

# ANNUAL Comprehensive **FINANCIAL** **REPORT** *Fiscal Year Ending June 30, 2024*



**Tigard-Tualatin School District 23J**

**Washington County Tigard • Oregon**

Tigard-Tualatin School District 23J  
Washington County, Tigard, Oregon

Annual Comprehensive Financial Report  
For the fiscal year ended  
June 30, 2024

Prepared by:  
Office of Budget and Finance

Tigard-Tualatin School District 23J  
Washington County, Tigard, Oregon  
Annual Comprehensive Financial Report  
Fiscal Year Ended June 30, 2024

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# INTRODUCTORY SECTION



December 20, 2024

To the Board of Directors and Residents of  
Tigard-Tualatin School District 23J  
Tigard, Oregon

Oregon Municipal Audit Law requires that an independent audit be made of all district funds within six months following the close of the fiscal year. Pursuant to this requirement, the Annual Comprehensive Financial Report of Tigard-Tualatin School District 23J, Washington County, Oregon (the District), for the fiscal year ended June 30, 2024, is hereby submitted.

The District's Office of Budget and Finance prepared this Annual Comprehensive Financial Report. Management assumes full responsibility for the completeness and reliability of all the information presented in this report based on a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Tigard-Tualatin School District 23J financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable assurance that the financial statements will be free from material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

#### INDEPENDENT AUDIT

The District's financial statements have been audited by the firm of Pauly Rogers and Co., P.C., of Tigard, Oregon, a firm of licensed certified public accountants. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Tigard-Tualatin School District 23J's financial statements for the fiscal year ended June 30, 2024, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Tigard-Tualatin School District 23J was part of a broader, federally mandated "Single Audit" designed to meet the special needs of Federal grantor agencies. The standards governing single audit engagements require the independent auditor to report not only on the fair presentation of the financial statements but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of Federal awards. The results of the District's single audit for the fiscal year ended June 30, 2024, provide no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

## THE DISTRICT

Tigard-Tualatin School District 23J is the 9th largest school district based on enrollment in Oregon and the 5th largest in the Portland metropolitan area. The District includes 2 comprehensive high schools, a community high school, 3 middle schools, 11 elementary schools, a 6-12 virtual academy, and a District-sponsored charter school. The District serves the communities of Durham, Metzger, King City, and Bull Mountain, as well as Tigard and Tualatin.

The District includes approximately 34 square miles in Washington and Clackamas counties, comprising the southwestern portions of the Portland Metropolitan Area, and has an estimated population of approximately 93,000. The District has grown from five schools serving 4,654 students in 1969 to 18 schools, and a District-sponsored charter school, serving approximately 11,400 students, although this number is down from the pre-pandemic number of 12,400. State law requires the District to distribute 80% of State School Fund Grant money paid for the charter school students to the charter school. The charter school also raises funds from families and other fundraising activities. The charter school is not a component unit of the District under GASB 61.

A five-member Board of Directors, elected to four-year overlapping terms by the voters residing within district boundaries, governs the Tigard-Tualatin School District 23J. The duties of the Board include setting policy, reviewing expenditures, appointing the Superintendent, and hiring, terminating, and approving resignations of all certified and administrative staff members. The Board also constitutes one-half of and appoints the five citizen members of the Budget Committee.

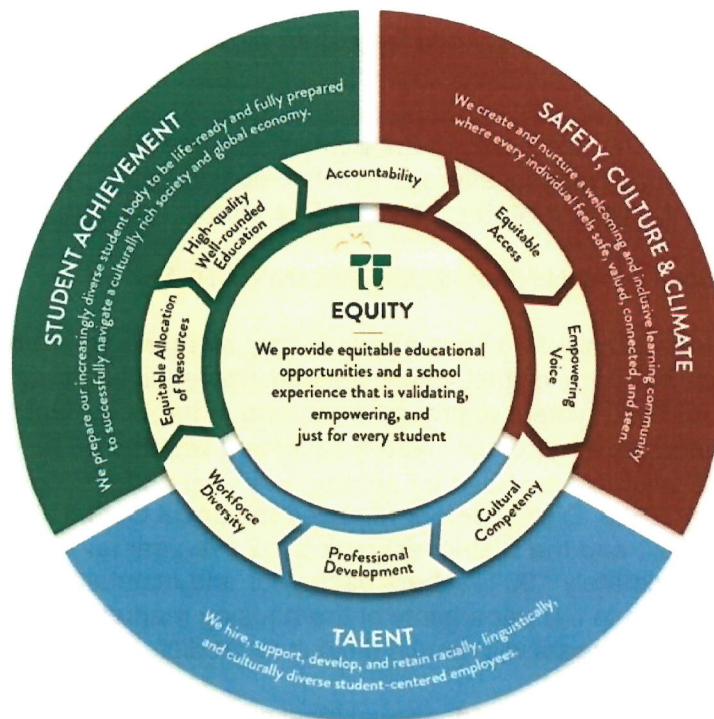
The Board of Directors appointed Financial Oversight Committee conducts an annual review of the District's system of internal controls and any recommendations or findings that result from the District's annual financial audit. The committee is advisory to the Board of Directors. The committee is comprised of five members; two from the Board and three from the community-at-large.

The Tigard-Tualatin School District Board of Directors has adopted the 2022-2027 Strategic Plan following an extensive community engagement process that began in early 2022. The Strategic Plan was implemented in 2022-23 and centers on Equity and the following core Operational Values:

- Equitable allocation of resources supported by the Strategic Financial Plan 2022-2027
- Fiscal transparency
- Maintaining the public's trust
- Effective and efficient operations
- Clean and safe facilities

The Plan goals are illustrated in the graphic below.





In 2023-24, approximately 2,765 community members volunteered an estimated 45,005 hours in the District. These volunteers include parents who serve on school site councils and PSO boards; retirees who volunteer to listen to students read; businesses who share their knowledge and provide job sites for high school students; and community members who serve on District committees.

## LOCAL ECONOMY

The Tigard-Tualatin School District 23J is located in northwestern Oregon in Washington and Clackamas counties. Washington and Clackamas counties are part of the Portland-Vancouver-Hillsboro OR-WA Metropolitan Statistical Area (MSA). The metropolitan Portland-Vancouver area includes five of Oregon's thirty-six counties: Clackamas, Columbia, Multnomah, Washington, Yamhill, and Clark and Skamania Counties in the state of Washington. According to the US Census Bureau, Multnomah and Washington counties together include a third of the State of Oregon's population. Economic and demographic data is not available specifically for the District; however, the data is generally available for Washington County and the MSA.

Washington County's economic base has traditionally been centered in agriculture, lumber, manufacturing, food processing, and electronics. The early economy of the Washington County area grew as a result of fertile agricultural and timberlands and its access to the Willamette and Columbia rivers. The County's developed regions are home to traditional suburban and new mixed-use neighborhoods, electronic leaders such as Intel, Lam Research, and Tektronix, and world headquarters for both Nike and Columbia Sportswear. Despite its rapid development, the county still contains prime agricultural land and a strong agricultural economy with nurseries, wineries, and other farm and forest enterprises. More than 75 percent of the County's agricultural and forestlands have been preserved through careful land-use management of residential and industrial growth. Washington County covers 727 square miles, includes a population of 598,865 in unincorporated areas and 16 incorporated cities, such as Beaverton, Hillsboro, Tigard, and Tualatin, as well as a portion of the City of Portland, as reported by the U.S. Census Bureau as of July 1, 2023.

Tigard-Tualatin School District is the second largest employer within the school district's boundaries. The non-seasonally adjusted unemployment rate for Washington County on June 30, 2024, was 3.5 percent compared to 3.3 percent on June 30, 2023, and the Oregon rate was 3.9 percent on June 30, 2024, compared to 3.7 percent on June 30, 2023. These slight year-to-year increases are below the national average which is considered a generally historically low unemployment rate per the United States Council of Economic Advisors.

## LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

The Tigard-Tualatin School District 23J has a long history of strong voter and community support. During the last 36 years, district voters have approved all but three school tax measures. In November 2008, voters approved a renewal of the Local Option Tax of \$1.00 per \$1,000 of assessed valuation for another 5 years beginning with the 2010-11 fiscal year. In November of 2014, the levy was renewed for another five years beginning with the 2015-16 fiscal year. In November 2018, District voters renewed the Local Option Tax for another five years beginning in 2020-21 and the District estimated the five-year levy would raise \$50 million to continue paying approximately 100 teachers each year and maintaining classroom programs under the expiring levy. Due to the uncertainty of the housing market and property values, the level of this revenue in future years will remain difficult to predict.

Since the most recent levy was approved, annual local option levy collections have exceeded estimates with the District on pace to meet or exceed the five-year estimate. Collections for the last five year as follows:

<b>Fiscal Year</b>	<b>Local Option Levy Collections</b>
2020-21	\$10.1 million
2021-22	\$10.6 million
2022-23	\$11.4 million
2023-24	\$12.0 million
Budgeted 2024-25	\$12.3 million

For the 2023-25 biennium, the legislature allocated a State School Fund amount of \$10.2 billion. This amount was not sufficient to cover the District's current service level needs in the current biennium, partly due to the inadequate level of funding and partly due to enrollment loss. In both the 2022-23 and 2023-24 fiscal years, the District drew down reserves in the amounts of \$7.8 million and \$3.8 million respectively. For 2023-24, the District expended approximately \$10.9 million from the Student Investment Account (SIA) allocation on class size reduction, student health and safety, and ongoing community engagement.

During 2023-24, Tigard Tualatin School District also expended approximately \$6.0 million in federal emergency COVID relief grants through the CARES and ARPA acts for educational, operational, and childcare needs. The 2023-24 school year was the last year in which funds from either CARES or ARPA were accessed.

In addition to the implementation of the new Strategic Plan in 2022-23, the District's Board adopted a new version of the District's Strategic Financial Plan in June 2023. The Strategic Financial Plan documents the strategic investments that support the goals of the Strategic Plan and links the annual budget to the Strategic Plan.

In November 2016, district voters approved a bond issue in the amount of \$291.3 million to build, renovate, and improve school facilities and provide technology and curriculum. The District issued the first set of authorized bonds in April 2017 in the amount of \$200,955,000. Premium of \$31 million was also realized on the bond sale and total proceeds net of bond issuance costs were \$231.6 million. The next series of authorized bonds were issued in June 2019 in the amount of \$90.36 million. An additional premium of \$21.9 million was realized on the second issue. Construction began on bond projects in the spring of 2017 and will continue through 2025 including the completion of a new elementary school, which opened in the fall of 2023. During 2023-24, the District refunded a portion of the 2017 bond issuance. Bonds issued in the amount of \$3.7 million refunded \$3.5 million. The District will save approximately \$2 million as a result of the acceleration of debt service.

## RELEVANT FISCAL POLICIES

### Budgetary Controls

The District annually prepares a budget in accordance with requirements prescribed in the Oregon Revised Statutes. The objective of the District's budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the District's Board of Directors. Activities of all funds are included in the annual appropriated budget.

A summary of the approved budget, together with a notice of public hearing, is published in a newspaper with general circulation in the district. A public hearing is held to receive comments from the public concerning the approved budget. The Board of Directors adopts the budget, makes the appropriations, and levies taxes after the public hearing and before the beginning of the year for which the budget has been prepared.

The objective of the budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget adopted by the District's Board of Directors. Activities of the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Fund are included in the annual appropriated budget. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount), is established by a major program category within an individual fund. Transfers of appropriations between budget categories must be authorized by resolution of the Board of Directors.

As demonstrated by the statements and schedules included in the Financial Section of this report, the District continues to meet its responsibility for sound financial management.

### Financial Reporting

The financial statements of the District are prepared in accordance with generally accepted accounting principles (GAAP) of the United States of America. In addition to presenting the financial position, results of operations, and changes in the financial position of the District's funds, the financial statement reconciles differences in reporting activities between the budgetary basis as presented in the annual approved budget and the basis according to GAAP.

### Accounting System

The financial transactions for governmental and fiduciary fund types are recorded on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded in the accounting period in which they become measurable and available, and expenditures are recorded when liabilities are incurred. However, debt service expenditures, as

well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

The proprietary fund is an internal service fund for unemployment, copier replacement, replacement of student devices, and equipment loss under the District's insurance deductible.

The fiduciary funds consist of a fiduciary trust fund for an endowed scholarship. Under the GASB 34 accrual basis of accounting, revenues are recorded at the time they are earned and expenses are recorded at the time liabilities are incurred.

The accrual and modified accrual basis of accounting as utilized by Tigard-Tualatin School District 23J are in accordance with generally accepted accounting principles of the United States of America.

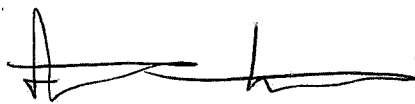
## AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Tigard-Tualatin School District 23J for its Annual Comprehensive Financial Report for the year ended June 30, 2023. This was the 36th consecutive year that the District has received this prestigious award. In order to be awarded a Certificate of Achievement, the District must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles of the United States of America and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements, and we will be submitting it to GFOA to determine its eligibility for another certificate.

## ACKNOWLEDGMENTS

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Office of Budget and Finance. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Board of Directors for their unfailing support for maintaining the highest standards of professionalism in the management of the Tigard-Tualatin School District 23J's finances.

Respectfully submitted,



Dr. Iton Udosenata  
Superintendent



Jessica Seay  
Chief Financial Officer



Sarah Mehrabzadeh  
Controller



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Tigard-Tualatin School District 23J  
Oregon**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

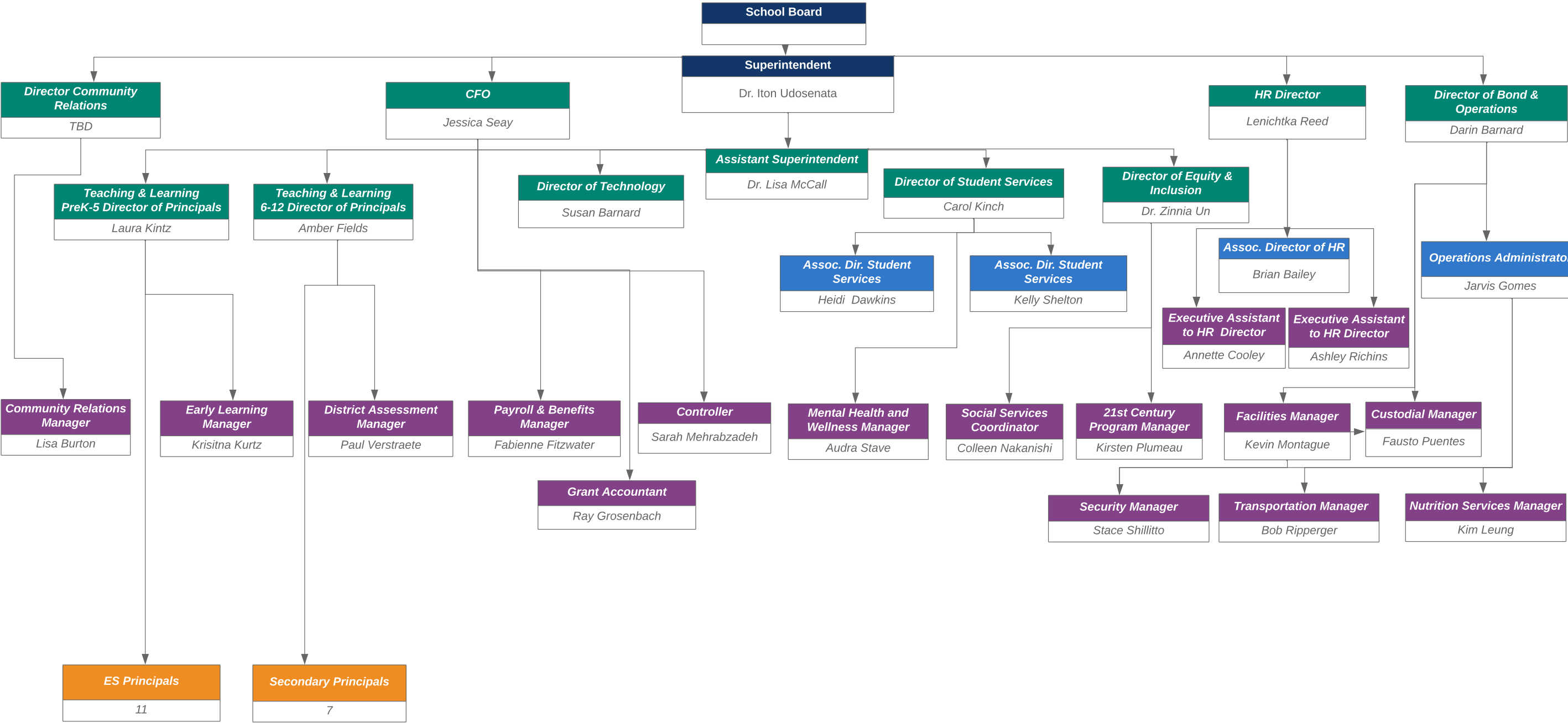
June 30, 2023

*Christopher P. Morill*

Executive Director/CEO

TTSD Organizational Chart 24-25

July 29, 2024



Tigard-Tualatin School District 23J  
List of Elected and Appointed Officials

Elected Officials as of June 30, 2024

<u>Name</u>	<u>Term Expires</u>
David Jaimes	June 30, 2025
Kristin Miles	June 30, 2027
Tristin Irvin	June 30, 2025
Jill Zurschmeide	June 30, 2027
Crystal Weston	June 30, 2025

Appointed Officials

Susan R. Rieke-Smith, Ed.D., Superintendent/Clerk  
David C. Moore, Chief Financial Officer/Deputy Clerk  
Miller Nash, Legal Counsel  
Hawkins, Delafield & Wood, Bond Counsel

# FINANCIAL SECTION



# Independent Auditors' Report



**PAULY, ROGERS, AND CO., P.C.**  
12700 SW 72<sup>nd</sup> Ave. Tigard, OR 97223  
(503) 620-2632 (503) 684-7523 FAX  
[www.paulyrogersandcpcpas.com](http://www.paulyrogersandcpcpas.com)

December 20, 2024

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Tigard-Tualatin School District No. 23J  
Washington County, Oregon

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tigard-Tualatin School District No. 23J, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Tigard-Tualatin School District No. 23J, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Tigard-Tualatin School District No. 23J 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Tigard-Tualatin School District No. 23J's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Tigard-Tualatin School District No. 23J'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 Tigard-Tualatin School District No. 23J'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 and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

## Supplementary Information

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

## Other Information

Management is responsible for the other information included in the annual report. The other information comprises the other information, as listed in the table of contents, and the introductory, statistical, and compliance and other report sections as listed in the table of contents, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

## Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2024 on our consideration of the internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 20, 2024, on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



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

# Management's Discussion and Analysis

**Tigard-Tualatin School District 23J**  
**Management's Discussion and Analysis**  
**June 30, 2024**

As managers of the Tigard-Tualatin School District 23J ("District"), we offer readers of the District's financial statements this narrative discussion and analysis of the financial activities of the District for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with the letter of transmittal, which can be found on pages 1-6 of this report.

### **Financial Highlights**

- Projects specified in the 2017 voter approved general obligation bonds are in progress and the remaining projects will be finished over the next year. Buildings and improvements totaling \$1.381 million, land improvements totaling \$485 thousand, and equipment additions totaling \$5.824 million were completed during the fiscal year ending June 30, 2024 including district wide security software upgrades, heating, ventilation and air conditioning upgrades and improvements at multiple sites, and solar panel installation at Tualatin High School. Construction in progress of \$71.12 million primarily consists of work completed to date on the new elementary school, boiler replacements at four locations and a roof replacement at an elementary school.
- The assets and deferred outflows of resources of the Tigard-Tualatin School District 23J exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$68.33 million. This is an increase of \$5.33 million from the prior year.
- At the end of the fiscal year, the ending fund balance in the general fund was \$17.9 million or 10.8 percent of total general fund expenditures. The ending fund balance declined \$4.13 million from the prior year as current year spending continues to outpace current year revenue.
- The District's governmental funds report a combined ending fund balances of \$61 million, a decrease of \$17 million from the prior year. The primary reasons for this decrease include the decline of general fund reserves addressed above and the drawdown of bond funds for construction projects.
- Cash and investments available in governmental funds decreased by \$18.1 million during the year.
- The District's total long-term debt decreased by \$16.8 million due to the payment on debt and amortization of bond premiums and discounts.
- The District's enrollment totaled 11,402 as of June 30, 2023 which was less than the prior year's enrollment of 11,518. The decrease correlates to a decrease in State revenue.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements 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.

The *statement of net position* presents financial information on all of the District's assets, liabilities, and deferred inflow/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how the District's net position changed during the most recent fiscal year. 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 for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

In the government-wide financial statements, the District's basic activities are combined. Those basic activities include regular and special education, child nutrition services, student transportation, administration, and facilities acquisition and construction. These activities are primarily financed through Oregon's State School Fund, property taxes, and other intergovernmental revenues. Fiduciary funds are not included in the statements of net position or the statement of activities but are reported separately in the basic financial statements.

