	-	-
1250 Less Restrict Prog Students w/Disabilities	1,260,831	839,196	387,593	25,210	8,832	-	-	-
1260 Early Intervention	-	-	-	-	-	-	-	-
1271 Remediation	-	-	-	-	-	-	-	-
1272 Title I	970,096	616,460	322,704	27,564	3,368	-	-	-
1280 Alternative Education	1,141,429	-	-	1,073,606	66,754	-	1,069	-
1291 English as a Second Language	-	-	-	-	-	-	-	-
1292 Teen Parent Program	-	-	-	-	-	-	-	-
1293 Migrant Education	-	-	-	-	-	-	-	-
1294 Youth Corrections Education	9,031	-	-	-	9,031	-	-	-
1299 Other Programs	39,274	-	-	801	3,183	35,290	-	-
1300 Adult/Continuing Education Programs	-	-	-	-	-	-	-	-
1400 Summer School Programs	347,513	153,487	44,430	80	149,516	-	-	-
Total Instruction	11,114,226	4,568,155	2,078,558	1,426,802	2,873,474	163,636	3,601	-
Support Service Expenditures	Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance & Social Work Services	1,122,654	736,220	380,898	5,044	492	-	-	-
2120 Guidance Services	392,250	207,255	106,061	37,712	41,222	-	-	-
2130 Health Services	46,286	33,122	9,852	3,312	-	-	-	-
2140 Psychological Services	492,410	350,751	126,265	15,394	-	-	-	-
2150 Speech Pathology & Audiology	-	-	-	-	-	-	-	-
2160 Other Treatment Services	-	-	-	-	-	-	-	-
2190 Service Direction, Student Support	283,364	150,402	86,614	3,653	-	-	42,695	-
2210 Improvement of Instruction	1,006,708	686,253	303,544	6,831	10,080	-	-	-
2220 Educational Media Services	-	-	-	-	-	-	-	-
2230 Assessment & Testing	53,289	-	-	7,444	45,845	-	-	-
2240 Instructional Staff Development	1,122,748	307,386	147,838	631,184	36,340	-	-	-
2310 Board of Education Services	5,000	-	-	5,000	-	-	-	-
2320 Executive Administration Services	-	-	-	-	-	-	-	-
2410 Office of the Principal Services	140,157	83,346	42,327	1,741	12,743	-	-	-
2490 Other Support Services - School Admin	-	-	-	-	-	-	-	-
2510 Direction of Business Support Services	-	-	-	-	-	-	-	-
2520 Fiscal Services	-	-	-	-	-	-	-	-
2540 Operation & Maint of Plant Services	1,242,555	48,507	24,735	188,065	9,955	923,804	47,489	-
2550 Student Transportation Services	60,436	-	-	60,436	-	-	-	-
2570 Internal Services	60,974	-	-	-	-	60,974	-	-
2610 Direction of Central Support Services	-	-	-	-	-	-	-	-
2620 Planning, Research, Development, Evaluation	-	-	-	-	-	-	-	-
2630 Information Services	138,630	89,050	46,605	2,255	720	-	-	-
2640 Staff Services	-	-	-	-	-	-	-	-
2660 Technology Services	369,600	4,642	1,367	64,300	299,291	-	-	-
2670 Records Management Services	-	-	-	-	-	-	-	-
2690 Other Support Services	-	-	-	-	-	-	-	-
2700 Supplemental Retirement Program	-	-	-	-	-	-	-	-
Total Support Services	6,537,061	2,696,934	1,276,106	1,032,371	456,688	984,778	90,184	-
Community Service Expenditures	Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	4,049,762	948,291	554,857	303,308	1,711,875	531,431	-	-
3200 Other Enterprise Services	-	-	-	-	-	-	-	-
3300 Community Services	57,767	-	-	38,662	19,105	-	-	-
3500 Custody & Care of Children Services	-	-	-	-	-	-	-	-
Total Enterprise/Community Services	4,107,529	948,291	554,857	341,970	1,730,980	531,431	-	-
Facilities Acquisition and Construction Expenditures	Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	-	-	-	-	-	-	-	-
4120 Site Acquisition & Development Serv	-	-	-	-	-	-	-	-
4150 Bldg Acquisition, Construction and Improv	2,993,126	-	-	12,014	-	2,981,112	-	-
4190 Other Facilities Construction Services	-	-	-	-	-	-	-	-
Total Facilities Acquisiton and Construction	2,993,126	-	-	12,014	-	2,981,112	-	-
Other Uses Expenditures	Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Services	-	-	-	-	-	-	-	-
5200 Transfers to Other Funds	-	-	-	-	-	-	-	-
5300 Apportionment of Funds by ESD	-	-	-	-	-	-	-	-
6000 Contingencies	-	-	-	-	-	-	-	-
7000 Unappropriated Ending Fund Balances	-	-	-	-	-	-	-	-
Total Other Uses Expenditures	-	-	-	-	-	-	-	-
Total Requirements and Balances	\$ 24,751,942	\$ 8,213,380	\$ 3,909,521	\$ 2,813,157	\$ 5,061,142	\$ 4,660,957	\$ 93,785	\$ -