The government-wide financial statements can be found on pages 27 and 28 of this report.

**Fund Financial Statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that are segregated for specific activities or objectives. The Tigard-Tualatin School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the District's funds, with the exception of the fiduciary fund (the scholarship fund), and the proprietary fund (the self-insurance fund), are governmental funds.

**Governmental Funds.** *Governmental funds* are used to account for the same functions (Instruction, Support Services, Enterprise and Community Services, Interest on Long-Term Liabilities) reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the 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. The information provided by the fund financial statements might be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, the general obligation debt service fund, the full faith and credit debt service fund, the PERS UAL debt service fund, the capital projects fund, and the special revenue fund. All District funds are considered to be major funds.

The District adopts an annual appropriated budget for all the funds. The budgetary comparison statements demonstrate compliance with the appropriated budgets. The budgetary comparison statements for the general fund and special revenue fund are a part of the required supplemental information. The budgetary comparison statement for the general obligation debt service fund, the full faith and credit debt service fund, the PERS UAL debt service fund, and the capital projects fund can be found in the supplemental information budgetary comparisons section.

The basic governmental fund financial statements can be found on pages 29 through 32 of this report.

**Proprietary Fund.** The *self-insurance reserve fund* is used to account for the District's unemployment costs and the replacement of equipment not covered by the District's insurance deductible. Because this fund provides services that benefit governmental rather than business type activities, it has been included within *governmental activities* in the government-wide financial statements. Proprietary fund statements provide the same type of information as the government-wide statements, only in more detail.

The basic proprietary fund financial statements can be found on pages 33 through 35 of this report.

**Fiduciary Fund.** The *fiduciary fund* is used to account for resources held for the benefit of parties outside the District. Fiduciary Funds are not reported in the government-wide financial statements because those funds are not available to support the District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The fiduciary fund accounts for scholarship resources held by the District for use by the students awarded scholarships for college.

The fiduciary fund financial statements can be found on page 36 of this report.

**Notes to Basic Financial Statements.** The notes provide additional information that is necessary for a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 38 through 78 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the District's progress in funding its Other Postemployment Benefits (OPEB) to employees. Required supplementary information can be found on pages 81 through 85 of this report. Individual fund statements can be found on pages 87 through 94 of this report.

## Government-Wide Financial Analysis

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. In the case of Tigard-Tualatin School District 23J, assets and deferred outflows exceeded liabilities and deferred inflows by \$68,332,109 at the close of the most recent fiscal year.

### Tigard-Tualatin School District 23J's Net Position

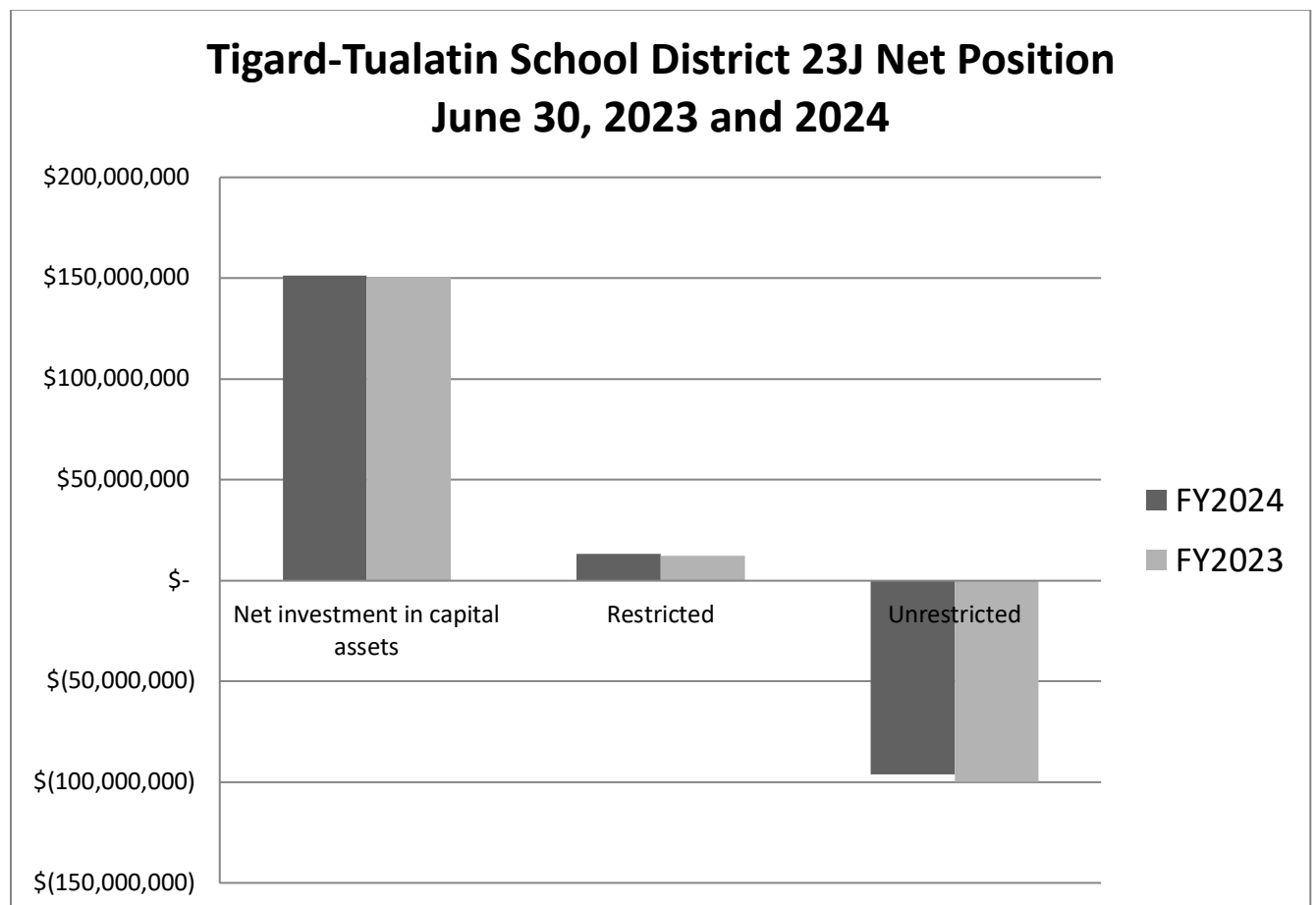
	Governmental Activities		Change
	FY2024	FY2023	
Current and other assets	\$ 93,261,029	\$ 108,375,522	\$ (15,114,493)
Capital assets, net of depreciation and amortization	424,367,317	422,739,464	1,627,853
Total assets	517,628,346	531,114,986	(13,486,640)
Deferred outflows of resources	52,030,223	51,609,999	420,224
Long term liabilities	315,197,845	331,978,515	(16,780,670)
Other liabilities	165,941,683	145,313,746	20,627,937
Total liabilities	481,139,528	477,292,261	3,847,267
Deferred inflows of resources	20,186,932	42,431,150	(22,244,218)
Net position			
Net investment in capital assets	151,208,273	150,328,122	880,151
Restricted	13,189,692	12,355,757	833,935
Unrestricted	(96,065,856)	(99,682,305)	3,616,449
Total net position	\$ 68,332,109	\$ 63,001,574	\$ 5,330,535



Net investment in capital assets, which consist of the District's, land, buildings, building improvements, construction in progress, vehicles and equipment, intangible leased assets, and intangible subscription assets less long-term debt attributed to investment in capital assets, exceeds the District's net position by 221.3 percent. The District uses these capital assets to provide education to students and services to the community. Accordingly, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay the debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position, 19.3 percent, represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$(96,065,856) is unrestricted and is a negative balance due to the District's implementation of Government Accounting Standards Board (GASB) Statement 68 - *Accounting and Financial Reporting for Pensions* and GASB Statement 75 - *Accounting for Financial Reporting for Postemployment Benefits other than Pensions*. The balance shown for the District's net position is required for quantifying the pension liability that has always existed but has not been reported until Statement 68 was implemented in the fiscal year ending June 30, 2015 and Statement 75 was implemented in the fiscal year ending June 30, 2018.

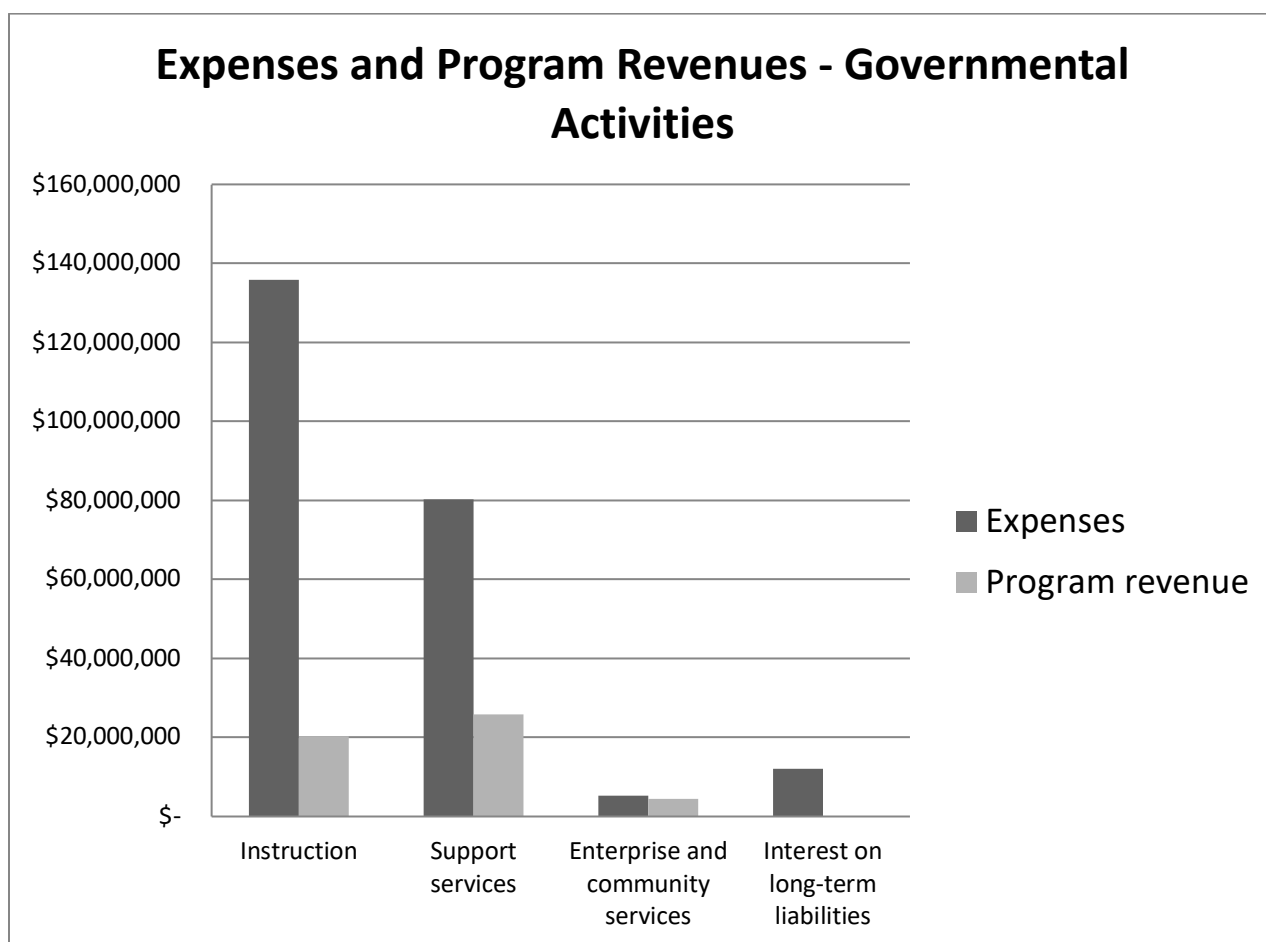
At the end of the current fiscal year, the District is unable to report positive balance in all reported categories of net position, both for the government as a whole, as well as for its separate governmental activities. The District was last able to report a positive balance for all reported categories of net position in the fiscal year ending June 30, 2014.



**Governmental Activities.** During the current fiscal year, net position for governmental activities increased by \$5,330,535 for an ending balance of \$68,332,109. Total expenses increased by \$10.2 million in instruction and support services, while program revenues increased by only \$460 thousand and general revenues by only \$8.6 million.

### **Tigard-Tualatin School District 23J's Changes in Net Position**

	Governmental Activities		
	FY2024	FY2023	Change
Revenues:			
Program revenues:			
Charges for services	\$ 2,623,959	\$ 2,695,681	\$ (71,722)
Operating and grants contributions	48,056,954	47,386,372	670,582
Capital grants and contributions	-	138,679	(138,679)
General revenues:			
Property taxes	102,561,503	98,363,438	4,198,065
Federal aid not restricted to specific purpose	22,944	1,973	20,971
Intermediate aid not restricted to specific purpose	1,413,183	2,350,381	(937,198)
State aid not restricted to specific purpose	72,725,303	67,517,400	5,207,903
Earnings on investments	4,918,006	4,601,859	316,147
Construction excise tax	1,587,985	879,607	708,378
Other local revenue	4,896,939	5,795,794	(898,855)
Total revenues	<u>238,806,776</u>	<u>229,731,184</u>	<u>9,075,592</u>
Expenses:			
Instruction	135,891,130	130,152,230	5,738,900
Support services	80,248,648	75,805,186	4,443,462
Enterprise and community services	5,340,646	5,407,122	(66,476)
Interest on long-term liabilities	11,995,817	12,297,233	(301,416)
Total expenses	<u>233,476,241</u>	<u>223,661,771</u>	<u>9,814,470</u>
Change in net position	5,330,535	6,069,413	(738,878)
Net position - beginning	<u>63,001,574</u>	<u>56,932,161</u>	<u>6,069,413</u>
Net position - ending	<u>\$ 68,332,109</u>	<u>\$ 63,001,574</u>	<u>\$ 5,330,535</u>



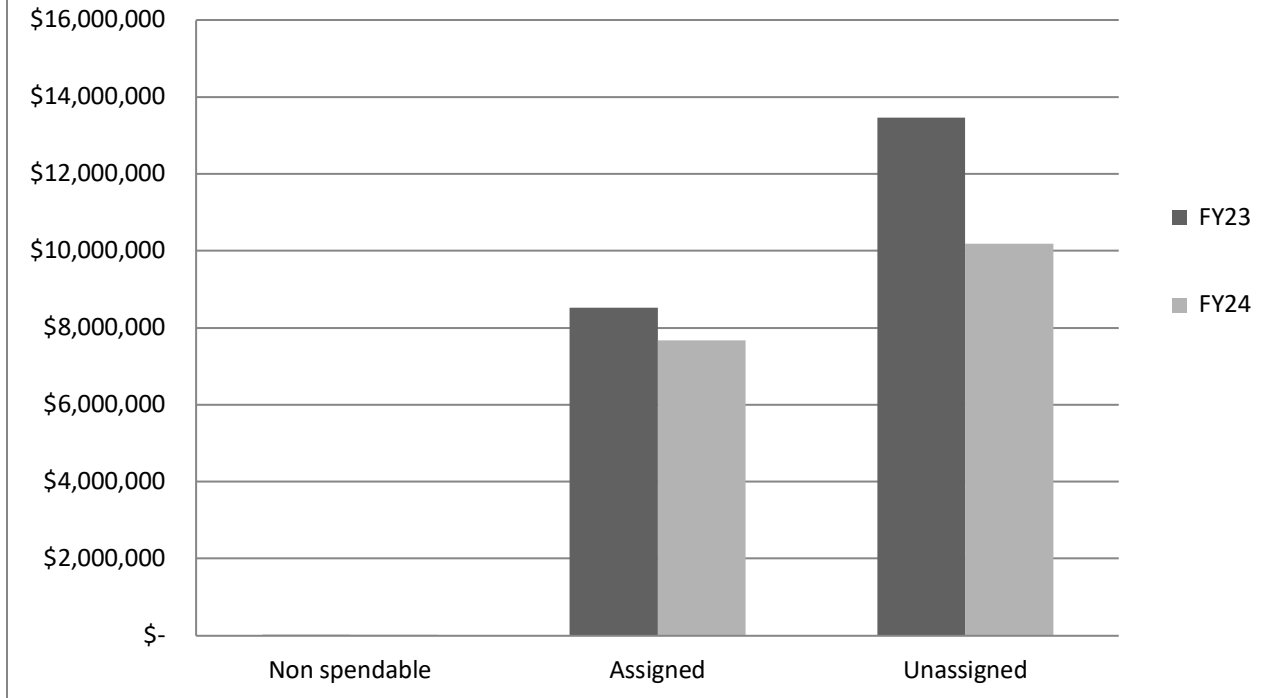
## Financial Analysis of the District's Funds

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

**Governmental Funds.** The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as it represents a portion of the fund balance which has not been limited to use for a particular purpose by either external party, the District's School Board, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the District's School Board.

At June 30, 2024, the District's governmental funds reported combined ending fund balances of \$60,814,362, a decrease of \$17,183,669 from the prior year. Approximately 16.43 percent or \$9,990,769 is *unassigned fund balance*, which is available for spending at the district's discretion. The remainder of the fund balance is either, *nonspendable*, *restricted*, *committed*, or *assigned* to indicate that it is 1) not in spendable form (\$241,334), 2) restricted for particular purposes (\$36,291,657), 3) committed for particular purposes, (\$6,617,391), or 4) assigned for particular purposes (\$7,673,211), respectively. Assigned fund balance represents the portion of the reserves budgeted in the fiscal year ending June 30, 2025.

## General Fund Components of Fund Balance June 30, 2023 and 2024



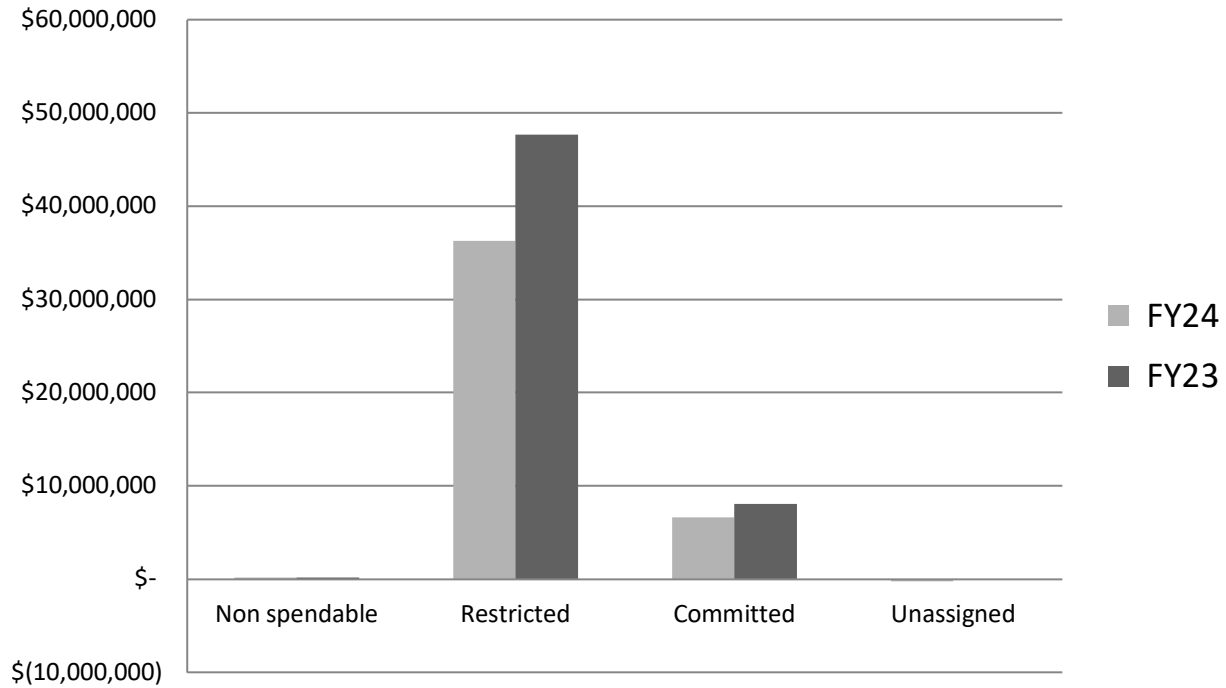
The *general fund* is the chief operating fund of the District. At the end of the current fiscal year, the general fund total fund balance was \$17,898,108 with \$7,673,211 assigned to limit future budget reductions, \$31,025 in prepaid items which is categorized as non-spendable, and \$10,193,872 which is unassigned. As a measure of the fund's liquidity, it may be useful to compare both unassigned fund balance and the total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 6.0 percent of the total general fund expenditures, while total fund balance represents approximately 10.6 percent of that same amount.

The \$17.9 million fund balance of the District's general fund was a decrease of \$4.1 million from the prior year as current year expenditures continue to outpace current year revenue, which is impacted by the decline of student enrollment.

The *capital projects* fund had a \$12.1 million decrease during the current fiscal year for an overall fund balance of \$29.4 million. Funds used for capital projects were restricted to bond projects, committed land sales funds and assigned Construction Excise Tax revenue. Major projects were related to the 2017 general obligation bond projects. The District will continue to use Construction Excise Tax funds for major repairs that were not considered in the bond projects. The final approved general obligation bonded debt was issued in June 2019.

The District has three debt service funds as Oregon Local Budget Law requires separate appropriation for each fund. The *general obligation debt service fund* had an increase in fund balance of \$349,537 for a total ending fund balance of \$880,711. The majority of taxes levied for this debt are received in November and the payments are structured so that funds are not required until tax levies are received by the District. The *full faith and credit debt service fund* had an increase in fund balance of \$543,768 for a total ending fund balance of \$871,050. Balances in this fund represent timing differences of the revenue resources and the related debt payments. The *PERS UAL debt service fund* had an increase in fund balance of \$58,210 for a total ending fund balance of \$136,012. The activity in this account is controlled by the bond paying agent. The District's state school fund grant payment is reduced by the amount due on this bond. Any difference is due to the estimate of interest income that is earned on the investment account.

## Other Governmental Funds Components of Fund Balance June 30, 2023 and 2024



The *special revenue fund* balance had a \$2.0 million decrease for an ending fund balance of \$11.6 million. This represents expenditure of one-time funds that were either restricted or committed to specific purposes. One-time funds were drawn down in the private grant fund, the donation fund, the transportation equipment fund, and the scrip services fund. Also, within the special revenue fund are restricted federal and state grant funds that are received on a reimbursement basis and funds committed to future early retirement expenditures.

**Proprietary Fund.** The District's proprietary funds provide the same type of information found in the government-wide statements, but in more detail. The unrestricted net position of the self-insurance reserve fund was \$3,617,419, which was an increase of \$66,410.

### General Fund Budgetary Highlights

There were no supplemental budgets necessary during the fiscal year, but the Board did approve a \$1.3 million appropriation transfer from Contingency to Instruction, Support and Enterprise & Community Services appropriation categories.

**Final budget compared to actual results.** Tax collections for the local option tax levy totaled \$12.08 million for the year and exceeded budgetary expectations by \$308,012. The local option levy is dependent on property values and remains difficult to estimate. Total revenue received under the State School Fund Formula exceeded the total amount budgeted by \$3.7 million due in large part to an increase in the Statewide K-12 allocation to \$10.2 billion after the District's budget was adopted (the District's budget assumed a K-12 allocation of \$9.9 billion). The State's High Cost Disability Grant was approximately \$1 million less than the amount budgeted. The final closeout of the 2023-24 State School Fund grant will occur in May 2025, which may affect revenue for the fiscal year ending June 30, 2025. Expenditures, after the appropriation resolution were less than

## Capital Asset and Debt Administration

**Capital assets.** The District's investment in capital assets includes land, buildings and improvements, site improvements, vehicles and equipment, intangible leased assets, intangible subscription assets, and construction in progress. As of June 30, 2024, the District's investment in capital assets totaled \$424,367,317, net of accumulated depreciation and amortization. The total increase in capital assets for the current fiscal year was approximately .39 percent.

### Tigard-Tualatin School District 23J's Capital Assets

(net of depreciation and amortization)

#### Capital Assets Net of Depreciation and Amortization

	FY2024	FY2023	Change
Land and construction in progress	\$ 91,824,780	\$ 84,090,139	\$ 7,734,641
Land improvements	7,071,368	7,247,239	(175,871)
Buildings and improvements	307,007,404	314,839,999	(7,832,595)
Vehicles and equipment	16,639,234	15,363,506	1,275,728
Intangible leased assets	455,184	299,486	155,698
Intangible subscription assets	1,369,347	899,095	470,252
	<u>\$ 424,367,317</u>	<u>\$ 422,739,464</u>	<u>\$ 1,627,853</u>

Major capital asset projects during the current fiscal year included the following completed projects:

- District Wide Security Software Upgrades
- Heating, Ventilation and Air Conditioning (HVAC) Improvements at Templeton Elementary, Fowler Middle School, Hazelbrook Middle School, and Tualatin High School
- Solar Panel Installation at Tualatin High School

Construction in progress relates to projects funded with the April 2017 bond and primarily consists of work to date on Art Rutkin Elementary School, boiler replacement at Bridgeport Elementary, Byrom Elementary, Hazelbrook Middle School and Tualatin High School, as well as roof replacement at Alberta Rider Elementary.

Additional information on the District's capital assets can be found in Note III. D. on page 51 in this report.

### Tigard-Tualatin School District 23J's Outstanding Debt

#### Outstanding Debt

	FY2024	FY2023	Change
Bonds	\$ 281,810,000	\$ 295,924,280	\$ (14,114,280)
Leases	457,486	304,332	153,154
Subscriptions	1,299,531	855,786	443,745
Issuance premiums and discounts	31,630,828	34,894,117	(3,263,289)
	<u>\$ 315,197,845</u>	<u>\$ 331,978,515</u>	<u>\$ (16,780,670)</u>

The District's total debt decreased by \$16,780,670 (5.05 percent) during the current fiscal year. The reason for this decrease is the payment of principal due and amortization of bond premiums and discounts.

Moody's Investors Service has assigned an underlying rating of Aa2 for the District's general obligation bonds issued in April, 2017 and June 2019. Moody's also assigned the 2017 and 2019 bonds an enhancement rating of Aa1 under the Oregon School Bond Guaranty Program. S&P Global Ratings has assigned an underlying rating of AA for the general obligation bonds issued in April 2017 and June 2019

and a long-term rating of AA+ for the bonds due to the District's participation in the Oregon School Bond Guaranty Program.

Moody's downgraded the District's rating to Aa3 with a Negative Outlook in October 2024 citing use of fund balance and declining enrollment as factors considered. The current debt limitation for the District is \$2.17 billion, which is significantly more than the District's outstanding general obligation debt. Detailed information on long-term debt activity may be found in Note III. O on pages 69 through 74 in the notes to basic financial statements.

## **Economic Factors and Next Year's Budget**

- The State School Fund allocation is \$10.2 billion in the current 2023-2025 biennium, which means a State School Fund Grant of approximately \$11,100 per student for the District for the fiscal year ending June 30, 2025. Although this is a significant increase from the \$9.3 billion allocated for the 2021-2023 biennium, it still does not meet the amount required for the District's current service level of expenditures. In 2024-25, the District has also been allocated approximately \$11.5 million from the Student Investment Account under the 2019 Student Success Act legislation, an increase from the \$11 million allocation in the fiscal year ending June 30, 2024. This increase is the result of the continued growth in the state's Corporate Activity Tax, the revenue source for the Student Investment Account.
- Collective bargaining agreements for licensed employees expired on June 30, 2024. A two-year agreement is tentatively approved subject to ratification by the Association representing licensed employees and approval by the Board of Directors. Agreements with administrators and managerial/confidential employees expired June 30, 2024 and will be negotiated during second half of the fiscal year ending June 30, 2025.
- The student enrollment in the fall of 2024 was 11,118, down from 11,267 in the prior fall. The District's demographer forecasts enrollment will further decline next fall to 11,025. This number will be the base number used for revenue and staffing projections in the 2025-26 budget. All of these numbers are down from a pre-pandemic student enrollment of approximately 12,300.
- District voters renewed a five-year local option tax levy in November 2024 which is effective beginning with the fiscal year ending June 30, 2026.
- The District continues to monitor quarterly Oregon economic forecasts since the State budget is largely dependent on State income taxes and other resources discussed above. The most recent forecast shows that a \$1.79 billion corporate tax kicker is already projected for the 2023-2025 biennium, which benefits the state's Educational Stability Fund. State unemployment rates continue to stabilize and economists indicate recession risk is "low".
- The State Legislature will convene for a long legislative session in January 2025. In December 2024, Governor Kotek released her budget with a recommended allocation of \$11.36 billion to K-12 education. This amount reflects a 10.7% increase from the prior biennium budget of \$10.2 billion.
- The current PERS employer contribution rates are in effect through June 30, 2025. The PERS Tier I and Tier II rate is 23.69 percent and the PERS OPSRP rates is 20.85 percent. Final rates for the 2025-2027 biennium have been released and include a 3.64 percent for Tier I/II (27.33 percent) and 3.3 percent (24.15 percent) for OPSRP.

## **Requests for Information**

This financial report is designed to present the users, citizens, taxpayers, investors, and creditors, with a general overview of the Tigard-Tualatin School 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 Chief Financial Officer at 6960 SW Sandburg Street, Tigard, Oregon 97223.

# Basic Financial Statements



# TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON

## Statement of Net Position

June 30, 2024

	Governmental Activities
<b>Assets:</b>	
Equity in pooled cash and investments	\$ 72,454,688
Cash and investments	1,619,470
Receivables:	
Property taxes	1,699,899
Accounts and other receivables	9,728,135
Leases	4,416,973
Interest	142,081
Prepaid items	31,025
Inventory	210,309
Proportionate share of net OPEB asset (RHIA)	2,958,449
Capital assets, net of depreciation and amortization	
Land and construction in progress	91,824,780
Land improvements	7,071,368
Buildings and improvements	307,007,404
Vehicles and equipment	16,639,234
Lease right to use assets	455,184
Subscription right to use assets	1,369,347
<b>Total Assets</b>	<b>517,628,346</b>
<b>Deferred Outflows of Resources:</b>	
Deferred outflows related to PERS pension liability	49,096,294
Deferred outflows related to RHIA OPEB asset	42,695
Deferred outflows related to OPEB health insurance liability	2,842,932
Deferred charge on refunding	48,302
<b>Total Deferred Outflows of Resources</b>	<b>52,030,223</b>
<b>Liabilities:</b>	
Accounts payable	4,213,609
Accrued payroll and related charges	13,969,909
Accrued interest	593,546
Unearned revenue	1,374,205
Accrued compensated absences	736,270
Non current liabilities:	
Long-term obligations	
Due within 1 year	15,811,481
Due in more than 1 year	299,386,364
Other non current liabilities due in more than one year	
Total District stipend pension liability	465,193
Total OPEB liability	5,993,470
Proportionate share of net PERS pension liability	138,595,481
<b>Total Liabilities</b>	<b>481,139,528</b>
<b>Deferred Inflow of Resources:</b>	
Deferred inflows related to PERS pension liability	14,731,613
Deferred inflows related to RHIA OPEB asset	390,189
Deferred inflows related to OPEB health insurance liability	878,648
Deferred inflows related to lease receivables	4,186,482
<b>Total Deferred Inflows of Resources</b>	<b>20,186,932</b>
<b>Net Position</b>	
Net investment in capital assets	151,208,273
Restricted for:	
Debt service	1,887,773
Other purposes:	
State, county, private grants	6,724,000
Student body activities	1,619,470
OPEB RHIA Asset	2,958,449
Unrestricted	(96,065,856)
<b>Total Net Position</b>	<b>\$ 68,332,109</b>

# TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON

## Statement of Activities

Year Ended June 30, 2024

Functions	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
					Governmental Activities
Governmental Activities					
Instruction					
Regular instruction	\$ 96,841,302	\$ 200,464	\$ 6,126,039	\$ -	\$ (90,514,799)
Special programs	<u>39,049,828</u>	<u>-</u>	<u>13,939,350</u>	<u>-</u>	<u>(25,110,478)</u>
Total direct classroom services	135,891,130	200,464	20,065,390	-	(115,625,276)
Support Services					
Students	18,642,355	-	7,768,194	-	(10,874,161)
Instructional staff	8,468,289	-	2,715,455	-	(5,752,834)
General administration	1,704,665	-	2,549	-	(1,702,116)
School administration	14,828,911	-	2,884,408	-	(11,944,503)
Business	2,959,657	-	-	-	(2,959,657)
Operation and maintenance of buildings	13,799,357	-	43,251	-	(13,756,106)
Student transportation	9,906,999	989,492	10,061,754	-	1,144,247
Central activities	8,784,111	-	1,436,551	-	(7,347,560)
Other	<u>1,154,304</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,154,304)</u>
Total classroom support services	80,248,648	989,492	24,912,161	-	(54,346,995)
Enterprise and Community Services					
Food services	3,912,602	767,882	3,079,403	-	(65,317)
Other enterprise and community services	<u>1,428,044</u>	<u>666,121</u>	<u>-</u>	<u>-</u>	<u>(761,923)</u>
Total enterprise and community services	5,340,646	1,434,003	3,079,403	-	(827,240)
Interest on long-term liabilities	<u>11,995,817</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(11,995,817)</u>
Total school district	<u>\$ 233,476,241</u>	<u>\$ 2,623,959</u>	<u>\$ 48,056,954</u>	<u>\$ -</u>	<u>\$ (182,795,328)</u>
General revenues:					
Property taxes levied for:					
General purposes					78,590,107
Debt service					23,971,396
Federal aid not restricted to specific purposes					22,944
Intermediate aid not restricted to specific purposes					1,413,183
State aid not restricted to specific purposes					72,725,303
Earnings on investments					4,918,006
Construction excise tax					1,587,985
Other local revenue					<u>4,896,939</u>
Total general revenues					<u>188,125,863</u>
Change in net position					5,330,535
Net position - beginning					<u>63,001,574</u>
Net position - ending					<u>\$ 68,332,109</u>

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

# **TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON**

## *Balance Sheet*

### *Governmental Funds*

*June 30, 2024*

	Debt Service Funds						Total
	General Fund	General Obligation Debt Service Fund	Full Faith and Credit Debt Service Fund	PERS UAL Debt Service Fund	Capital Projects Fund	Special Revenue Fund	
<b>Assets</b>							
Equity in pooled cash and investments	\$ 31,193,148	\$ 746,363	\$ 622,797	\$ 136,012	\$ 30,576,335	\$ 4,954,879	\$ 68,229,534
Cash and investments	-	-	-	-	-	1,619,470	1,619,470
Receivables							
Property taxes	1,304,586	395,313	-	-	-	-	1,699,899
Accounts and other receivables	1,432,824	61,154	12,700	-	966,232	7,215,653	9,688,563
Leases	-	-	4,416,973	-	-	-	4,416,973
Interest	-	-	5,062	-	-	-	5,062
Due from other funds	575,962	-	-	-	-	-	575,962
Prepaid items	31,025	-	-	-	-	-	31,025
Inventories	-	-	-	-	-	210,309	210,309
<b>Total Assets</b>	<b>\$ 34,537,545</b>	<b>\$ 1,202,830</b>	<b>\$ 5,057,532</b>	<b>\$ 136,012</b>	<b>\$ 31,542,567</b>	<b>\$ 14,000,311</b>	<b>\$ 86,476,797</b>
<b>Liabilities, Deferred Inflows, and Fund Balances</b>							
<b>Liabilities</b>							
Accounts payable	\$ 1,620,799	\$ -	\$ -	\$ -	\$ 2,146,034	\$ 418,196	\$ 4,185,029
Accrued payroll and related charges	13,953,734	-	-	-	-	-	13,953,734
Unearned revenue	-	-	-	-	-	1,374,205	1,374,205
Due to other funds	-	-	-	-	-	575,962	575,962
<b>Total Liabilities</b>	<b>15,574,533</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,146,034</b>	<b>2,368,363</b>	<b>20,088,930</b>
<b>Deferred Inflows</b>							
Deferred revenue - unavailable property taxes	1,064,904	322,119	-	-	-	-	1,387,023
Deferred revenue - lease receivables	-	-	4,186,482	-	-	-	4,186,482
<b>Total Deferred Inflows</b>	<b>1,064,904</b>	<b>322,119</b>	<b>4,186,482</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,573,505</b>
<b>Fund Balances:</b>							
Nonspendable	31,025	-	-	-	-	210,309	241,334
Restricted	-	880,711	871,050	136,012	26,060,414	8,343,470	36,291,657
Committed	-	-	-	-	3,336,119	3,281,272	6,617,391
Assigned	7,673,211	-	-	-	-	-	7,673,211
Unassigned	10,193,872	-	-	-	-	(203,103)	9,990,769
<b>Total Fund Balances</b>	<b>17,898,108</b>	<b>880,711</b>	<b>871,050</b>	<b>136,012</b>	<b>29,396,533</b>	<b>11,631,948</b>	<b>60,814,362</b>
<b>Total Liabilities, Deferred Inflows, and Fund Balances</b>	<b>\$ 34,537,545</b>	<b>\$ 1,202,830</b>	<b>\$ 5,057,532</b>	<b>\$ 136,012</b>	<b>\$ 31,542,567</b>	<b>\$ 14,000,311</b>	<b>\$ 86,476,797</b>

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

## TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON

### Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position June 30, 2024

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

Total fund balances - governmental funds	\$ 60,814,362
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	424,367,317
Other long-term assets are not available to pay for current period expenditures, and, therefore, are reported as unavailable revenue in the funds.	
Property taxes collected after year end but not soon enough to pay for current expenditures	1,387,023
Difference between market and carrying value of investments	602,552
Interest on investments earned but not received	137,019
Proportionate share of OPEB RHIA asset	2,958,449
The internal service fund is used by management for risk management services. The asset and liabilities of the internal service fund are included in the governmental activities in the statement of net position.	3,617,419
The net pension liability and net OPEB for the early retirement stipend plan is not due and payable in the current period, and therefore, is not reported in the funds	(6,458,663)
Long-term liabilities, including bonds payable, accrued interest, and compensated absences are not due and payable in the current period, and therefore, are not reported in the funds.	
Long term debt payable including issue premiums and discounts	(315,197,845)
Accrued interest on bonds payable	(593,546)
Compensated absences	(736,270)
The net pension liability is not an available resource and, therefore, is not reported in the funds.	(138,595,481)
Deferred inflows and outflows due to differences between projected and actual earnings and the contributions after the measurement date for the pension and stipend plans are not reflected in the budgetary basis balance sheet.	
Deferred outflow - PERS pension	49,096,294
Deferred outflow - OPEB RHIA	42,695
Deferred outflow - OPEB health insurance subsidy	2,842,932
Deferred outflow - deferred charge on refunding	48,302
Deferred inflow - PERS pension	(14,731,613)
Deferred inflow - OPEB RHIA	(390,189)
Deferred inflow - OPEB health insurance subsidy	(878,648)
Total Net Position	<u>\$ 68,332,109</u>

**TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Governmental Funds**  
**Year Ended June 30, 2024**

	Debt Service Funds						Total
	General Fund	General Obligation Debt Service Fund	Credit Debt Service Fund	PERS UAL Debt Service Fund	Capital Projects Fund	Special Revenue Fund	
Revenues							
Local sources	\$ 81,694,463	\$ 24,419,561	\$ 1,044,935	\$ 4,450,730	\$ 2,545,981	\$ 5,006,096	\$ 119,161,766
Intermediate sources	1,278,287	20,326	-	-	-	5,076,851	6,375,464
State sources	82,270,827	-	-	-	-	18,406,079	100,676,906
Federal sources	12,944	-	-	-	-	14,373,147	14,386,091
Total revenues	165,256,521	24,439,887	1,044,935	4,450,730	2,545,981	42,862,173	240,600,227
Expenditures							
Current							
Instruction	104,815,310	-	-	-	-	22,963,219	127,778,529
Support services	63,240,920	-	-	-	-	16,229,923	79,470,843
Community services	470,815	-	-	-	-	4,829,269	5,300,084
Facilities acquisition and construction	-	-	-	-	5,940,424	-	5,940,424
Debt service							
Principal	452,128	6,535,000	599,280	3,375,000	-	142,868	11,104,276
Interest	22,199	17,555,350	405,726	1,017,520	-	1,825	19,002,620
Bond issue costs	-	66,698	-	-	-	-	66,698
Capital Outlay	513,817	-	-	-	8,157,358	1,250,903	9,922,078
Total expenditures	169,515,189	24,157,048	1,005,006	4,392,520	14,097,782	45,418,007	258,585,552
Excess (deficiency) of revenues over (under) expenditures	(4,258,668)	282,839	39,929	58,210	(11,551,801)	(2,555,834)	(17,985,325)
Other financing sources (uses)							
Transfers in	-	-	503,839	-	-	1,568,763	2,072,602
Transfers out	(376,130)	-	-	-	(503,839)	(1,192,633)	(2,072,602)
Lease proceeds	244,901	-	-	-	-	41,252	286,153
Subscription proceeds	263,685	-	-	-	-	185,074	448,759
Issuance of debt	-	3,655,000	-	-	-	-	3,655,000
Payment to refunding bond escrow	-	(3,588,302)	-	-	-	-	(3,588,302)
Sale of capital asset	46	-	-	-	-	-	46
Total other financing sources (uses)	132,502	66,698	503,839	-	(503,839)	602,456	801,656
Net change in fund balances	(4,126,166)	349,537	543,768	58,210	(12,055,640)	(1,953,378)	(17,183,669)
Fund balances, beginning of year	22,024,274	531,174	327,282	77,802	41,452,173	13,585,326	77,998,031
Fund balances, end of year	\$ 17,898,108	\$ 880,711	\$ 871,050	\$ 136,012	\$ 29,396,533	\$ 11,631,948	\$ 60,814,362

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

**TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund**  
**Balances of Governmental Funds to the Statement of Activities**  
**For the Year Ended June 30, 2024**

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Amounts reported for governmental activities in the statement of activities (page 31) are different because:

Net change in fund balances - total governmental funds (page 34)	\$	(17,183,669)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation and amortization expense in the current period.