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
2023-24 SCHOOL DISTRICT AUDIT EXPENDITURE SUMMARY
FUND 300 - DEBT SERVICE FUND

Instruction Expenses	Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Primary, K-3	-	-	-	-	-	-	-	-
1112 Intermediate Programs	-	-	-	-	-	-	-	-
1113 Elementary Extracurricular	-	-	-	-	-	-	-	-
1121 Middle/Junior High Programs	-	-	-	-	-	-	-	-
1122 Middle/Junior High Extracurricular	-	-	-	-	-	-	-	-
1131 High School Programs	-	-	-	-	-	-	-	-
1132 High School Extracurricular	-	-	-	-	-	-	-	-
1140 Pre-Kindergarten Programs	-	-	-	-	-	-	-	-
1210 Talented & Gifted	-	-	-	-	-	-	-	-
1220 Restrict Prog for Students w/Disabilities	-	-	-	-	-	-	-	-
1250 Less Restrict Prog Students w/Disabilities	-	-	-	-	-	-	-	-
1260 Early Intervention	-	-	-	-	-	-	-	-
1271 Remediation	-	-	-	-	-	-	-	-
1272 Title I	-	-	-	-	-	-	-	-
1280 Alternative Education	-	-	-	-	-	-	-	-
1291 English as a Second Language	-	-	-	-	-	-	-	-
1292 Teen Parent Program	-	-	-	-	-	-	-	-
1293 Migrant Education	-	-	-	-	-	-	-	-
1294 Youth Corrections Education	-	-	-	-	-	-	-	-
1299 Other Programs	-	-	-	-	-	-	-	-
1300 Adult/Continuing Education Programs	-	-	-	-	-	-	-	-
1400 Summer School Programs	-	-	-	-	-	-	-	-
Total Instruction	-	-	-	-	-	-	-	-
Support Service Expenditures	Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance & Social Work Services	-	-	-	-	-	-	-	-
2120 Guidance Services	-	-	-	-	-	-	-	-
2130 Health Services	-	-	-	-	-	-	-	-
2140 Psychological Services	-	-	-	-	-	-	-	-
2150 Speech Pathology & Audiology	-	-	-	-	-	-	-	-
2160 Other Treatment Services	-	-	-	-	-	-	-	-
2190 Service Direction, Student Support	-	-	-	-	-	-	-	-
2210 Improvement of Instruction	-	-	-	-	-	-	-	-
2220 Educational Media Services	-	-	-	-	-	-	-	-
2230 Assessment & Testing	-	-	-	-	-	-	-	-
2240 Instructional Staff Development	-	-	-	-	-	-	-	-
2310 Board of Education Services	-	-	-	-	-	-	-	-
2320 Executive Administration Services	-	-	-	-	-	-	-	-
2410 Office of the Principal Services	-	-	-	-	-	-	-	-
2490 Other Support Services - School Admin	-	-	-	-	-	-	-	-
2510 Direction of Business Support Services	-	-	-	-	-	-	-	-
2520 Fiscal Services	-	-	-	-	-	-	-	-
2540 Operation & Maint of Plant Services	-	-	-	-	-	-	-	-
2550 Student Transportation Services	-	-	-	-	-	-	-	-
2570 Internal Services	-	-	-	-	-	-	-	-
2610 Direction of Central Support Services	-	-	-	-	-	-	-	-
2620 Planning, Research, Development, Evaluation	-	-	-	-	-	-	-	-
2630 Information Services	-	-	-	-	-	-	-	-
2640 Staff Services	-	-	-	-	-	-	-	-
2660 Technology Services	-	-	-	-	-	-	-	-
2670 Records Management Services	-	-	-	-	-	-	-	-
2690 Other Support Services	-	-	-	-	-	-	-	-
2700 Supplemental Retirement Program	-	-	-	-	-	-	-	-
Total Support Services	-	-	-	-	-	-	-	-
Community Service Expenditures	Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	-	-	-	-	-	-	-	-
3200 Other Enterprise Services	-	-	-	-	-	-	-	-
3300 Community Services	-	-	-	-	-	-	-	-
3500 Custody & Care of Children Services	-	-	-	-	-	-	-	-
Total Enterprise/Community Services	-	-	-	-	-	-	-	-
Facilities Acquisition and Construction Expenditures	Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	-	-	-	-	-	-	-	-
4120 Site Acquisition & Development Serv	-	-	-	-	-	-	-	-
4150 Bldg Acquisition, Construction and Improv	-	-	-	-	-	-	-	-
4190 Other Facilities Construction Services	-	-	-	-	-	-	-	-
Total Facilities Acquisition and Construction	-	-	-	-	-	-	-	-
Other Uses Expenditures	Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Services	6,064,683	-	-	-	-	-	6,064,683	-
5200 Transfers to Other Funds	-	-	-	-	-	-	-	-
5300 Apportionment of Funds by ESD	-	-	-	-	-	-	-	-
5400 PERS UAL Lump Sum Payment to PERS	-	-	-	-	-	-	-	-
6000 Contingencies	-	-	-	-	-	-	-	-
Total Other Uses Expenditures	6,064,683	-	-	-	-	-	6,064,683	-
Total Requirements and Balances	\$ 6,064,683	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,064,683	\$ -