Capital outlay	16,159,155
Disposals	(314,001)
Depreciation and amortization expense	(14,753,942)

The issuance of long-term debt (e.g. bonds, leases, subscriptions) provides current financial resources to the governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Lease proceeds	(286,153)
Subscription proceeds	(448,759)
Issuance of debt	(3,655,000)
Debt principal payments	18,443,934
Deferred charge on refunding	48,302

Some expenses and revenues reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Changes in compensated absences	(135,662)
Changes in accrued interest on debt	10,554
Amortization of bond discount/premium	3,263,289
Adjustments to investments at market value	1,965,500
Adjustments to interest receivable	54,116

Adjustments for the beginning net pension asset, allocations to expenses for net changes in deferred inflows due to the District's share in the PERS system's differences between projected and actual earnings, and contributions subsequent to the measurement date are not in the budgetary basis financial statements.

723,119

Adjustments for the net OPEB early retirement stipend liability and the net changes in deferred inflows due changes in assumptions, experience loss, and earnings are not in the budgetary basis financial statements.

440,440

Adjustments for the proportionate share of the OPEB RHIA asset and the net changes in deferred inflows and outflows due to changes in experience loss, and earnings are not in the budgetary basis financial statements.

215,331

Adjustments for net OPEB health insurance subsidy liability and the net changes in deferred inflows and outflows due to changes in assumptions, experience loss, and earnings are not in budgetary basis financial statements.

593,846

Adjustments in the statement of activities for accrued property taxes that do not provide current financial resources are not reported as revenues in the funds

123,725

Internal service funds are used by management to charge the cost of risk management to other funds. The net revenue of certain activities of the internal service funds is reported with governmental activities.

66,410

Change in Net Position	\$	<u>5,330,535</u>
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TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON

Proprietary Funds

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Statement of Proprietary Net Position

June 30, 2024

	Self Insurance Reserve
	Fund
Assets	
Cash and cash equivalents	\$ 3,622,602
Accounts receivable	39,572
Assets	3,662,174
Liabilities	
Payroll liabilities	16,175
Accounts payable	28,580
Liabilities	44,755
Net Position	
Unrestricted	\$ 3,617,419

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON

Proprietary Funds

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Statement of Changes in Proprietary Net Position

For the year ending June 30, 2024

	Self Insurance Reserve Fund
Revenue	\$ 703,330
Operating expenses	
Support services	604,735
Community services	32,185
Total operating expenses	636,920
Change in net position	66,410
Net position, beginning of year	3,551,009
Net position, end of year	\$ 3,617,419



# TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON

## Proprietary Funds

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### Statement of Cash Flows

For the year ending June 30, 2024

	Self Insurance Reserve Fund
Cash flows from operating activities	
Receipts from customers	\$ 663,758
Payments to payroll vendors	(15,968)
Payments to suppliers	<u>(624,834)</u>
Net cash provided (used) by operating activities	22,956
Cash and investments at beginning of year	<u>3,599,646</u>
Cash and investments at end of year	<u>\$ 3,622,602</u>
Reconciliation of change in net position to net cash provided (used) by operating activities	
Change in net position	\$ 66,410
Adjustments	
Change in accounts receivable	(39,572)
Change in accounts payable	12,086
Change in payroll liabilities	<u>(15,968)</u>
Net cash (used) by operating activities	<u>\$ 22,956</u>

# TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON

## *Fiduciary Funds - Custodial*

### **Statement of Fiduciary Net Position**

June 30, 2024

	Scholarship Fund Custodial
Assets	
Invested in State Treasurer's Investment Pool	\$ 225,341
Total assets	<u>\$ 225,341</u>
Net position	
Restricted for scholarships	<u>225,341</u>
Total net position	<u>\$ 225,341</u>

### **Statement of Changes in Fiduciary Net Position**

For the year ending June 30, 2024

	Scholarship Fund Custodial
Additions	
Investment earnings	\$ 10,809
Total additions	<u>10,809</u>
Deductions	
Scholarship payments	<u>-</u>
Total deductions	<u>-</u>
Change in net position	10,809
Net position, beginning of year	<u>214,532</u>
Net position, end of year	<u>\$ 225,341</u>

# Notes to the Basic Financial Statements

# **Tigard-Tualatin School District 23J, Tigard, Oregon**

## **Notes to Basic Financial Statements**

### **June 30, 2024**

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#### **I. Summary of Significant Accounting Policies**

##### **A. DESCRIPTION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support.

##### **B. REPORTING ENTITY**

The District was organized under provisions of Oregon Statutes, Chapter 332, for the purpose of operating a school district.

The District is a municipal corporation governed by a five-member board, which is elected by citizens residing within the District's boundaries. The daily operations of the District are under the supervision of the Superintendent-Clerk. Administrators are approved by the Board.

Generally accepted accounting principles of the United States of America require that these financial statements present the primary government and all component units, if any. Component units are separate organizations that may be included in the District's reporting entity because of the significance of their operational or financial relationships with the District.

In 1991, private citizens residing in the District area formed the Tigard-Tualatin Schools Foundation as a separate, independent, non-profit corporation. The Foundation is not a component unit of the District and is not included in this report, but it does raise money and perform services for the benefit of the District and its students. The District's Charter School does not qualify as a component unit under the provisions of GASB Statement 61.

##### **C. BASIS OF PRESENTATION - GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

While separate government-wide and fund financial statements are presented, they are interrelated. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements excepting services provided and used are not eliminated in the process of consolidation.

##### **D. BASIS OF PRESENTATION - FUND FINANCIAL STATEMENTS**

The fund financial statements provide information about the government's funds, including its fiduciary funds. Separate statements for each fund category - governmental, proprietary, and fiduciary - are presented. The emphasis of fund financial statements is on major governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

The *general fund* is the District's primary operating fund. It accounts for all financial resources of the District except for those required to be accounted for in another fund.

The *general obligation bond debt service fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

# **Tigard-Tualatin School District 23J, Tigard, Oregon**

## **Notes to Basic Financial Statements**

### **June 30, 2024**

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The *full faith and credit debt service fund* accounts for the resources accumulated and payments made for principal and interest on long-term full faith and credit debt of governmental funds.

The *PERS UAL debt service fund* accounts for the resources accumulated and payments made for principal and interest on the pension obligation debt of governmental funds.

The *capital projects fund* accounts for resources accumulated and payments made for the acquisition and improvement of sites, construction, and remodel of facilities.

The *special revenue fund* accounts for grants and other resources required to be accounted for separately from the other funds listed above.

The District reports the following proprietary fund type:

The *internal service fund* accounts for the District's unemployment costs and replacement of equipment not covered by the District's insurance deductible. The fund was renamed from the self-insurance fund to the internal service fund in the 2018-19 budget when copier replacement and replacement of student devices under the district's 1:1 technology initiative were included as internal services to schools.

Additionally, the District reports the following fiduciary fund (custodial) type:

The *scholarship fund* accounts for scholarship resources held by the District in a custodial capacity for use by students. These funds benefit individuals who are not part of the District.

During the course of operations the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in preparation of the government-wide financial statements.

Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

#### **E. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

# **Tigard-Tualatin School District 23J, Tigard, Oregon**

## **Notes to Basic Financial Statements**

### **June 30, 2024**

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The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenditures are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under financed purchases are reported as other financing sources.

Property taxes are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary and fiduciary custodial fund are reported using the economic resources measurement focus and the accrual basis of accounting.

#### **F. BUDGETARY INFORMATION**

##### **1. Budgetary basis of accounting**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all funds consistent with Oregon Local Budget Law.

The appropriated budget is prepared and appropriated by fund and major function as required by Oregon Local Budget Law. The district's administrators may make transfers of appropriations within appropriation levels. Transfers between appropriation levels require the approval of the School Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the major appropriation level.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

##### **2. Excess of expenditures over appropriations.**

No expenditures exceeded appropriations at June 30, 2024, except for the General Obligation Bond Debt Service Fund – debt service by \$66,648, and the Capital Projects Fund – transfers out by \$503,839.

# **Tigard-Tualatin School District 23J, Tigard, Oregon**

## **Notes to Basic Financial Statements**

### **June 30, 2024**

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#### **G. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, NET POSITION/FUND BALANCE**

##### **1. Cash and Investments**

The District's cash management policies are governed by state statutes, School Board policy DFA Investment of Funds, and the related School Board administrative rule. School Board policy authorizes the District to invest in bankers' acceptances, time certificates of deposit, commercial paper, repurchase agreements, obligations of the United States and its agencies and instrumentalities and the Local Government Investment Pool (LGIP).

During the year the District's investments have included obligations of the U.S. Treasury, its agencies and instrumentalities, deposits in financial institutions, and the LGIP. It is the District's policy to value investments at amortized cost, which approximates fair value. The LGIP is stated at cost which approximates fair value. Changes in the fair value of investments are recorded as investment earnings.

The State Treasurer's LGIP is not registered with the U.S. Securities and Exchange Commission as an investment company. The state's investment policies are governed by the Oregon Revised Statutes and the Oregon Investment Council. The State Treasurer is the investment officer for the Council and is responsible for all funds in the State Treasury. Investments in the fund are further governed by portfolio guidelines issued by the Oregon Short-Term Fund Board, which establishes diversification percentages and specifies the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. At June 30, 2024, the fair value of the position in the LGIP is approximately 100.39 percent of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements.

Amounts in the State Treasurer's LGIP are not required by law to be collateralized.

##### **Cash and Cash Equivalents**

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

##### **Fair Value Inputs and Methodologies and Hierarchy**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based up on the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

Level 1 – unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Fund has the ability to access

Level 2 – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market– corroborated inputs)

Level 3 – unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Fund's own assumptions used in determining the fair value of investments)

# **Tigard-Tualatin School District 23J, Tigard, Oregon**

## **Notes to Basic Financial Statements**

### **June 30, 2024**

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

#### **2. Inventories and Prepaid Items**

Inventories are valued at cost using the first-in/first-out method (FIFO) and consist of commodities, food, and supplies used in the District's food service program.

Certain payments to vendors reflect cost applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The costs of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

#### **3. Lease Receivables**

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

#### **4. Capital Assets**

Capital assets are recorded at original cost or estimated original cost. Donated assets are recorded at their acquisition value at the time of donation. The District defines capital assets as assets with an initial cost of more than \$5,000 and an estimated useful life of more than one year. In accordance with the definition of capital costs under Oregon law, capital assets also include equipment with an estimated useful life of more than one year purchased with 2011 General Obligation Bond proceeds regardless of individual cost. Interest incurred during construction is not capitalized. Maintenance and repairs that do not add to the value of an asset or materially extend an asset's useful life are not capitalized. Capital assets are depreciated using the straight-line method over the following useful lives:

<u>Asset Type</u>	<u>Estimated Lives</u>
Land Improvements	20 Years
Buildings and Improvements	30-80 Years
Equipment	4-30 Years

#### **5. Lease Assets**

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

#### **6. Subscription Assets**

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



# **Tigard-Tualatin School District 23J, Tigard, Oregon**

## **Notes to Basic Financial Statements**

### **June 30, 2024**

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#### **7. Deferred Outflows/Inflows of Resources**

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

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

#### **8. Leases Payable**

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

#### **9. Subscription Liabilities**

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

#### **10. Net Position Flow Assumptions**

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

#### **11. Fund Balance Flow Assumptions**

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

# **Tigard-Tualatin School District 23J, Tigard, Oregon**

## **Notes to Basic Financial Statements**

### **June 30, 2024**

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#### **12. Fund Balance Policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The district itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the district's highest level of decision-making authority. The School Board is the highest level of decision-making authority for the district that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The School Board has by resolution authorized the Superintendent to assign fund balance. The School Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

To preserve a sound financial system and to provide a stable financial base, the governing body has adopted a minimum fund balance policy. The policy directs that the proposed budget will create fund balances in an amount sufficient to:

- Allow the district to deliver a sustainable level of program through anticipated recessionary periods; and
- Protect the district from unnecessary borrowing in order to meet cash-flow needs; and
- Provide prudent reserves to meet unexpected emergencies and protect against catastrophic events; and
- Help ensure a district credit rating that would qualify the district for lower interest costs and greater marketability of bonds that may be necessary in the construction and renovation of school facilities.

To this end the District Board directed the Superintendent to include in the budget designations to ensure an ending fund balance of a Rainy Day Reserve of five (5%) percent of total resources net of beginning fund balance, Unappropriated Ending Fund balance of five (5%) percent of total resources net of beginning fund balance, and Contingency of two (2%) percent of total resources net of beginning fund balance.

Committed revenue in the State, County and Private Grants fund includes:

Service credits and cash payments in lieu of service are committed to educational services provided by the Northwest Regional ESD and other related educational programs.

Strategic Investment Funds are committed to consumables required for prior textbook adoptions and the related educational programs.

Any portion of the ending fund balance this fund collected prior to the implementation of GASB 54 is committed to programs related to the initial receipt of the funds. Specific purposes of these funding sources include maintenance of facilities, technology equipment, and educational programs.

# **Tigard-Tualatin School District 23J, Tigard, Oregon**

## **Notes to Basic Financial Statements**

### **June 30, 2024**

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#### **H. REVENUES AND EXPENDITURES/EXPENSES**

##### **1. Program Revenues**

Amounts included in program revenues include: 1) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function of the district. This includes State School Fund grant money for bus replacement and reimbursement for 70% of allowable transportation expenditures, and federal reimbursement for bond interest payments. All taxes or other internally dedicated resources are reported as general revenues rather than as program revenues.

##### **2. Property Taxes**

Property taxes are levied and become a lien on all taxable property as of July 1. Property taxes are payable on November 15. Collection dates are November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

##### **3. Compensated Absences**

Accumulated accrued compensated absences for vacation pay are recorded as current liabilities in the government-wide financial statements as the entire amounts are expected to be liquidated within one year. Accumulated sick leave does not vest and is recorded as it is used.

##### **4. Proprietary Funds Operating and Nonoperating Revenues and Expenses**

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

The principal operating revenues of the internal service fund are to assessments for unemployment cost, assessments for lost or damaged 1:1 technology devices, assessments to schools for copier use and insurance claims. Operating expenses for internal service funds include the cost of unemployment claims and property loss that is not covered by the District's insurance deductible. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

##### **5. Retirement Plans**

Substantially all of the District's employees are participants in the State of Oregon Public Employees Retirement System (PERS). For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about fiduciary net position of PERS and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. GASB Statements 68 and 71 have been implemented as of July 1, 2014.

The District's early retirement stipend plan for licensed employees and administrators was valued by the actuary under GASB 68 requirements.

## **II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

#### **A. VIOLATIONS OF LEGAL OR CONTRACTUAL PROVISIONS**

For the year ended June 30, 2024, no expenditures exceeded appropriations, except for the General Obligation Bond Debt Service Fund – debt service by \$66,648, and the Capital Projects Fund – transfers out by \$503,839.

# **Tigard-Tualatin School District 23J, Tigard, Oregon**

## **Notes to Basic Financial Statements**

### **June 30, 2024**

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#### **B. DEFICIT FUND EQUITY**

The district did not have any funds with a negative fund balance.

### **III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS**

#### **A. CASH AND INVESTMENTS**

##### **1. Custodial Credit Risk – Deposits**

In the case of deposits, this is the risk that in the event of a bank failure, the district's deposits may not be returned to it. As of June 30, 2024, the District's bank balances were \$20,656,980 and \$19,751,099 of that amount was exposed to custodial credit risk because it was uninsured and collateralized by securities held by the pledging or financial institutions trust department or agent, but not in the government's name. All deposits were in bank depositories qualified by the Oregon State Treasury which maintains the collateral program for local governments.

##### **2. Deposits**

Deposits with financial institutions are comprised of bank demand deposits and certificates of deposit. Of these balances all were deposited in banking institutions covered by Federal depositor insurance. However, a portion of these deposits exceed the Federal Deposit Insurance Corporation limit and are not federally insured. Deposits with financial institutions include bank demand deposits. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury.

# **Tigard-Tualatin School District 23J, Tigard, Oregon**

## **Notes to Basic Financial Statements**

### **June 30, 2024**

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

Petty cash	\$ 9,001
Demand deposits	6,820,472
Public funds money market account	8,013,588
Investments	<u>58,853,886</u>

Total cash and investments	<u>\$ 73,696,947</u>
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Cash and investments were held in the following fund types:

Governmental funds:

Equity in pooled cash and investments	68,229,534
Cash and investments	<u>1,619,470</u>
Total governmental funds balance sheet	<u>69,849,004</u>

Proprietary funds

Equity in pooled cash and investments	<u>3,622,602</u>
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Fiduciary funds:

US Treasury and State Treasurer's investment pool	
Scholarship fund	<u>225,341</u>

Total cash and investments	<u>\$ 73,696,947</u>
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Total governmental funds equity in pooled cash and investments	\$ 69,849,004
Total proprietary funds equity in pooled cash and investments	3,622,602
Adjust investments to market value	<u>602,552</u>
Total equity in pooled cash and investments per statement of net position	<u>\$ 74,074,158</u>

### **3. Investments**

The Tigard-Tualatin School District School Board authorizes the District to invest in obligations of U.S. government agencies, U.S. Government Sponsored Enterprises (USGSE), the U.S. Treasury, time certificates of deposit, repurchase agreements, money market investments, bankers' acceptances, commercial paper, State of Oregon and local government securities, and the State Treasurer's Investment Pool as per the State Treasurer's investment policies which are governed by Oregon Revised Statutes and the Oregon Short-Term Fund Board (OSTFB).

There were no known violations of legal or contractual provisions for deposits.

# **Tigard-Tualatin School District 23J, Tigard, Oregon**

## **Notes to Basic Financial Statements**

### **June 30, 2024**

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As of June 30, 2024 the District had the following investments and maturities:

Investment Type	Fair Value	Weighted Average Maturity in Years	% of Investment Portfolio
US Agency	\$ 8,574,384	1.665	14.4%
US Treasury	20,886,233	0.391	35.1%
State Treasurer's investment pool	29,995,821	0.010	50.5%
	<u>\$ 59,456,438</u>	<u>0.382</u>	<u>100.0%</u>

Interest Rate Risk - Oregon Revised Statutes and School Board policy guide District investments. The District's investment policy was approved by the Oregon Municipal Debt Advisory Commission and allows certain investments to exceed 18 months. The policy provides for the maximum single maturity restriction of an investment in the portfolio to 5 years and the overall weighted average maturity of the portfolio is restricted to 24 months.

Credit Risk - For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The District minimizes custodial credit risk by limiting investments to the types of securities allowed by law. The District School Board annually approves a list of financial institution's with which the District will do business. All of the investments, except for the investment in the Local Government Investment Pool which is not evidenced by securities, are held in safekeeping by the financial institutions counterparty in the financial institution's general customer account. The Local Government Investment Pool's policies provide for a composite minimum weighted average credit quality rating for the Fund's holdings to be the equivalent of a AA Standard and Poor's (S&P) rating. This composite is calculated based on the median rating if three agencies rate the security, the lower rating if two ratings are available, or the single rating if only one rating is available. On June 30, 2024, the fund's composite weighted average rating was equivalent to S&P's AA based on the method described above. U.S. Treasuries and all unrated federal agency securities were also assumed to be rated AAA for the composite rating, as these securities are backed by the U.S. government.

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held.

Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund appears to be in compliance with all portfolio guidelines at June 30, 2024. The LGIP seeks to exchange shares at \$1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool.

# **Tigard-Tualatin School District 23J, Tigard, Oregon**

## **Notes to Basic Financial Statements**

### **June 30, 2024**

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The pool is comprised of a variety of investments. These investments are characterized as a Level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. As of June 30, 2024, the fair value of the position in the LGIP is 99.63% of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized.

Investments in US Treasury are fair value Level 1 measurement and Agency Securities and Commercial Paper are fair value Level 2 measurement.

Concentration of Credit Risk - Oregon Revised Statutes do not limit investments as to credit rating for securities purchased from U.S. Government Agencies. More than 5% of the School District's total investments are in securities by the following issuers:

Issuer	Percentage of Total Investments (Total Equity Concentration)
Federal Home Loan Banks	6.50%
Federal Farm Credit Banks	7.93%
United States Treasury Notes	35.12%
Oregon LGIP	50.45%
Total	100.00%

#### **B. ACCOUNTS AND OTHER RECEIVABLES**

Accounts and other receivables consist primarily of claims for reimbursement of costs under various federal and state grant programs and also include building use payments, other payments for services, and construction excise taxes collected by local governments. Receivables are comprised of the following at June 30, 2024:

	General Fund	GO Debt Service Fund	Full Faith and Credit Debt Service Fund	Capital Projects Fund	Special Revenue Funds	Total
Property taxes receivable	\$ 1,304,586	\$ 395,313	\$ -	\$ -	\$ -	\$ 1,699,899
Accounts and other receivables	1,432,824	61,154	12,700	966,232	7,215,653	9,688,563
Interest and other	-	-	5,062	-	-	5,062
Total	<u>1,432,824</u>	<u>61,154</u>	<u>17,762</u>	<u>966,232</u>	<u>7,215,653</u>	<u>9,693,625</u>
Net receivables	<u>\$ 2,737,410</u>	<u>\$ 456,467</u>	<u>\$ 17,762</u>	<u>\$ 966,232</u>	<u>\$ 7,215,653</u>	<u>\$ 11,393,524</u>

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also delay revenue recognition in connection with resources that have been received, but not yet earned. At the end of the fiscal year ending June 30, 2024, the various components of unearned revenue reported in the governmental funds were as follows:

**Tigard-Tualatin School District 23J, Tigard, Oregon**  
**Notes to Basic Financial Statements**  
**June 30, 2024**

<u>Description</u>	<u>Unearned Amount</u>
Grant and contract payments received prior to meeting all eligibility requirements	<u>\$ 1,374,205</u>
Total unearned revenue	<u><u>\$ 1,374,205</u></u>

**C. LEASE RECEIVABLE AND RELATED LEASE DEFERRED INFLOW**

On July 1, 2021, The District had one active lease. The lease includes receipts that range from \$997,460 to \$1,033,300 and an interest rate of 1.375%. As of June 30, 2024, the total value of the lease receivable is \$4,416,973 and the value of the deferred inflow of resources is \$4,186,482.

<b>GOVERNMENTAL ACTIVITIES:</b>	Balance as of July 1, 2023	Additions	Reductions	Balance as of June 30, 2024
Lease Receivable				
Land				
Lowe's Lease	<u>\$ 5,346,625</u>	<u>\$ -</u>	<u>\$ 929,652</u>	<u>\$ 4,416,973</u>
Total Lease Receivable	<u>\$ 5,346,625</u>	<u>\$ -</u>	<u>\$ 929,652</u>	<u>\$ 4,416,973</u>
Deferred Inflow of Resources				
Land				
Lowe's Lease	<u>\$ 5,151,975</u>	<u>\$ -</u>	<u>\$ 965,493</u>	<u>\$ 4,186,482</u>
Total Deferred Inflow of Resources	<u>\$ 5,151,975</u>	<u>\$ -</u>	<u>\$ 965,493</u>	<u>\$ 4,186,482</u>

The deferred inflow is amortized on a straight line basis. Future maturities for the receivable are as follows:

Principal and Interest Expected to Maturity			
Governmental Activities			
<u>Fiscal Year</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total Payments</u>
2025	\$ 976,723	\$ 54,593	\$ 1,031,316
2026	990,238	41,078	1,031,316
2027	1,003,940	27,376	1,031,316
2028	1,017,831	13,485	1,031,316
2029	<u>428,241</u>	<u>1,473</u>	<u>429,714</u>
Total	<u>\$ 4,416,973</u>	<u>\$ 138,005</u>	<u>\$ 4,554,978</u>



# Tigard-Tualatin School District 23J, Tigard, Oregon

## Notes to Basic Financial Statements

### June 30, 2024

#### D. CAPITAL ASSETS

Capital asset activity for the year ending June 30, 2024, was as follows:

	Balance June 30, 2023	Current year additions	Current year dispositions	Balance June 30, 2024
Capital assets, not being depreciated				
Land	\$ 20,712,399	\$ -	\$ -	\$ 20,712,399
Construction in progress	63,377,740	9,109,823	1,375,182	71,112,381
Total capital assets not being depreciated	84,090,139	9,109,823	1,375,182	91,824,780
Capital assets, being depreciated				
Land improvements	15,983,425	484,381	-	16,467,806
Less accumulated depreciation	(8,736,186)	(660,252)	-	(9,396,438)
Land improvements, net of depreciation	7,247,239	(175,871)	-	7,071,368
Building and improvements	421,200,946	1,381,290	-	422,582,236
Less accumulated depreciation	(106,360,947)	(9,213,885)	-	(115,574,832)
Building and improvements, net of depreciation	314,839,999	(7,832,595)	-	307,007,404
Vehicles and equipment	37,635,979	5,823,928	3,733,223	39,726,684
Less accumulated depreciation	(22,272,473)	(4,313,780)	(3,498,803)	(23,087,450)
Vehicles and equipment, net of depreciation	15,363,506	1,510,148	234,420	16,639,234
Intangible leased vehicles and equipment	533,484	308,778		842,262
Less accumulated amortization	(233,998)	(153,080)		(387,078)
	299,486	155,698	-	455,184
Intangible subscription assets	1,187,250	962,778	105,104	2,044,924
Less accumulated amortization	(288,155)	(412,945)	(25,523)	(675,577)
	899,095	549,833	79,581	1,369,347
Total capital assets being depreciated and amortized, net	338,649,325	(5,792,787)	314,001	332,542,537
Total all capital assets, net	\$ 422,739,464	\$ 3,317,036	\$ 1,689,183	\$ 424,367,317

Depreciation expense was charged to the following governmental functions:

Instruction	\$ 11,909,017
Support services	2,672,713
Enterprise and community services	172,212
Total depreciation expense	\$ 14,753,942

# Tigard-Tualatin School District 23J, Tigard, Oregon

## Notes to Basic Financial Statements

### June 30, 2024

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#### 1. Construction In Progress

In fulfilling the bond objectives, Tigard Tualatin School District completed the following projects during the fiscal year ending June 30, 2024:

- Art Rutkin Elementary School
- Tualatin High School Solar Panel Installation
- Templeton Core Mechanical Upgrades
- District Wide Security Software Upgrades (Phase 1)
- Fowler Middle School HVAC Replacement
- Tualatin High School HVAC Replacement (2 Units)
- Hazelbrook Middle School Mechanical Upgrades
- Playground Pavement Repair (Bridgeport, Byrom and Mary Woodward Elementary Schools)

#### **Projects under construction include**

- District Wide Safety and Security Upgrades
- Alberta Rider Roof Replacement (Summer 2024)
- Fire Alarm Replacement (Tualatin High School, Hazelbrook Middle School, Fowler Middle School and Bridgeport Elementary)
- Boiler Replacement Project (Bridgeport Elementary, Byrom Elementary, Hazelbrook Middle School and Tualatin High School)
- Tualatin High School HVAC Controls Upgrade

#### **Summer 2025 Start Date**

- Deer Creek HVAC Replacement
- Hazelbrook Middle School HVAC Replacement

#### E. DEFERRED INFLOWS

Governmental funds report deferred inflows or items not available to meet current requirements. This consists of property taxes not received within 60 days of year end. Deferred inflows and outflows related to pension plans can be found in Note G – Pension Plan.

Description	Deferred Inflow Amounts
Delinquent property taxes, general fund	\$ 1,064,904
Delinquent property taxes, debt service fund	322,119
Lease receivables	<u>4,186,482</u>
Total	<u>\$ 5,573,505</u>

# Tigard-Tualatin School District 23J, Tigard, Oregon

## Notes to Basic Financial Statements

### June 30, 2024

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#### F. ACCRUED LIABILITIES

Accrued liabilities reported by governmental funds at June 30, 2024, were as follows:

	General Fund	Capital Fund	Special Revenue Fund	Total Governmental Funds	Internal Service Fund	Total
Accounts payable	\$ 1,620,799	\$ 2,146,034	\$ 418,196	\$ 4,185,029	\$ 28,580	\$ 4,213,609
Payroll liabilities	13,953,734	-	-	13,953,734	16,175	13,969,909
Net liabilities	<u>\$ 15,574,533</u>	<u>\$ 2,146,034</u>	<u>\$ 418,196</u>	<u>\$ 18,138,763</u>	<u>\$ 44,755</u>	<u>\$ 18,183,518</u>

#### G. PENSION PLAN

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

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

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

- a. **PERS Pension (Chapter 238).** The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.

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

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

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

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

# Tigard-Tualatin School District 23J, Tigard, Oregon

## Notes to Basic Financial Statements

### June 30, 2024

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- iii. **Disability Benefits.** A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
- iv. **Benefit Changes After Retirement.** Members may choose to continue participation in their variable account after retiring and may experience annual benefit fluctuations due to changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.
- b. **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.
  - i. **Pension Benefits.** This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:  
*Police and fire:* 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.  
*General service:* 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.  
A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.
  - ii. **Death Benefits.** Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member. The surviving spouse may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.
  - iii. **Disability Benefits.** A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

**Contributions** – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2022 actuarial valuation, which became effective July 1, 2023. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2024 were \$21,912,755, excluding amounts to fund employer specific liabilities. In addition approximately \$5,952,235 in employee contributions were paid or picked up by the District in fiscal 2024. At June 30, 2024, the District reported a net pension liability of \$138,595,481 for its proportionate share of the net pension liability. The 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 dated December 31, 2021.

# Tigard-Tualatin School District 23J, Tigard, Oregon

## Notes to Basic Financial Statements

### June 30, 2024

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The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement date of June 30, 2023 and 2022, the District's proportion was .740 percent and .770 percent, respectively. Pension expense for the year ended June 30, 2024 was (\$723,119).

The rates in effect for the year ended June 30, 2024 were:

- (1) Tier 1/Tier 2 – 23.69%
- (2) OPSRP general services – 20.85%

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 6,777,742	\$ 549,543
Changes in assumptions	12,312,003	91,799
Net difference between projected and actual earnings on pension plan investments	2,491,128	-
Net changes in proportionate share	1,428,274	6,109,229
Differences between contributions and proportionate share of contributions	4,174,392	7,981,042
Subtotal - Amortized Deferrals (below)	27,183,539	14,731,613
Contributions subsequent to measuring date	21,912,755	-
Deferred outflow (inflow) of resources	<u>\$ 49,096,294</u>	<u>\$ 14,731,613</u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the fiscal year ended June 30, 2025.

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

Year ending June 30,	Amount
2025	\$ 570,339
2026	(5,234,006)
2027	12,813,711
2028	4,049,395
2029	242,488
Thereafter	-
Total	<u>\$ 12,441,927</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated February 1, 2024. Oregon PERS produces an independently audited ACFR which can be found at:

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

**Actuarial Valuations** – The employer contribution rates effective July 1, 2023 through June 30, 2025, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

# Tigard-Tualatin School District 23J, Tigard, Oregon

## Notes to Basic Financial Statements

### June 30, 2024

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

#### Actuarial Methods and Assumptions:

Valuation date	December 31, 2021
Experience Study Report	2020, Published July 20, 2021
Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll
Asset valuation method	Fair value
Inflation rate	2.40 percent
Investment rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increase	3.40 percent
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision; blend based on service
Mortality	<p>Healthy retirees and beneficiaries:</p> <p>Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2022 Experience Study which is reviewed for the four-year period ending December 31, 2022.

#### Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Debt Securities	20.0%	30.0%	25.0%
Public Equity	22.5%	32.5%	27.5%
Real Estate	9.0%	16.5%	12.5%
Private Equity	17.5%	27.5%	20.0%
Real Assets	2.5%	10.0%	7.5%
Diversifying Strategies	2.5%	10.0%	7.5%
Opportunity Portfolio	0.0%	5.0%	0.0%
Total			100.0%

(Source: June 30, 2023 PERS ACFR; p. 125)

# Tigard-Tualatin School District 23J, Tigard, Oregon

## Notes to Basic Financial Statements

### June 30, 2024

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

Asset Class	Target Allocation	Compound Annual (Geometric) Return
Global Equity	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%
<i>Assumed Inflation - Mean</i>		2.35%

(Source: June 30, 2023 PERS ACFR; p. 92)

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

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

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Proportionate share of the net pension liability	\$ 228,933,639	\$ 138,595,481	\$ 62,992,016

# **Tigard-Tualatin School District 23J, Tigard, Oregon**

## **Notes to Basic Financial Statements**

### **June 30, 2024**

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#### **Changes Subsequent to the Measurement Date**

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

There are no changes subsequent to the June 30, 2023 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

#### **Deferred Compensation Plan**

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

#### **OPSRP Individual Account Program (OPSRP IAP)**

##### *Plan Description:*

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

##### *Pension Benefits:*

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

##### *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.



# Tigard-Tualatin School District 23J, Tigard, Oregon

## Notes to Basic Financial Statements

### June 30, 2024

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#### *Contributions:*

Employees of the District pay six (6) percent of their covered payroll. The District pays the employee's share of 6% of covered payroll for all employees. Effective July 1, 2020 currently employed Tier1/Tier2 and OPSRP members earning a minimum amount per month (\$3,688 in 2024) have a portion of their 6 percent monthly IAP contributions redirected to an Employ Pension Stability Account. The Employee Pension Stability Account will be used to pay part of the member's future benefit. Of the 6 percent monthly IAP contribution, Tier 1/Tier 2 will have 2.5 percent redirected to the Employee Pension Stability Account and OPSRP will have 0.75 percent redirected to the Employee Pension Stability Account, with the remaining going to the member's existing IAP account. Members may voluntarily choose to make additional after-tax contributions into their IAP account to make a full 6 percent contribution to the IAP. The District did not make any optional contributions to member IAP accounts for the year ended June 30, 2024.

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

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

#### H. SINGLE EMPLOYER PENSION PLAN (GASB#73)

Plan Description: The District has established early retirement programs for licensed employees and administrators under a single-employer defined benefit pension plan resulting from collective bargaining agreements. The programs provide post-employment stipends for licensed employees and administrators who are at least 55 years of age. Administrators must have worked for the District at least 12 years and licensed employees must have worked for the District at least 15 years. The early retirement plans were discontinued as of July 1, 1993, for licensed employees and July 1, 1995, for administrators. Any new employees hired after these dates are not eligible to participate in the plans. Stipends will be paid to early retirees under the following schedule until the earlier of death, reemployment or age 62 when the early retiree qualifies for social security benefits:

	Licensed Employees		Administrators	
	Maximum Monthly Payments	Maximum Number of Payments	Maximum Monthly Payments	Maximum Number of Payments
Retired During Periods				
July 1, 1991 to June 30, 2016	\$ 525	60	\$ 450	48

Plan membership consisted of the following as of the most recent actuarial valuation at June 30, 2024:

Retirees and beneficiaries currently receiving benefits	8
Active employees	<u>45</u>
Total	<u>53</u>

During the fiscal years ending June 30, 2021 and 2022, the District offered certain employees not eligible for another early retirement program District paid health insurance or stipend benefits as an early retirement incentive. Employees retiring under this arrangement receive a monthly benefit of \$600 for 36 months regardless of age that can be applied toward District health insurance or received as a stipend. This benefit is not payable to a beneficiary upon death of the retiree.

An additional 40 retirees are participating in a separate early retirement incentive effective in July 2021 plus 20 more effective in July 2022.

# **Tigard-Tualatin School District 23J, Tigard, Oregon**

## **Notes to Basic Financial Statements**

### **June 30, 2024**

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During the period the administrator receives these payments, he or she will perform up to 15 days of service per year for the District. If the administrator refuses or declines to perform such service, the amount of compensation shall be reduced by an amount equal to the daily compensation rate at the time of retirement, multiplied by the number of requested days of service that the administrator refuses or declines to perform. Licensed employees do not have a service obligation. As of the valuation date of June 30, 2024, there are no active administrators eligible to receive a stipend upon retirement.

Funding Policy: The benefits from this program are fully paid and, consequently, no contributions by employees are required. There is no obligation to fund these benefits in advance. The only obligation is to make current benefit payments due each fiscal year. Payments are made on a pay-as-you-go basis each year out of the General Fund.

Actuarial Methods and Assumptions: The District engaged an actuary to perform an evaluation as of June 30, 2024 using the entry age normal, level percent of salary Actuarial Cost Method. The Single Employer Pension Plan and the Other Post Employment Health Insurance Subsidy (Note I) liability was determined using the following actuarial assumptions, applied to all periods including the measurement:

Discount Rate per year	3.93%
General Inflation Rate per year	2.50%
Salary Scale per year	3.50%

Mortality rates were based are the same rates that were used for school district employees in the December 31, 2022 actuarial valuation of the Oregon PERS.

Turnover rates were based on percentages developed for the valuation of benefits under Oregon PERS and vary by years of service.

Disability rates were not used.

Retirement rates were based are the same rates that were used for school district employees in the December 31, 2022 actuarial valuation of the Oregon Public Employees Retirement System.

The projection of benefits for financial reporting purpose does not explicitly incorporate the potential effects of legal or contractual funding limitations.

	2024	2023	2022
Total Stipend Pension Liability - Beginning	\$ 905,633	\$ 1,417,199	\$ 1,434,346
Changes for the Year:			
Service Cost	3,420	4,044	5,287
Interest	23,963	40,329	44,810
Changes of Benefit Terms	-	-	426,980
Differences Between Expected and Actual Experience	(9,212)	-	(149,385)
Changes of Assumptions or Other Input	(1,187)	-	(7,805)
Benefit Payments	(457,424)	(555,939)	(337,034)
Net Changes for the Year	(440,440)	(511,566)	(17,147)
Total Stipend Pension Liability - Ending	\$ 465,193	\$ 905,633	\$ 1,417,199

# **Tigard-Tualatin School District 23J, Tigard, Oregon**

## **Notes to Basic Financial Statements**

### **June 30, 2024**

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Sensitivity of the Single Employer Pension Plan Benefit Liability to Changes in Discount Rates: The following presents the Single Employer Pension Plan Benefit Liability, calculated using the discount rate of 3.93 percent, as well as what the liability would be if it was calculated using a discount rate 1-percentage-point lower (2.93 percent) or 1-percentage-point higher (4.93 percent) than the current rate:

	1% Decrease	Current Rate	1% Increase
Total Pension Liability	\$ 469,292	\$ 465,193	\$ 460,959

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
Deferred outflow (inflow) of resources	<u>\$ -</u>	<u>\$ -</u>

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

Year ending June 30,	Amount
2025	\$ -
2026	-
2027	-
2028	-
2029	-
Thereafter	-
Total	<u>\$ -</u>

Aggregate amounts for all pension plans:

	Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
Oregon Public Employees Retirement System (PERS)	\$ 138,595,481	\$ 49,096,294	\$ 14,731,613	\$ (723,119)
District Stipend Pension Plan	<u>465,193</u>	<u>-</u>	<u>-</u>	<u>(215,331)</u>
Total	<u>\$ 139,060,674</u>	<u>\$ 49,096,294</u>	<u>\$ 14,731,613</u>	<u>\$ (938,450)</u>

The general fund and special revenue fund have been used in prior years to liquidate the pension liability.

# **Tigard-Tualatin School District 23J, Tigard, Oregon**

## **Notes to Basic Financial Statements**

### **June 30, 2024**

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#### **I. OTHER POSTEMPLOYMENT BENEFITS (GASB #75)**

##### **Postemployment Health Benefit Plan – (RHIA)**

###### **Plan Description:**

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

###### **Funding Policy:**

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

Participating districts are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the District currently contributes (0.04%) of annual covered OPERF payroll and 0.00% of OPSRP payroll under a contractual requirement in effect until June 30, 2024. Consistent with GASB Statement 75, the OPERS Board of Trustees sets the employer contribution rates as a measure of the proportionate relationship of the employer to all employers consistent with the manner in which contributions to the OPEB plan are determined. The basis for the employer's portion is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the plan with the total actual contributions made in the fiscal year of all employers. The District's contributions to RHIA for the years ended June 30, 2022, 2023 and 2024 were \$15,913, \$15,922 and \$2,843, respectively, which equaled the required contributions each year.

At June 30, 2024, the District reported a net OPEB liability/(asset) of (\$2,958,449) for its proportionate share of the net OPEB liability/(asset). The OPEB liability/(asset) was measured as of June 30, 2023, and the total OPEB liability/(asset) used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of December 31, 2021. Consistent with GASB Statement No. 75, paragraph 59(a), the District's proportion of the net OPEB liability/(asset) is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement date of June 30, 2023 and 2022, the District's proportion was .808 percent and .646 percent, respectively. OPEB expense for the year ended June 30, 2024 was (\$215,331).

# **Tigard-Tualatin School District 23J, Tigard, Oregon**

## **Notes to Basic Financial Statements**

### **June 30, 2024**

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#### **Components of OPEB Expense/(Income):**

Employer's proportionate share of collective system OPEB Expense/(Income)	\$ (342,410)
Net amortization of employer-specific deferred amounts from:	
- Changes in proportionate share (per paragraph 64 of GASB 75)	131,280
- Differences between employer contributions and employer's proportionate share of system contributions (per paragraph 65 of GASB 75)	-
Employer's Total OPEB Expense/(Income)	<u>\$ (211,130)</u>

#### **Components of Deferred Outflows/Inflows of Resources:**

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ 74,273
Changes in assumptions	-	31,899
Net difference between projected and actual earnings on pension plan investments	8,390	-
Net changes in proportionate share	31,462	284,017
Differences between contributions and proportionate share of contributions	-	-
Subtotal - Amortized Deferrals (below)	39,852	390,189
Contributions subsequent to measuring date	2,843	-
Deferred outflow (inflow) of resources	<u>\$ 42,695</u>	<u>\$ 390,189</u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB liability/(asset) in the fiscal year ended June 30, 2025.