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
2023-24 SCHOOL DISTRICT AUDIT EXPENDITURE SUMMARY
FUND 400 - CAPITAL PROJECT FUNDS

Instruction Expenditures	Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Primary, K-3	-	-	-	-	-	-	-	-
1112 Intermediate Programs	-	-	-	-	-	-	-	-
1113 Elementary Extracurricular	-	-	-	-	-	-	-	-
1121 Middle/Junior High Programs	-	-	-	-	-	-	-	-
1122 Middle / Junior High Extracurricular	-	-	-	-	-	-	-	-
1131 High School Programs	-	-	-	-	-	-	-	-
1132 High School Extracurricular	-	-	-	-	-	-	-	-
1140 Pre-Kindergarten Programs	-	-	-	-	-	-	-	-
1210 Talented and Gifted	-	-	-	-	-	-	-	-
1220 Restrict Prog for Students w/ Disabilities	-	-	-	-	-	-	-	-
1250 Less Restrict Prog Students w/ Disabilities	-	-	-	-	-	-	-	-
1260 Early Intervention	-	-	-	-	-	-	-	-
1271 Remediation	-	-	-	-	-	-	-	-
1272 Title I	-	-	-	-	-	-	-	-
1280 Alternative Education	-	-	-	-	-	-	-	-
1291 English as a Second Language	-	-	-	-	-	-	-	-
1292 Teen Parent Program	-	-	-	-	-	-	-	-
1293 Migrant Education	-	-	-	-	-	-	-	-
1294 Youth Corrections Education	-	-	-	-	-	-	-	-
1299 Other Programs	-	-	-	-	-	-	-	-
1300 Adult/Continuing Education Program	-	-	-	-	-	-	-	-
1400 Summer School Programs	-	-	-	-	-	-	-	-
Total Instruction	-	-	-	-	-	-	-	-
Support Services Expenditures	Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance & Social Work Services	-	-	-	-	-	-	-	-
2120 Guidance Services	-	-	-	-	-	-	-	-
2130 Health Services	-	-	-	-	-	-	-	-
2140 Psychological Services	-	-	-	-	-	-	-	-
2150 Speech Pathology & Audiology	-	-	-	-	-	-	-	-
2160 Other Treatment Services	-	-	-	-	-	-	-	-
2190 Service Direction, Student Support	-	-	-	-	-	-	-	-
2210 Improvement of Instruction	-	-	-	-	-	-	-	-
2220 Educational Media Services	-	-	-	-	-	-	-	-
2230 Assessment and Testing	-	-	-	-	-	-	-	-
2240 Instructional Staff Development	-	-	-	-	-	-	-	-
2310 Board of Education Services	-	-	-	-	-	-	-	-
2320 Executive Administration Services	-	-	-	-	-	-	-	-
2410 Office of the Principal Services	-	-	-	-	-	-	-	-
2490 Other Support Serv-Sch Adm	-	-	-	-	-	-	-	-
2510 Direction of Business Support Serv	-	-	-	-	-	-	-	-
2520 Fiscal Services	-	-	-	-	-	-	-	-
2540 Operation & Maint of Plant Services	-	-	-	-	-	-	-	-
2550 Support Transportation Services	-	-	-	-	-	-	-	-
2570 Internal Services	-	-	-	-	-	-	-	-
2610 Direction of Central Support Services	-	-	-	-	-	-	-	-
2620 Planning, Research, Develop, Evaluation	-	-	-	-	-	-	-	-
2630 Information Services	-	-	-	-	-	-	-	-
2640 Staff Services	-	-	-	-	-	-	-	-
2660 Technology Services	-	-	-	-	-	-	-	-
2670 Records Management Services	-	-	-	-	-	-	-	-
2690 Other Support Services	-	-	-	-	-	-	-	-
2700 Supplemental Retirement Program	-	-	-	-	-	-	-	-
Total Support Services	-	-	-	-	-	-	-	-
Community Services Expenditures	Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	-	-	-	-	-	-	-	-
3200 Other Enterprise Services	-	-	-	-	-	-	-	-
3300 Community Services	-	-	-	-	-	-	-	-
3500 Custody & Care of Children Services	-	-	-	-	-	-	-	-
Total Enterprise/Community Services	-	-	-	-	-	-	-	-
Facilities Acquisition and Construction Expenditures	Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	-	-	-	-	-	-	-	-
4120 Site Acquisition & Development Serv	22,157	-	-	-	-	22,157	-	-
4150 Bldg Acquisition, Construction and Improv	3,275,752	-	-	276,256	23,639	2,975,857	-	-
4190 Other Facilities Construction Services	-	-	-	-	-	-	-	-
Total Facilities Acquisition and Construction	3,297,909	-	-	276,256	23,639	2,998,014	-	-
Other Uses Expenditures	Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Services	-	-	-	-	-	-	-	-
5200 Transfers to Other Funds	-	-	-	-	-	-	-	-
5300 Apportionment of Funds by ESD	-	-	-	-	-	-	-	-
6000 Contingencies	-	-	-	-	-	-	-	-
7000 Unappropriated Ending Fund Balances	-	-	-	-	-	-	-	-
Total Other Uses Expenditures	-	-	-	-	-	-	-	-
Total Requirements and Balances	\$ 3,297,909	\$ -	\$ -	\$ 276,256	\$ 23,639	\$ 2,998,014	\$ -	\$ -