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

<u>Year ending June 30,</u>	<u>Amount</u>
2024	\$ (322,087)
2025	(176,795)
2026	109,334
2027	39,212
2028	-
Thereafter	-
Total	<u>\$ (350,336)</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS Retirement Health Insurance Account Cost-Sharing Multiple-Employer Other Postemployment Benefit (OPEB) Plan Schedules of Employer Allocations and OPEB Amounts by Employer report, as of and for the Year Ended June 30, 2023. That independently audited report was dated February 1, 2024 and can be found at:

<https://www.oregon.gov/pers/emp/Documents/GASB/2023/Oregon%20Public%20Employees%20Retirement%20System%20-%20GASB%2075%20RHIA%20-%20YE%206.30.2023%20-%20SECURED.pdf>

# Tigard-Tualatin School District 23J, Tigard, Oregon

## Notes to Basic Financial Statements

### June 30, 2024

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#### Actuarial Methods and Assumptions:

Valuation Date	December 31, 2021
Experience Study Report	2020, Published July 20, 2021
Actuarial cost method	Entry Age Normal
Inflation rate	2.40 percent
Investment rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increase	3.40 percent
Retiree healthcare participation	Healthy retirees: 27.5%; Disabled retirees: 15%
Mortality	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2022 Experience Study which is reviewed for the four-year period ending December 31, 2022.

#### Discount Rate:

The discount rate used to measure the total OPEB liability as of the measurement date of June 30, 2023 was 6.90 percent. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

#### Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in January 2023 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

**Tigard-Tualatin School District 23J, Tigard, Oregon**  
**Notes to Basic Financial Statements**  
**June 30, 2024**

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Compound Annual (Geometric) Return</b>
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%
<i>Assumed Inflation - Mean</i>		2.35%

(Source: June 30, 2023 PERS ACFR; p. 92)

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

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Proportionate share of the net OPEB liability (asset)	\$ 2,689,236	\$ 2,958,449	\$ 3,189,432

**Changes Subsequent to the Measurement Date**

There are no changes subsequent to the June 30, 2023 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

**J. OTHER POSTEMPLOYMENT BENEFITS (GASB #75)**

**Postemployment Health Insurance Subsidy**

**Plan Description**

The District participates in the Oregon Educators Benefit Board, a statewide agent multiple-employer health benefit plan that provides health, dental, and vision insurance benefits to eligible employees, retirees, and their beneficiaries. For those retirees that qualify for District paid insurance benefits post retirement (explicit benefits) under various collective bargaining agreements, the District acts as a trustee in capacity for those resources. As of June 30, 2024, there are 1,373 active and 81 retired members in the District's implicit subsidy plan and 15 active and 35 retired members in the explicit subsidy plan. Benefits and eligibility for members covered by the District-paid defined benefit OPEB plan are established through the collective bargaining agreements.

The District's post-retirement healthcare plan was established in accordance with Oregon Revised Statutes (ORS 243.303). ORS stipulate that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employee and retirees. The difference between retiree claims costs, which because of the effect of age is generally higher in comparison to all plan members, and the amount of retiree healthcare premiums represents the District's implicit employer contribution.

# **Tigard-Tualatin School District 23J, Tigard, Oregon**

## **Notes to Basic Financial Statements**

### **June 30, 2024**

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#### **Funding Policy**

The benefits from this program are paid either by the District or by the retired employees on a self-pay basis. The annual 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.

#### **Components of OPEB Expense/(Income)**

Service cost	\$ 145,455
Interest cost	188,591
Expected earnings	-
Change in benefits	-
Recognition of deferred outflows	432,206
Recognition of deferred inflows	(123,183)
<b>Total OPEB Expense</b>	<b>\$ 643,069</b>

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ 2,566,538	\$ -
Changes in assumptions	276,394	878,648
<b>Deferred outflow/inflow of resources</b>	<b>\$ 2,842,932</b>	<b>\$ 878,648</b>

#### **Components of Deferred Outflows/Inflows of Resources**

The amount of contribution subsequent to measurement date is not included as a reduction of the net OPEB liability (asset) in the fiscal year June 30, 2024.

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Total OPEB Liability, Beginning of year	\$ 5,945,882	\$ 6,764,047	\$ 7,192,916
Difference between actual and expected income	-	-	-
Benefit payments - explicit medical	(701,164)	(603,728)	(839,707)
Benefit payments - implicit medical	(535,751)	(602,608)	(506,616)
Service cost	145,455	170,076	170,881
Interest on total OPEB liability	188,591	218,095	230,799
Changes in benefit terms	-	-	-
Changes in assumptions	(434,731)	-	(480,879)
Experience (gain), loss	1,385,188	-	996,653
<b>Total OPEB Liability, End of year</b>	<b>\$ 5,993,470</b>	<b>\$ 5,945,882</b>	<b>\$ 6,764,047</b>

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

<u>Year ending June 30,</u>	<u>Amount</u>
2025	\$ 309,023
2026	309,023
2027	263,601
2028	216,327
2029	216,317
Thereafter	649,993
<b>Total</b>	<b>\$ 1,964,284</b>



# Tigard-Tualatin School District 23J, Tigard, Oregon

## Notes to Basic Financial Statements

### June 30, 2024

#### Actuarial Methods and Assumptions

The Oregon Legislative Assembly passed a law (Senate Bill 1067) that limits the annual increase in premiums paid by OEBB to 3.4%. The Legislature controls the budget for OEBB. The annual OPEB cost for the plan was determined as part of the June 30, 2024 actuarial evaluation using the following methods and assumptions:

Actuarial cost method	Entry Age Normal Level Percent of Pay
Amortization method	Level dollar
Remaining amortization period	30-year open amortization period
Inflation rate	2.50%
Healthcare cost trend	
Medical	3.40%
Dental	3%
Vision	3%

#### Discount Rate

A 3.93 percent discount rate is used. The discount rate represents the estimated long-term investment yield on the plan assets expected to be used to finance the payment of the OPEB plan.

Sensitivity of the District's proportionate share of the net OPEB liability/(asset) to changes in the discount rate – The following presents the District's proportionate share of the net OPEB liability/(asset) calculated using the discount rate of 3.93 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.93 percent) or 1-percentage-point higher (4.93 percent) than the current rate.

	2.93%	3.93%	4.93%
Total OPEB liability	\$ 6,256,323	\$ 5,993,470	\$ 5,744,511

The following presents the District's proportionate share of the net health care trends calculated using the discount rate of 3.00 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.00 percent) or 1-percentage-point higher (4.00 percent) than the current rate.

	1% Decrease	Current Health Care Trend Rates	1% Increase
Total OPEB liability	\$ 5,681,048	\$ 5,993,470	\$ 6,349,378

#### Aggregate amount for all OPEB plans

	Total OPEB Liability/(Asset)	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
Postemployment health benefit plan - RHIA	\$ (2,958,449)	\$ 42,695	\$ 390,189	\$ (215,331)
Postemployment Health Insurance Subsidy	5,993,470	2,842,932	878,648	(440,440)
Total	\$ 3,035,021	\$ 2,885,627	\$ 1,268,837	\$ (655,771)

The general fund and special revenue fund have been used in prior years to liquidate the OPEB liability.

# **Tigard-Tualatin School District 23J, Tigard, Oregon**

## **Notes to Basic Financial Statements**

### **June 30, 2024**

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#### **K. DEFERRED COMPENSATION**

The District has a deferred compensation plan available for its employees. The deferred compensation plan is one that is authorized under IRC Section 457 and has been approved in its specifics by a private ruling from the Internal Revenue Service. The assets of the plan are held by the plan administrator for the sole benefit of the plan participants and are not considered assets and liabilities of the District. As of June 30, 2024, 25 employees were participating in the plan.

#### **L. TAX SHELTERED ANNUITY**

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. No contributions are required by law from the District. As of June 30, 2024, 497 employees were participating in the plan.

#### **M. CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS**

In December 1998 the District entered into an agreement with Lowe's Hardware Corporation to lease the Phil Lewis elementary school site for a period of 30 years. The District accounts for this transaction as a direct sales financing lease. During the fiscal year ending June 30, 2021, the District received proceeds of \$868,806 that were recorded as revenue in the debt service fund. The District committed to reduce its debt service by the first \$5.5 million dollars of lease proceeds. The final debt reduction at \$33,301 was made in 2007-08. The leased property consists of two separate parcels. The lessee has a separate option to purchase each piece of property at the end of the lease. The option on the 1.52 acre parcel is no less than \$1.0 million and no greater than \$1.6 million. The option on the 10.5 acre parcel is no less than \$5.5 million and no greater than \$8.95 million.

In December 2006 the District entered into a long term commercial lease agreement with Broadway Rose Theater Company (BRTC) for the 20 year lease of the Charles F. Tigard Multipurpose Building to BRTC. Lease payments are \$1 per year and all capital improvements to the premises. The lease may be renewed in 10 year increments. In August 2019, the District entered into a re-negotiated lease with BRTC. Lease payments remain \$1 per year and all District-approved capital improvements to the premises. The new lease term is five years with the option for five five-year renewals.

The encumbrances for the capital projects fund total \$4,261,631 and are in the following categories:

<b>Category</b>	<b>Encumbrance</b>
ARCHITECT AND ENGINEER SERVICES	\$166,942.83
COMPUTER HARDWARE	\$622,709.39
EQUIPMENT	\$112,012.78
MAJOR IMPROVEMENT	\$2,688,518.06
MANAGEMENT SERVICES	\$327,681.56
OTHER PROFESSIONAL CONTRACTED SERVICES	\$343,766.36
<b>Encumbrance as of June 30, 2024</b>	<b>\$4,261,630.98</b>

# **Tigard-Tualatin School District 23J, Tigard, Oregon**

## **Notes to Basic Financial Statements**

### **June 30, 2024**

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#### **N. RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District uses the Insurance Internal Service Fund to account for and finance risks for worker's compensation, unemployment, general liability and property damage. For workers' compensation the District does not retain risk for the coverage but may pay certain medical costs to reduce the premium. The District is self-insured for unemployment cost. Comprehensive General and Automotive Liability insurance provides \$10 million basic coverage. Errors and Omissions coverage (sometimes called Difference in Conditions coverage) is in force for \$10 million. Excess coverage over the Basic and Errors and Omissions coverage is in force at \$20 million. The District does not engage in risk financing activities where the risk is retained (self-insurance) except for the deductible of \$25,000 on property insurance. The District purchases insurance for workers' compensation, employee medical benefits, liability claims and all property losses in excess of deductible limits. There were no settlements in excess of the insurance coverage in any of the prior three fiscal years.

The risk management internal service fund is funded by charges to the district's other funds and is based on payroll assessments for worker's compensation and unemployment insurance. It is based on refunds of certain prior year expenditures for the contributing funds for the property loss exposure. Rates are evaluated periodically due to economic conditions and the worker's compensation plan is audited annually by the carrier.

#### **O. DEBT**

The District has outstanding bonds and other debt totaling \$315,197,845. No district assets are pledged as collateral. None of the District's debt has an acceleration clause. The debt terms are as follows.

##### **1. Bonds**

###### *March, 2000 Issue - New Hibbard Center*

The bond was paid off during the year.

###### *July, 2009 Issue - Thorpe Property*

The bond was paid off during the year.

###### *April, 2017 Issue*

Upon the occurrence and continuance of any Event of Default, the Owners of fifty-one percent or more of the principal amount of Bonds then Outstanding may take whatever action may appear necessary or desirable to enforce or to protect any of the rights of the Owners of Bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in the Bond Resolution or the Bonds or in aid of the exercise of any power granted in the Bond Resolution or in the Bonds or for the enforcement of any other legal or equitable right vested in the Owners of the Bonds by the Bond Resolution or the Bonds or by law. However, the Bonds shall not be subject to acceleration.

Bonds are insured by the Oregon School Bond Guaranty Act.

The District may redeem all or a portion of the Bonds maturing after June 15, 2028 on June 15, 2027 or any date thereafter.

# **Tigard-Tualatin School District 23J, Tigard, Oregon**

## **Notes to Basic Financial Statements**

### **June 30, 2024**

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#### *June, 2019 Issues*

Upon the occurrence and continuance of any Event of Default, the Owners of fifty-one percent or more of the principal amount of Bonds then Outstanding may take whatever action may appear necessary or desirable to enforce or to protect any of the rights of the Owners of Bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in the Bond Resolution or the Bonds or in aid of the exercise of any power granted in the Bond Resolution or in the Bonds or for the enforcement of any other legal or equitable right vested in the Owners of the Bonds by the Bond Resolution or the Bonds or by law. However, the Bonds shall not be subject to acceleration.

Bonds are insured by the Oregon School Bond Guaranty Act.

The District may redeem all or a portion of the 2019A bonds maturing after June 15, 2030 on June 15, 2029 or any date thereafter.

The Series 2019B Bonds are not subject to optional redemption.

#### *PERS Unfunded Actuarial Liability Bonds*

Upon the occurrence and continuance of any Event of Default under the Trust Agreement, the Series 2007 Trustee may, and if the Owners of not less than 51 percent in aggregate principal amount of Series 2007 Obligations then Outstanding so request, is required to take whatever action at law or in equity may appear necessary or desirable to enforce or to protect any of the rights vested in the Series 2007 Trustee or the Owners of Series 2007 Obligations by the Trust Agreement, the Intercept Agreement or the Series 2007 Pension Bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in the Trust Agreement or the Intercept Agreement or in aid of the exercise of any power granted in the Trust Agreement or the Intercept Agreement or for the enforcement of any other legal or equitable right vested in the Series 2007 Trustee by the Trust Agreement or by law; provided that in no event will the Series 2007 Trustee have the right to accelerate the Pension Bond Payments or the Series 2007 Obligations. The Series 2007 Trustee is not permitted to exercise remedies against a Series 2007 Issuer that has not caused a Pension Bond Default.

The Trust Agreement provides that if at any time after a Pension Bond Default has occurred, any moneys available or thereafter becoming available for such purpose, whether through the exercise of the remedies provided for under the Trust Agreement or otherwise, are required to be applied by the Series 2007 Trustee as follows:

- (1) To the payment of the interest on such Series 2007 Issuer's Pension Bonds when due.
- (2) To the payment of the principal on such Series 2007 Issuer's Pension Bonds when due.

State Intercept Agreement: Payment of the Series 2007 Pension Bonds is also secured by an intercept agreement, pursuant to which an amount of State Education Revenues equal to each Series 2007 Issuer's Pension Bond Payments, which would otherwise be paid by the Oregon Department of Education (the "Agency") to the Series 2007 Issuer, is diverted to the Series 2007 Trustee for the purpose of paying the Pension Bond Payments.

The Obligations due on and after June 1, 2020 are subject to prepayment prior to their respective payment dates in whole or in part in authorized denominations on any date on or after June 1, 2019.

#### *June, 2024 Refunding Issue*

In June of 2024, the District refunded a portion of the April 2017 bond issuance. Bonds were issued in the amount of \$3,655,000 that refunded \$3,540,000 of the April 2017 issuance. The refunding saved the District approximately \$1.98 million in debt service as a result of acceleration of debt service. The refunding resulted in a net present value loss of (\$307,956). A deferred outflow of resources is reported for the difference between the reacquisition price and the net carrying value of the debt which will be amortized over the life of the refunded debt.

# **Tigard-Tualatin School District 23J, Tigard, Oregon**

## **Notes to Basic Financial Statements**

### **June 30, 2024**

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Upon the occurrence of an Event of Default the Bank may exercise any remedy available at law or in equity. Upon the occurrence and continuance of an Event of Default, the Bank may, in addition to pursuing other remedies, at its election increase the interest rate applicable to the Outstanding Balance by five hundred basis points (5.00%). However, the amounts due from the Issuer under this Bond Purchase Agreement shall not be subject to acceleration. The Bank may waive any Event of Default, but no such waiver shall extend to a subsequent Event of Default. No delay or omission of the Bank to exercise any right or power arising upon the happening of an Event of Default shall impair any right or power or shall be construed to be a waiver of any such Event of Default or to be an acquiescence therein; and every power and remedy given by this section to the Bank may be exercised from time to time and as often as may be deemed expedient by the Bank.

## **2. Other Debt**

### **Leases**

As of June 30, 2024, the District had 29 active leases. The leases have payments that range from \$300 to \$11,250 and interest rates that range from 0.514% to 2.978%. As of June 30, 2024, the total combined value of the lease liability is \$457,486. The combined value of the right to use asset and the accumulated amortization are reported in the capital asset note.

### **Subscription Liabilities**

As of June 30, 2024, the District had 44 active subscriptions. The subscriptions have payments that range from \$0 to \$78,077 and interest rates that range from 2.282% to 3.479%. As of June 30, 2024, the total combined value of the subscription liability is \$1,299,531. The combined value of the right to use asset and the accumulated amortization are reported in the capital asset note.

The following is a summary of long-term debt transactions of governmental activities during the year ended June 30, 2024.

	Balance June 30, 2023	Additions	Reductions	Balance June 30, 2024	Due Within One Year
<b>Bonds</b>					
March, 2000 Issue - New Hibbard Center	\$ 114,280	\$ -	\$ 114,280	\$ -	\$ -
July, 2009 Issue - Thorpe Property	485,000	-	485,000	-	-
April, 2017 Issue	187,550,000	-	10,075,000	177,475,000	7,330,000
June, 2019 Issue	89,660,000	-	3,720,000	85,940,000	620,000
June, 2024 Taxable Issue	-	3,655,000	-	3,655,000	3,595,000
PERS Unfunded Actuarial Liability Bonds	18,115,000	-	3,375,000	14,740,000	3,730,000
Total Bonds	295,924,280	3,655,000	17,769,280	281,810,000	15,275,000
<b>Other Debt</b>					
Leases	304,332	308,774	155,620	457,486	145,076
Subscriptions	855,786	962,779	519,034	1,299,531	391,405
Subtotal Debt	297,084,398	4,926,553	18,443,934	283,567,017	15,811,481
Issuance Premiums and Discounts	34,894,117	-	3,263,289	31,630,828	-
Total Debt	\$ 331,978,515	\$ 4,926,553	\$ 21,707,223	\$ 315,197,845	\$ 15,811,481

# **Tigard-Tualatin School District 23J, Tigard, Oregon**

## **Notes to Basic Financial Statements**

### **June 30, 2024**

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The following is a list of each outstanding long-term obligation of the District with related information on the terms of the instrument:

General Obligation Bonds, 2017 Series, future payments due in annual installments with interest paid semi-annually at 2% to 5% through June, 2037	\$177,475,000
General Obligation Bonds, 2019 Series, future payments due in annual installments with interest paid semi-annually at 4% to 5% through June, 2040	85,940,000
General Obligation Bonds, 2024 Series, future payments due in annual installments with interest paid semi-annually, at 5.60% through June 2027.	3,655,000
PERS Unfunded Actuarial Liability Bonds October 2007, future payments due in annual installments with interest paid semi-annually at 4.9% to 5.6% through June 2028	14,740,000
Other Debt – Leases with monthly payments at 0.514 – 2.978% through June 2029	457,486
Other Debt – Subscriptions with monthly and annual payments at 2.282 – 3.479% through June 2029	<u>1,299,531</u>
Total	<u>\$ 283,567,017</u>

# **Tigard-Tualatin School District 23J, Tigard, Oregon**

## **Notes to Basic Financial Statements**

### **June 30, 2024**

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Total debt service expenditures, excluding retirement benefits, for the year ended June 30, 2024, were as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
April 2017 Issue	\$ 10,075,000	\$ 9,352,350	\$ 19,427,350
Bond 2019 Series	3,720,000	4,483,000	8,203,000
Full Faith and Credit Obligations - Thorpe Property	485,000	20,006	505,006
Full Faith and Credit Obligations - Hibbard Property	114,280	385,720	500,000
PERS Unfunded Actuarial Liability Bonds	3,375,000	1,017,520	4,392,520
Other Debt - Leases	155,620	9,119	164,739
Other Debt - Subscriptions	519,034	14,903	533,937
Total Payments	<u>\$ 18,443,934</u>	<u>\$ 15,282,618</u>	<u>\$ 33,726,552</u>

No interest costs were capitalized during the year.

For the 2000 Series for the purchase of the Hibbard administration building, a payment was due in 2008 of \$429,128, future payments were deferred until 2013 and payable from 2013 through 2024 with interest rates from 5.5 to 6.19 percent. The Thorpe Property bonds for the Art Rutkin School site were issued for the payment of the promissory note due in August, 2009, future principal payments were deferred until June, 2012 and are payable until June, 2024 with interest rates from 3.0 to 4.125 percent payable from December, 2009 to June 2024. The Tigard High Soccer Field debt was issued in August, 2010 with principal payments of \$44,000 due annually with an interest rate of 3.25 percent.

On October 31, 2007, the District participated with six other school districts in a pooled issuance of taxable pension obligation bonds to finance the District's estimated PERS unfunded actuarial liability. The District issued \$41,385,000 in debt as part of a pooled issuance of \$110,160,000. Except for the payment of its pension bond payment and additional charges when due, each school district has no obligation or liability to any other participating school district's pension bonds or liabilities to PERS.