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	\$1,217,755
Function 2550	\$0

B. Replacement of Equipment - General Fund

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

\$13,899

Exclude these Functions

1113	Elementary Co-curricular Activities
1122	Middle School Co-curricular Activities
1132	High School Co-curricular Activities
1140	Pre-Kindergarten
1300	Continuing Education
1400	Summer School
2550	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.*



**| INDEPENDENT AUDITOR'S REPORT
REQUIRED BY STATE REGULATIONS**



INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

Board of Directors
Douglas County School District No. 4
Roseburg, Oregon 97470

We have audited the basic financial statements of Douglas County School District No. 4 (the District) as of and for the year ended June 30, 2024, and have issued our report thereon dated December 2, 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 grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0330 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 under ORS Chapter 294.
- Public contracts and purchasing under ORS Chapters 279A, 279B, 279C.
- State District fund factors and calculation.

In connection with our audit, nothing came to our attention that caused us to believe the District was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administration Rules 162-010-0000 through 162-010-0330 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 opinion 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Restrictions on Use

This report is intended solely for the information and use of the District's Board, 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 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
December 2, 2024



| ITEMS REQUIRED BY THE UNIFORM GUIDANCE



**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**

Board of Directors
Douglas County School District No. 4
Roseburg, Oregon 97470

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 (*Government Auditing Standards*), the financial statements of the governmental activities and each major fund of Douglas County School District No. 4 (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 2, 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 opinion 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 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity'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
December 2, 2024



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

To the Board of Directors
Douglas County District No. 4
Roseburg, Oregon 97470

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Douglas County District No. 4'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, 2024. The District's major federal programs are identified in the summary of auditor's result 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, 2024.