PERS bond proceeds were paid to the Oregon Public Employees Retirement System. An intercept agreement with the State of Oregon was required as a condition of issuance; therefore a portion of State School Fund support is withheld on a monthly basis to repay debt. Funds are accumulated and invested by a trust officer and annual principal and interest payments are made each June 30, and December 30, beginning June 30, 2008 and ending June, 2028. The bond interest rates range from 4.9 percent to 5.6 percent. The District records the amounts deposited with PERS as a prepayment of its actuarial obligation and accounts for the payment of principal and interest as a pension expense annually. The prepayment is being amortized over the life of the bonds based on the straight-line method, as a percentage of pension bond debt service costs, over the life of the bonds. This method most closely recognizes the remaining prepaid asset.

Below is a summary of the District's debt obligation debt to the year 2040.

# Tigard-Tualatin School District 23J, Tigard, Oregon

## Notes to Basic Financial Statements

### June 30, 2024

Year Ending June 30	2025	2026	2027	2028	2029	2030-34	2035-39	2040-44	Total
Bonds 2024 Series									
Principal	\$ 3,595,000	\$ 40,000	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,655,000
Interest	202,974	3,360	1,120	-	-	-	-	-	207,454
FF&C Thorpe Property									
Principal	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Bonds 2007 Pension Obligation									
Principal	3,730,000	4,110,000	4,515,000	2,385,000	-	-	-	-	14,740,000
Interest	827,946	618,432	387,573	133,965	-	-	-	-	1,967,916
Bonds 2017 Series									
Principal	7,330,000	8,180,000	9,095,000	10,060,000	11,100,000	73,605,000	58,105,000	-	177,475,000
Interest	9,033,550	8,674,200	8,267,650	7,820,500	7,317,500	27,101,000	6,330,000	-	74,544,400
Bonds 2019 Series									
Principal	620,000	780,000	990,000	1,200,000	1,420,000	11,020,000	48,480,000	21,430,000	85,940,000
Interest	4,297,000	4,266,000	4,227,000	4,177,500	4,117,500	19,271,000	15,037,000	1,071,500	56,464,500
Other Debt									
Lease Liability									
Principal	145,076	120,268	89,245	87,181	15,716	-	-	-	457,486
Interest	8,843	6,202	3,821	1,456	115	-	-	-	20,437
Subscription Liability									
Principal	391,405	402,794	414,624	82,614	8,094	-	-	-	1,299,531
Interest	34,329	23,940	13,110	1,963	56	-	-	-	73,398
Total Principal	15,811,481	13,633,062	15,123,869	13,814,795	12,543,810	84,625,000	106,585,000	21,430,000	283,567,017
Total Interest	14,404,642	13,592,134	12,900,274	12,135,384	11,435,171	46,372,000	21,367,000	1,071,500	133,278,105
Total Requirements	<u>\$ 30,216,123</u>	<u>\$ 27,225,196</u>	<u>\$ 28,024,143</u>	<u>\$ 25,950,179</u>	<u>\$ 23,978,981</u>	<u>\$ 130,997,000</u>	<u>\$ 127,952,000</u>	<u>\$ 22,501,500</u>	<u>\$ 416,845,122</u>



# Tigard-Tualatin School District 23J, Tigard, Oregon

## Notes to Basic Financial Statements

### June 30, 2024

#### P. FUND BALANCE CONSTRAINTS

The specific purposes for each of the categories of fund balance as of June 30, 2024 are as follows:

Fund Balances:	General Fund	Debt Service Funds	Capital Projects Fund	Special Revenue Funds	Total
<b><u>Nonspendable</u></b>					
Prepaid & inventory	\$ 31,025	\$ -	\$ -	\$ 210,309	\$ 241,334
<b><u>Restricted:</u></b>					
Long Term Debt					
General obligation debt	-	880,711	-	-	880,711
Full faith and credit debt	-	871,050	-	-	871,050
Pension bond debt	-	136,012	-	-	136,012
Construction excise tax agreements	-	-	7,827,746	-	7,827,746
Construction projects per ballot title	-	-	18,232,668	-	18,232,668
School donation accounts	-	-	-	423,968	423,968
Food service programs	-	-	-	1,860,432	1,860,432
Scrip purchases	-	-	-	543,300	543,300
Grants	-	-	-	1,972,949	1,972,949
Early retirement program	-	-	-	1,923,351	1,923,351
Student body funds	-	-	-	1,619,470	1,619,470
	-	1,887,773	26,060,414	8,343,470	36,291,657
<b><u>Committed:</u></b>					
Facility acquisition, land purchases and leases	-	-	3,336,119	-	3,336,119
Consumables related to prior textbook adoptions	-	-	-	355,534	355,534
School savings accounts	-	-	-	496,711	496,711
Facility use and parking lots	-	-	-	2,429,027	2,429,027
	-	-	3,336,119	3,281,272	6,617,391
<b><u>Assigned:</u></b>					
Appropriation of fund balance	7,673,211	-	-	-	7,673,211
<b><u>Unassigned:</u></b>	10,193,872	-	-	(203,103)	9,990,769
<b><u>Total Fund Balances</u></b>	<b>\$ 17,898,108</b>	<b>\$ 1,887,773</b>	<b>\$ 29,396,533</b>	<b>\$ 11,631,948</b>	<b>\$ 60,814,362</b>

**Tigard-Tualatin School District 23J, Tigard, Oregon**  
**Notes to Basic Financial Statements**  
**June 30, 2024**

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**Q. INTERFUND TRANSFERS AND DUE TO DUE FROM**

	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ -	\$ 376,130
Full Faith and Credit Debt Service Fund	503,839	-
Capital Projects Fund		503,839
Special Revenue Fund	<u>1,568,763</u>	<u>1,192,633</u>
 Total	 <u>\$ 2,072,602</u>	 <u>\$ 2,072,602</u>

General fund transfers of \$140,804 was transferred from the General Fund to the State County Private Grants Fund for obligations to schools. \$235,326 of General Funds was transferred to the Food Service Fund for as federal law does not allow the Food Service Fund to absorb the loss from the state Meal Provision Program that required the district to provide meals to students regardless of their ability to pay.-School Associated Student Body (ASB) funds are required to transfer all funds for purchases of goods or services or payment of club funded activities and sports over \$50 to the District general fund. \$1,192,633 was transferred in the fiscal year for various purchases made by the general fund for the ASB fund.

The composition of due to/due from balances as of June 30, 2024 is as follows:

	<u>Due to</u>	<u>Due from</u>
General Fund	\$ -	\$ 575,962
Special Revenue Fund	<u>575,962</u>	<u>-</u>
 Total	 <u>\$ 575,962</u>	 <u>\$ 575,962</u>

Balances due to or due from funds occur between funds with separate checking or state investment pool accounts. All invoices are paid through the District's general checking account and funds are then transferred to/from the fund's pool account. Receipts are deposited into the District's general checking account and transfers are made to the various separate pool accounts. The due to/due from accounts exist because of timing delays in the transfers and grant expenditures claimed in the following year.

**R. SUPPLY INVENTORIES**

The supply inventory balances at June 30, 2024, are as follows:

Food Service Fund	
Food and supply items	\$ 61,409
Values of commodities on hand	<u>148,900</u>
Total Inventory Food Service Fund	<u>\$ 210,309</u>

# **Tigard-Tualatin School District 23J, Tigard, Oregon**

## **Notes to Basic Financial Statements**

### **June 30, 2024**

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#### **S. COMPENSATED ABSENCES**

The District does not liquidate liability for compensated absences until leave is actually taken by the employee in the governmental funds. Accrued vacation leave is considered compensated absence. The fund used to liquidate the liability is the fund where the employee's salary was charged as it is used at termination. Of the balance, 93.8 percent reflects vacation salary charged to the General Fund. The liability is considered a current liability as vacation is given at the beginning of the fiscal year and must either be taken within the fiscal year or certain qualifying employees must request a payoff of the balance within one year following the fiscal year in which it was earned. Changes in compensated absences in the basic financial statement are as follows:

Balance at June 30, 2023	\$ 600,608
Increase in accumulated accrued compensated absences	186,774
Decrease in accumulated accrued compensated absences	(51,112)
Balance at June 30, 2024	<u>\$ 736,270</u>

#### **T. TAX ABATEMENTS**

As of June 30, 2024, Tigard-Tualatin School District provides tax abatements through three programs:

##### **Vertical Housing (ORS 307.864):**

1. The partial property tax exemption for vertical housing development projects exempts the property from a portion of ad valorem property taxes imposed by local districts, other than districts electing not to participate in the vertical housing development zone.

The exemption percentage is equal to 20% of the taxes for one equalized floor allocated to residential housing, 40% for two equalized floors, 60% for three equalized floors, and 80% for four or more equalized floors. The exemption begins in the first tax year the project is occupied or ready for occupancy following certification under the program and for the next nine consecutive tax years.

##### **Enterprise Zone (ORS 285C.175):**

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

##### **Not-for-Profit Low Income Rental Housing (ORS 307.540 to 307.548):**

3. In 1985, the 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 property tax burden on those agencies that provide this housing opportunity. The qualifying property must be located within the District.

Charitable, nonprofit organizations that provide housing to low-income persons are eligible. Organizations must be certified by the Internal Revenue Service as 501(c)(3) or (4). 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.

# **Tigard-Tualatin School District 23J, Tigard, Oregon**

## **Notes to Basic Financial Statements**

### **June 30, 2024**

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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 307.540 to 307.548.

For the fiscal year ended June 30, 2024, the District abated property taxes as follows under these programs:

Vertical Housing	\$ 211,000
Enterprise Zone	32,000
Nonprofit Corporation Low Income Housing	<u>205,000</u>
Total	<u>\$ 448,000</u>

#### **U. PROPERTY TAX LIMITATIONS**

The State of Oregon imposes a constitutional limit on property taxes for schools and non-school government operations. School operations include community colleges, local school districts and education service districts. The limitation provides that property taxes for school operations are limited to \$5 for each \$1,000 of property market value. This limitation does not apply to taxes levied for principal and interest on general obligation bonded debt. The District also may levy a local option tax within the constitutional limits of the state. The result of this requirement has been that school districts have become more dependent upon state funding and less dependent upon property tax revenues as their major source of operating revenue.

The State further reduced property taxes by replacing the previous constitutional limits on tax bases with a rate and value limit in 1997. This reduction is accomplished by rolling property values back to their 1995-96 values less 10 percent and limiting future tax value growth of each property to no more than 3 percent per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the reductions. The State constitution sets restrictive voter approval requirements for most tax and many fee increases and new bond issues, and requires the state to minimize the impact to school districts from the impact of the tax cuts.

#### **V. CONTINGENCIES**

Federal and State grants are subject to audit by the grantor agencies and any adjustments may become a liability of the appropriate fund. Management believes that adjustments, if any, will not materially affect the District's results of operations or financial position.

The District receives a substantial portion of its operating funds from the State of Oregon. State funding is determined by state wide revenue projections that are paid to individual school districts based on pupil counts and other factors in the state school fund revenue formula. Since these projections and pupil counts fluctuate, they can cause the District to have either increases or decreases in revenue. Due to these future economic uncertainties at the state level, the effect on the District's operations cannot be determined.

# Required Supplementary Information

## Notes to Required Supplementary Information

1. The budgetary basis of accounting for all funds is modified accrual, which is the same as that required by generally accepted accounting principles. Accordingly, no reconciliation of budgetary to generally accepted accounting principles activity is required.

**TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON**  
*Required Supplementary Information*

**OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)**

**For the fiscal year ended June 30, 2024**

Schedule of the proportionate share of the net pension liability

	(a)	(b)	(c)	(b/c)	
Year Ended June 30	Employer's proportion of the net pension liability (NPL)	Employer's proportion share of the net pension liability (NPL)	District's covered payroll	NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2024	0.74 %	\$ 138,595,481	\$ 104,713,839	132.4 %	81.7 %
2023	0.77	117,860,387	96,748,389	121.8	84.5
2022	0.76	90,504,697	82,790,528	109.3	87.6
2021	0.77	168,317,326	81,930,319	205.4	75.8
2020	0.81	139,639,948	77,817,833	179.4	80.2
2019	0.82	123,734,963	74,681,204	165.7	82.1
2018	0.79	107,062,705	68,066,024	157.3	83.1
2017	0.84	126,576,120	63,017,760	200.9	80.5
2016	0.93	53,557,423	58,462,876	91.6	91.9
2015	0.99	(22,549,161)	55,583,469	(40.6)	103.6

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

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

Schedule of contributions

Year Ended June 30	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2024	\$ 21,912,755	\$ 21,912,755	\$ -	\$ 106,592,467	20.6 %
2023	20,777,643	20,777,643	-	104,713,839	19.8
2022	18,817,491	18,817,491	-	96,748,389	19.4
2021	19,683,427	19,683,427	-	82,790,528	23.8
2020	19,093,671	19,093,671	-	81,930,319	23.3
2019	14,315,591	14,315,591	-	77,817,833	18.4
2018	14,077,225	14,077,225	-	74,681,204	18.8
2017	9,730,018	9,730,018	-	68,066,024	14.3
2016	9,879,137	9,879,137	-	63,017,760	15.7
2015	10,481,174	10,481,174	-	58,462,876	17.9

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

**TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON**  
*Required Supplementary Information*

**SCHEDULE OF CHANGES IN OTHER POST-EMPLOYMENT BENEFITS (OPEB) LIABILITY - RHIA**

**For the Year Ended June 30 2024**

Schedule of changes in the total OPEB liability

		Difference Between Expected and Actual		Difference Between Projected and Actual Investment		Employer Actual Contributions	Change in Employer Proportion	Employer Total Expense
Year ended June 30	Service Cost	Experience	Changes in Assumptions	Earnings				
2024	\$ -	\$ (74,273)	\$ (31,899)	\$ 8,390	\$ (2,843)	\$ (252,555)	\$ (211,130)	
2023		(62,169)	(58,507)	(174,956)	(15,922)	381,216	(156,289)	
2022		(67,603)	11,663	(577,458)	(15,913)	411,100	(307,395)	
2021	-	(265,719)	(138,163)	289,057	(18,932)	(605,248)	(739,202)	
2020	-	(174,559)	(1,371)	(81,706)	(91,096)	(7,238)	176,503	
2019	-	(42,760)	(2,394)	(162,669)	(342,018)	(4,213)	72,786	
2018	-	-	-	(126,546)	(325,946)	(1,431)	937	

Schedule of total OPEB liability and related ratios

Year ended June 30	Total OPEB liability		Net change in total OPEB liability (asset)	Total OPEB liability (asset) ending	Covered payroll	Total OPEB liability as a percentage of covered payroll	
	beginning (asset)					Discount Rate	
2024	\$ (2,294,118)	\$ (664,331)	\$ (2,958,449)	\$ 104,713,839	-2.83%	6.90%	
2023	(2,429,838)	135,720	(2,294,118)	96,748,389	-2.37%	6.90%	
2022	(2,599,249)	169,411	(2,429,838)	82,790,528	-2.93%	6.90%	
2021	(1,323,723)	(1,275,526)	(2,599,249)	81,930,319	-3.17%	7.20%	
2020	(754,501)	(569,222)	(1,323,723)	77,817,833	-1.70%	7.20%	
2019	(273,233)	(481,268)	(754,501)	74,681,204	-1.01%	7.20%	
2018	179,753	(452,986)	(273,233)	68,066,024	-0.40%	7.50%	

Schedule of contributions

Year ended June 30	Statutorily required contributions	Contributions related to		Contribution deficiency (excess)	Employers covered payroll	Contributions as a percentage of covered payroll
		statutorily required contributions				
2024	\$ 2,843	\$ 2,843	\$ -	\$ 106,592,467	0.000%	
2023	15,922	15,922	-	104,713,839	0.015%	
2022	15,913	15,913	-	96,748,389	0.016%	
2021	18,932	18,932	-	82,790,528	0.023%	
2020	91,096	91,096	-	81,930,319	0.111%	
2019	342,018	342,018	-	77,817,833	0.440%	
2018	326,946	326,946	-	74,681,204	0.438%	

Note: This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full year trend has been compiled, information is presented for the years for which the required supplementary schedule information is available. The District implemented GASB 73 and GASB 75 in the fiscal year ending June 30, 2018.

**SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY  
AND RELATED RATIOS STIPEND BENEFITS**

**For the Year Ended June 30, 2024**

	2018	2019	2020	2021	2022	2023	2024
Total Pension Liability at June 30	\$ 704,102	\$ 672,305	\$ 528,426	\$ 639,312	\$ 1,434,346	\$ 1,417,199	\$ 905,633
Changes for the year:							
Service Cost	12,684	13,128	10,699	11,073	5,287	4,044	3,420
Change in Assumptions	-	-	-	-	-	-	-
Interest	18,523	17,557	10,082	12,937	44,810	40,329	23,963
Differences Between Expected and Actual Experience	-	-	-	-	-	-	-
Changes of Assumptions or Other Input	89,174	-	8,040	878,919	419,175	-	(1,187)
Experience Gain or Loss	21,142	-	227,341	-	(149,385)	-	(9,212)
Benefit Payments	(173,320)	(174,564)	(145,276)	(107,895)	(337,034)	(555,939)	(457,424)
Net Changes for the Year	(31,797)	(143,879)	110,886	795,034	(17,147)	(511,566)	(440,440)
Total Pension Liability at June 30	<u>\$ 672,305</u>	<u>\$ 528,426</u>	<u>\$ 639,312</u>	<u>\$ 1,434,346</u>	<u>\$ 1,417,199</u>	<u>\$ 905,633</u>	<u>\$ 465,193</u>
Covered-Employee Payroll	\$ 3,050,913	\$ 3,157,695	\$ 1,984,231	\$ 2,053,679	\$ 984,874	\$ 752,051	\$ 738,012
Net Single Employer Pension Plan as a Percentage of Covered Payroll	22.04%	16.73%	32.22%	69.84%	143.90%	120.42%	63.03%

Note: This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full year trend has been compiled, information is presented for the years for which the required supplementary schedule information is available. The District implemented GASB 73 and GASB 75 in the fiscal year ending June 30, 2018.

Note: There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the pension plan.



**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY  
HEALTH INSURANCE SUBSIDY**

**For the Year Ended June 30, 2024**

	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability at June 30	\$ 9,489,757	\$ 9,311,641	\$ 8,249,919	\$ 8,131,056	\$ 7,192,916	\$ 6,764,047	\$ 5,945,882
Changes for the year:							
Service Cost	239,837	248,231	221,242	228,985	170,881	170,076	145,455
Change in Assumptions	-	-	-	-	-	-	-
Interest	261,281	255,862	166,286	164,977	230,799	218,095	188,591
Differences Between Expected and Actual Experience	-	-	-	-	-	-	-
Changes of Assumptions or Other Input	(448,979)	-	552,789	-	(480,879)	-	(434,731)
Experience Gain or Loss	1,330,517	-	392,161	-	996,653	-	1,385,188
Benefit Payments	(1,560,772)	(1,565,815)	(1,451,341)	(1,332,102)	(1,346,323)	(1,206,336)	(1,236,915)
Net Changes for the Year	(178,116)	(1,061,722)	(118,863)	(938,140)	(428,869)	(818,165)	47,588
Total OPEB Liability at June 30	<u>\$ 9,311,641</u>	<u>\$ 8,249,919</u>	<u>\$ 8,131,056</u>	<u>\$ 7,192,916</u>	<u>\$ 6,764,047</u>	<u>\$ 5,945,882</u>	<u>\$ 5,993,470</u>
Covered-Employee Payroll	\$ 69,640,084	\$ 74,591,374	\$ 74,591,374	\$ 77,202,072	\$ 77,980,703	\$ 80,710,028	\$ 90,510,717
Total OPEB Plan as a Percentage of Covered Payroll	13.37%	11.06%	10.90%	9.32%	8.67%	7.37%	6.62%

Note: This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full year trend has been compiled, information is presented for the years for which the required supplementary schedule information is available. The District implemented GASB 73 and GASB 75 in the fiscal year ending June 30, 2018.