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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*) 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 GAAS, *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 GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

Report on Internal Control over Compliance

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

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

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

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

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
December 2, 2024

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Grantors Number	Expenditures
U.S. Department of Agriculture:			
Passed Through Oregon Department of Education:			
School Breakfast Program	10.553	N/A	\$ 564,442
National School Lunch	10.555	N/A	1,302,272
National School Lunch Program Commodities (Note C)	10.555	N/A	196,916
Summer Food Service	10.559	N/A	38,166
Total Child Nutrition Cluster			<u>2,101,796</u>
Child and Adult Care Food Program	10.558	N/A	99,345
Total AL 10.558			<u>99,345</u>
COVID-19 State Pandemic Electronic Benefit Transfer (P-EBT)			
Administrative Costs Grant	10.649	N/A	3,256
Total AL 10.649			<u>3,256</u>
Total U.S. Department of Agriculture			<u>2,204,397</u>
U.S. Department of Education:			
Passed Through Oregon Department of Education:			
Title I Grants to Local Education Agencies	84.010	72606	130,592
Title I Grants to Local Education Agencies	84.010	76571	1,925,481
Title I Grants to Local Education Agencies (ESSA, Partnerships)	84.010	73131	9,031
Total AL 84.010			<u>2,065,104</u>
Career and Technical Education - Basic Grants to States	84.048	72327	9,580
Career and Technical Education - Basic Grants to States	84.048	76382	83,140
Total AL 84.048			<u>92,720</u>
Special Education - Grants to States	84.027	74004	426,067
Special Education - Grants to States	84.027	77955	884,946
Special Education - Grants to States (Extended Assessment)	84.027	79932	1,099
Special Education - Grants to States	84.027	75305	8,832
Special Education - Grants to States	84.173	77769	12,017
Total Special Education Cluster (IDEA)			<u>1,332,961</u>
Supporting Effective Instruction - State Grants	84.367	72803	256,585
Total AL 84.367			<u>256,585</u>
Student Support and Academic Enrichment Program	84.424	73000	21,944
Total AL 84.424			<u>21,944</u>
COVID-19 American Rescue Plan -Elementary and Secondary School			
Emergency Relief (ARP ESSER)	84.425U	64871	6,425,944
COVID-19 American Rescue Plan – Elementary and Secondary School			
Emergency Relief –Homeless Children and Youth	84.425W	69338	39,274
Total AL 84.425			<u>6,465,218</u>
Total U.S. Department of Education			<u>10,234,532</u>
U.S. Department of Health and Human Services			
Passed Through Oregon Department of Education:			
Foster Care Title IV-E	93.658	N/A	8,456
Total AL 93.658			<u>8,456</u>
Total Federal Expenditures			<u>\$ 12,447,385</u>
U.S. Department of Agriculture:			
Passed Through Douglas County Management & Finance:			
Schools and Roads - Grants to States	10.665	N/A	\$ 637,330
Total Forest Service Schools and Roads Cluster			<u>637,330</u>

DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024

NOTE A – BASIS OF PRESENTATION

The schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Douglas County District No. 4 (the District) under programs of the federal government for the year ended June 30, 2024. 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 modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE C – FOOD DISTRIBUTION

Nonmonetary assistance is reported in the Schedule at the fair market value of the commodities received and disbursed for the year ended June 30, 2024, the District received food commodities totaling \$196,916.

NOTE D – INDIRECT COST RATE

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

NOTE E – SCHOOLS AND ROADS – GRANTS TO STATES

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

NOTE F – SUBRECIPIENTS

The District did not have any awards that were passed through to subrecipients for the year ended June 30, 2024.

**DOUGLAS COUNTY SCHOOL DISTRICT NO. 4
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2024**

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

1. The auditor’s report expresses an unmodified opinion on the basic financial statements of the District.
2. No significant deficiencies or material weaknesses relating to the audit of the financial statements are reported in the 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*.
3. No instances of noncompliance material to the basic financial statements of the District were disclosed during the audit.

Federal Awards

4. No significant deficiencies or material weaknesses in internal control over major federal programs were disclosed by the audit. The major federal award programs are reported in the Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control over Compliance required by the Uniform Guidance.
5. The Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control over Compliance required by the Uniform Guidance for the major federal award programs for the District expressed an unmodified opinion.
6. Audit findings that are required in accordance with 2 CFR section 200.516(a) are reported in this Schedule.
7. The programs tested as major programs were:

US Department of Education:

IDEA Cluster

AL #84.027 and 84.173

US Department of Agriculture:

Child Nutrition Cluster

AL #10.553, 10.555 and 10.559

6. The threshold for distinguishing Types A and B Programs was \$750,000.
7. The district did qualify as a low-risk auditee under the criteria specified in the Uniform Guidance.

SECTION II – FINANCIAL STATEMENT FINDINGS

None

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None