Note: There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

**TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON***Required Supplementary Information**General Fund - Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual  
Year Ended June 30, 2024*

	Adopted Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Taxes - regular	\$ 65,800,000	\$ 65,800,000	\$ 66,486,690	\$ 686,690
Taxes - local option	11,700,000	11,700,000	12,008,012	308,012
Local sources	1,649,265	1,649,265	1,939,653	290,388
Intermediate sources	2,270,000	2,270,000	1,278,287	(991,713)
State sources	79,641,862	79,641,862	82,270,827	2,628,965
Federal sources	-	-	12,944	12,944
Investment earnings	750,000	750,000	1,260,108	510,108
<b>Total revenues</b>	<u>161,811,127</u>	<u>161,811,127</u>	<u>165,256,521</u>	<u>3,445,394</u>
<b>Expenditures</b>				
Current				
Instruction	104,887,308	105,187,308	104,856,451	330,857
Support services	64,557,715	65,457,715	64,187,923	1,269,792
Community services	432,509	532,509	470,815	61,694
Operating contingency	3,236,223	1,936,223	-	1,936,223
<b>Total expenditures</b>	<u>173,113,755</u>	<u>173,113,755</u>	<u>169,515,189</u>	<u>3,598,566</u>
Excess (deficiency) of revenues over (under) expenditures	(11,302,628)	(11,302,628)	(4,258,668)	7,043,960
<b>Other financing sources (uses)</b>				
Sale of capital asset	-	-	46	46
Transfers out	(454,000)	(454,000)	(376,130)	77,870
Lease proceeds	-	-	244,901	244,901
Subscription proceeds	-	-	263,685	263,685
<b>Total other financing sources (uses)</b>	<u>(454,000)</u>	<u>(454,000)</u>	<u>132,502</u>	<u>586,502</u>
<b>Net change in fund balances</b>	<u>(11,756,628)</u>	<u>(11,756,628)</u>	<u>(4,126,166)</u>	<u>7,630,462</u>
<b>Fund balance, beginning of year</b>	<u>21,500,000</u>	<u>21,500,000</u>	<u>22,024,274</u>	<u>524,274</u>
<b>Fund balance, end of year</b>	<u>\$ 9,743,372</u>	<u>\$ 9,743,372</u>	<u>\$ 17,898,108</u>	<u>\$ 8,154,736</u>

**TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON***Required Supplementary Information**Special Revenue Fund**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual  
Year Ended June 30, 2024*

	Adopted Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Local sources	\$ 6,066,500	\$ 6,066,500	\$ 4,867,779	\$ (1,198,721)
Intermediate sources	4,637,326	4,637,326	5,076,851	439,525
State sources	17,916,731	17,916,731	18,406,079	489,348
Federal sources	16,335,760	16,335,760	14,373,147	(1,962,613)
Investment earnings	-	-	138,317	138,317
<b>Total revenues</b>	<b>44,956,317</b>	<b>44,956,317</b>	<b>42,862,173</b>	<b>(2,094,144)</b>
<b>Expenditures</b>				
Current				
Instruction	24,569,584	24,569,584	23,064,261	1,505,323
Support services	17,552,031	17,552,031	17,501,184	50,847
Community services	7,617,979	7,617,979	4,852,562	2,765,417
Facilities acquisition and construction	134,100	134,100	-	134,100
<b>Total expenditures</b>	<b>49,873,694</b>	<b>49,873,694</b>	<b>45,418,007</b>	<b>4,455,687</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(4,917,377)</b>	<b>(4,917,377)</b>	<b>(2,555,834)</b>	<b>2,361,543</b>
<b>Other financing sources (uses)</b>				
Transfers in	2,079,000	2,079,000	1,568,763	(510,237)
Transfers out	(1,600,000)	(1,600,000)	(1,192,633)	407,367
Lease proceeds	-	-	41,252	41,252
Subscription proceeds	-	-	185,074	185,074
<b>Total other financing sources (uses)</b>	<b>479,000</b>	<b>479,000</b>	<b>602,456</b>	<b>123,456</b>
<b>Net change in fund balance</b>	<b>(4,438,377)</b>	<b>(4,438,377)</b>	<b>(1,953,378)</b>	<b>2,484,999</b>
<b>Fund balance, beginning of year</b>	<b>8,709,968</b>	<b>8,709,968</b>	<b>13,585,326</b>	<b>4,875,358</b>
<b>Fund balance, end of year</b>	<b>\$ 4,271,591</b>	<b>\$ 4,271,591</b>	<b>\$ 11,631,948</b>	<b>\$ 7,360,357</b>

## Supplementary Information

**TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON***General Obligation Bond Debt Service Fund**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**Year Ended June 30, 2024*

	Adopted Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Taxes - regular	\$ 23,890,400	\$ 23,890,400	\$ 23,943,076	\$ 52,676
Intermediate sources	-	-	20,326	20,326
Investment earnings	100,000	100,000	476,485	376,485
Total revenues	23,990,400	23,990,400	24,439,887	449,487
Expenditures				
Current				
Debt service	24,090,400	24,090,400	24,157,048	(66,648)
Total expenditures	24,090,400	24,090,400	24,157,048	(66,648)
Excess (deficiency) of revenues over (under) expenditures	(100,000)	(100,000)	282,839	382,839
Other financing sources (uses)				
Issuance of debt	-	-	3,655,000	3,655,000
Payment to refunded bond escrow	-	-	(3,588,302)	(3,588,302)
Total other financing sources (uses)	-	-	66,698	66,698
Net change in fund balance	(100,000)	(100,000)	349,537	449,537
Fund balance, beginning of year	100,000	100,000	531,174	431,174
Fund balance, end of year	\$ -	\$ -	\$ 880,711	\$ 880,711

**TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON***Full Faith and Credit and Lease Obligation Fund**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**Year Ended June 30, 2024*

	<u>Adopted Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Local sources	<u>\$ 950,061</u>	<u>\$ 950,061</u>	<u>\$ 1,044,935</u>	<u>\$ 94,874</u>
Total revenues	<u>950,061</u>	<u>950,061</u>	<u>1,044,935</u>	<u>94,874</u>
Expenditures				
Current				
Debt service	<u>1,005,100</u>	<u>1,005,100</u>	<u>1,005,006</u>	<u>94</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(55,039)</u>	<u>(55,039)</u>	<u>39,929</u>	<u>94,968</u>
Other financing sources (uses)				
Transfers in	<u>-</u>	<u>-</u>	<u>503,839</u>	<u>503,839</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>503,839</u>	<u>503,839</u>
Net change in fund balance	<u>(55,039)</u>	<u>(55,039)</u>	<u>543,768</u>	<u>598,807</u>
Fund balance, beginning of year	<u>226,555</u>	<u>226,555</u>	<u>327,282</u>	<u>100,727</u>
Fund balance, end of year	<u>\$ 171,516</u>	<u>\$ 171,516</u>	<u>\$ 871,050</u>	<u>\$ 699,534</u>

**TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON***Pension Bond Series 2007 Debt Service Fund**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**Year Ended June 30, 2024*

	<u>Adopted Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues				
Local sources	\$ 4,392,600	\$ 4,392,600	\$ 4,325,038	\$ (67,562)
Investment earnings	<u>-</u>	<u>-</u>	<u>125,692</u>	<u>125,692</u>
Total revenues	<u>4,392,600</u>	<u>4,392,600</u>	<u>4,450,730</u>	<u>58,130</u>
Expenditures				
Current				
Debt service	<u>4,392,600</u>	<u>4,392,600</u>	<u>4,392,520</u>	<u>80</u>
Total expenditures	<u>4,392,600</u>	<u>4,392,600</u>	<u>4,392,520</u>	<u>80</u>
Net change in fund balance	-	-	58,210	58,210
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>77,802</u>	<u>77,802</u>
Fund balance, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 136,012</u></u>	<u><u>\$ 136,012</u></u>

**TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON***Capital Projects Fund**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**Year Ended June 30, 2024*

	Adopted Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Local sources	\$ -	\$ -	\$ 6,092	\$ 6,092
Construction excise tax	1,097,548	1,097,548	1,587,985	490,437
Investment earnings	<u>1,471,098</u>	<u>1,471,098</u>	<u>951,904</u>	<u>(519,194)</u>
Total revenues	<u>2,568,646</u>	<u>2,568,646</u>	<u>2,545,981</u>	<u>(22,665)</u>
Expenditures				
Current				
Facilities maintenance and construction	<u>52,372,863</u>	<u>52,372,863</u>	<u>14,097,782</u>	<u>38,275,081</u>
Total expenditures	<u>52,372,863</u>	<u>52,372,863</u>	<u>14,097,782</u>	<u>38,275,081</u>
Excess (deficiency) of revenues over (under) expenditures	(49,804,217)	(49,804,217)	(11,551,801)	38,252,416
Other financing sources (uses)				
Transfers out	<u>-</u>	<u>-</u>	<u>(503,839)</u>	<u>(503,839)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(503,839)</u>	<u>(503,839)</u>
Net change in fund balance	(49,804,217)	(49,804,217)	(12,055,640)	37,748,577
Fund balance, beginning of year	<u>49,804,217</u>	<u>49,804,217</u>	<u>41,452,173</u>	<u>(8,352,044)</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,396,533</u>	<u>\$ 29,396,533</u>



**TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON***Internal Service Fund**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**Year Ended June 30, 2024*

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	<u>Adopted Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues				
Local sources	<u>\$ 440,000</u>	<u>\$ 440,000</u>	<u>\$ 703,330</u>	<u>\$ 263,330</u>
Expenditures				
Current				
Support services	2,436,000	2,436,000	604,735	1,831,265
Community services	<u>500,000</u>	<u>500,000</u>	<u>32,185</u>	<u>467,815</u>
Total expenditures	<u>2,936,000</u>	<u>2,936,000</u>	<u>636,920</u>	<u>2,299,080</u>
Net change in fund balance	(2,496,000)	(2,496,000)	66,410	2,562,410
Fund balance, beginning of year	<u>2,496,000</u>	<u>2,496,000</u>	<u>3,551,009</u>	<u>1,055,009</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,617,419</u>	<u>\$ 3,617,419</u>

**TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON***Scholarship Fund**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**Year Ended June 30, 2024*

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	Adopted Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Investment Earnings	\$ 10,000	\$ 10,000	\$ 10,809	\$ 809
Total revenues	10,000	10,000	10,809	809
Expenditures				
Current				
Support services	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	10,000	10,000	10,809	809
Other financing sources (uses)				
Transfers in	(25,000)	(25,000)	-	25,000
Net change in fund balance	35,000	35,000	10,809	25,809
Fund balance, beginning of year	15,000	15,000	214,532	199,532
Fund balance, end of year	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 225,341</u>	<u>\$ 225,341</u>

**TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON**
*Supplementary Information - Other Financial Schedules*
*Schedule of Property Tax Transactions*
*Year Ended June 30, 2024*

	Tax Year	Current Levy and Uncollected July 1, 2023	Discounts Allowed	Interest	Adjustments	Collections	Uncollected June 30, 2024
<u>General Fund:</u>							
Current	2023-2024	\$ 81,098,332	\$ 2,207,801	\$ 20,298	\$ (429,125)	\$ 77,668,848	\$ 812,856
Prior	2022-2023	721,046	(2,435)	42,853	26,938	544,351	248,921
	2021-2022	216,931	(249)	24,158	(21,504)	94,223	125,611
	2020-2021	118,727	(171)	29,196	(14,247)	80,338	53,509
	2019-2020	51,589	(3)	13,396	(7,407)	32,750	24,831
	2018-2019	19,610	(7)	4,143	(2,365)	8,481	12,914
	2018 and prior	38,496	-	6,956	(10,121)	9,387	25,944
Total Prior		1,166,399	(2,865)	120,702	(28,706)	769,530	491,730
		<u>\$ 82,264,731</u>	<u>\$ 2,204,936</u>	<u>\$ 141,000</u>	<u>\$ (457,831)</u>	<u>\$ 78,438,378</u>	<u>\$ 1,304,586</u>

## Reconciliation to revenue:

Cash collections by county treasuries above

\$ 78,438,378

Payments in lieu of taxes

Penalty and interest on property taxes

13,542

Accrual of current receivables:

6/30/23

(196,900)

6/30/24

239,682

Total Revenues

\$ 78,494,702

	Tax Year	Current Levy and Uncollected July 1, 2023	Discounts Allowed	Interest	Adjustments	Collections	Uncollected June 30, 2024
<u>Debt Service Fund:</u>							
Current	2023-2024	\$ 24,697,970	\$ 672,376	\$ 5,909	\$ (130,698)	\$ 23,653,562	\$ 247,243
Prior	2022-2023	217,632	(736)	12,420	8,147	164,508	74,427
	2021-2022	67,172	(78)	7,104	(6,716)	29,409	38,229
	2020-2021	36,822	(54)	8,701	(4,472)	25,205	15,900
	2019-2020	15,750	(1)	3,962	(2,317)	10,253	7,143
	2018-2019	5,812	(2)	1,233	(724)	2,597	3,726
	2018 and prior	10,509	-	1,918	(1,064)	2,718	8,645
Total Prior		353,697	(871)	35,338	(7,146)	234,690	148,070
		<u>\$ 25,051,667</u>	<u>\$ 671,505</u>	<u>\$ 41,247</u>	<u>\$ (137,844)</u>	<u>\$ 23,888,252</u>	<u>\$ 395,313</u>

## Reconciliation to revenue:

Cash collections by county treasuries above

\$ 23,888,252

Payments in lieu of taxes

Penalty and interest on property taxes

41,528

Accrual of current receivables:

6/30/23

(59,898)

6/30/24

73,194

Total Revenues

\$ 23,943,076

**TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2024**

Federal Grantor/Pass Through Grantor						
Program Title	Federal AL Number	Pass Through Entity Number	Grant Period	Expenditures	Pass Through to Sub-Recipients	
<b>Passed through State Department of Education</b>						
Title I Grants to Local Education Agencies ESSA D&SI	84.010A	68020	10/1/21-9/30/23	\$ 63,430	\$ -	
Title I Grants to Local Education Agencies ESSA Partnerships	84.010A	75172	11/1/22-9/30/24	102,880	-	
Title I Grants to Local Education Agencies	84.010A	72631	7/1/22-9/30/23	280,926	-	
Title I Grants to Local Education Agencies	84.010A	76596	7/1/22-9/30/24	<u>1,723,145</u>	<u>11,917</u>	
				2,170,381	11,917	
Title I State Agency Program for Neglected and Delinquent Children and Youth	84.013A	35403	7/1/22-6/30/24	<u>54,317</u>	<u>-</u>	
Special Education Grants to States (IDEA, Part B)	84.027A	74142	7/1/22-9/30/24	148,585	-	
Special Education Grants to States (IDEA, Part B)	84.027A	78078	7/1/23-9/30/24	1,719,955	55,022	
Special Education Grants to States (IDEA, Part B)	84.027A	80002	7/1/23-6/30/24	1,648	-	
Special Education Grants to States (IDEA, Part B)	84.173	74319	7/1/22-9/30/24	8,542	-	
Special Education Preschool Grants	84.173	77893	7/1/23-9/30/25	11,975	-	
Special Education Grants to States (IDEA Equipment and Supplies)	84.027A	75398	7/1/22-9/30/23	<u>65,659</u>	<u>-</u>	
				1,956,364	55,022	
English Language Acquisition State Grants	84.365A	73126	7/1/22-9/30/23	13,075	-	
English Language Acquisition State Grants	84.365A	77014	7/1/23-9/30/24	<u>168,520</u>	<u>-</u>	
				181,595	-	
Supporting Effective Instruction State Grants	84.367A	72828	7/1/22-9/30/23	84,112	-	
Supporting Effective Instruction State Grants	84.367A	76793	7/1/23-9/30/24	<u>293,149</u>	<u>24,779</u>	
				377,261	24,779	
Student Support and Academic Enrichment Program	84.424	66880	7/1/21-9/30/22	30,902	-	
Student Support and Academic Enrichment Program	84.424	73025	7/1/22-9/30/23	135,498	1,214	
Student Support and Academic Enrichment Program	84.424	77210	7/1/23-9/30/24	<u>84,483</u>	<u>-</u>	
				250,883	1,214	
Twenty-First Century Community Learning	84.287	77620	7/1/23-9/30/24	<u>205,493</u>	<u>46,042</u>	
Foster Care Title IV-E	93.658	81354	7/1/21-9/30/24	<u>12,105</u>	<u>-</u>	
ARP - Education Stabilization Fund Bilingual Educators	84.425U	75964 (1)	3/1/23-9/30/24	86,772	13,375	
ARP - Education Stabilization Fund	84.425U	65003 (1)	3/13/20-9/30/24	5,964,133	266,118	
ARP - Education Stabilization Fund HCY II	84.425U	69412 (1)	4/23/21-9/30/24	22,588	2,448	
ARP - Education Stabilization Fund LTCT Discretionary	84.425U	75910 (1)	6/1/20-9/30/24	<u>108,225</u>	<u>33,459</u>	
				6,181,718	315,400	
<b>Passed through Oregon Department of Human Services</b>						
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126A	160755-2	7/1/21-6/30/24	<u>129,678</u>	<u>-</u>	
<b>Total U.S. Department of Education</b>				<u><b>11,519,795</b></u>	<u><b>454,374</b></u>	
<b>U.S. DEPARTMENT OF HEALTH &amp; HUMAN SERVICES</b>						
Public Health Emergency Response: Cooperative Agreement for Emergency Response Public Health Crisis Response	93.354	180989		<u>10,000</u>	<u>-</u>	
<b>U.S. DEPARTMENT OF AGRICULTURE</b>						
<b>Passed through State Department of Education</b>						
School Breakfast Program	10.553	N/A		379,591	-	
National School Lunch Program	10.555	N/A		1,898,813	-	
National School Lunch Program - Supply Chain Assistance	10.555	N/A		290,975	-	
National School Lunch Program - Non-Cash Assistance	10.555	N/A		<u>283,002</u>	<u>-</u>	
<b>Total Child Nutrition Cluster</b>				2,852,380	-	
Pandemic EBT Administrative Costs	10.649	N/A		<u>3,256</u>	<u>-</u>	
<b>Total U.S. Department of Agriculture</b>				<u><b>2,855,636</b></u>	<u><b>-</b></u>	
<b>Total Expenditure of Federal Awards</b>				<u><b>\$ 14,385,431</b></u>	<u><b>\$ 454,374</b></u>	

**(1) Major Programs**

The accompanying schedule of expenditures of federal awards includes the federal grant activity and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Federal Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

# STATISTICAL SECTION

# Statistical Section

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

## **Contents**

## **Page**

### ***Financial Trends***

**96-99**

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

### ***Revenue Capacity***

**100-105**

These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.

### ***Debt Capacity***

**106-109**

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

### ***Demographic and Economic Information***

**110-111**

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

### ***Operating Information***

**112-117**

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

**Schedule 1**  
**Tigard-Tualatin School District No. 23J**  
**Condensed Statement of Net Position**  
**Last Ten Fiscal Years**  
(Accrual Basis of Accounting)

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
<b>Governmental activities</b>										
Net Position										
Net investment in capital assets	\$ 85,813,660	\$ 91,663,673	\$ 106,426,011	\$ 109,142,927	\$ 114,439,030	\$ 136,894,568	\$ 141,414,935	\$ 145,301,637	\$ 150,328,122	\$ 151,208,273
Restricted	7,998,990	11,453,706	10,547,188	15,036,209	19,204,488	5,421,863	8,737,474	11,108,273	12,355,757	13,189,692
Unrestricted	<u>(14,268,560)</u>	<u>(49,027,810)</u>	<u>(62,040,983)</u>	<u>(70,504,580)</u>	<u>(74,606,055)</u>	<u>(94,394,375)</u>	<u>(104,772,603)</u>	<u>(99,477,749)</u>	<u>(99,682,305)</u>	<u>(96,065,856)</u>
Total Net Position	<u>\$ 79,544,090</u>	<u>\$ 54,089,570</u>	<u>\$ 54,932,216</u>	<u>\$ 53,674,556</u>	<u>\$ 59,037,463</u>	<u>\$ 47,922,056</u>	<u>\$ 45,379,806</u>	<u>\$ 56,932,161</u>	<u>\$ 63,001,574</u>	<u>\$ 68,332,109</u>

**Schedule 2**  
**Tigard-Tualatin School District No. 23J**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**

	Fiscal Year									
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
<b>Expenses</b>										
<b>Governmental activities</b>										
Instruction	\$ 62,345,966	\$ 118,757,908	\$ 101,212,195	\$ 103,409,091	\$ 107,550,544	\$ 115,462,612	\$ 120,499,151	\$ 119,781,290	\$ 130,152,230	\$ 135,891,130
Support Services	32,974,800	53,188,022	48,384,764	53,306,939	56,598,097	63,797,944	67,114,618	66,710,126	75,805,186	80,248,648
Enterprise and Community Services	4,085,471	5,646,959	5,240,949	5,024,696	5,427,111	4,755,408	5,377,304	4,915,501	5,407,122	5,340,646
Interest on long-term liabilities	5,599,435	5,118,801	6,527,310	11,791,388	11,587,174	14,289,400	14,063,107	13,226,044	12,297,233	11,995,817
Total expenses	<u>105,005,671</u>	<u>182,711,691</u>	<u>161,365,219</u>	<u>173,532,113</u>	<u>181,162,926</u>	<u>198,305,364</u>	<u>207,054,180</u>	<u>204,632,961</u>	<u>223,661,771</u>	<u>233,476,241</u>
<b>Program Revenues</b>										
<b>Governmental activities</b>										
Charges for services										
Instruction	4,539,162	2,897,610	2,813,482	2,901,154	2,982,358	2,364,402	1,047,022	564,509	278,971	200,464
Support Services	-	-	-	-	-	18,000	18,000	983,492	983,492	989,492
Enterprise and Community Services	1,757,178	1,767,776	1,762,535	1,793,636	1,717,207	1,188,174	162,406	346,227	1,433,218	1,434,003
Operating grants and contributions	17,138,272	16,113,049	17,611,086	20,875,604	21,503,738	20,789,959	26,902,901	42,810,995	47,386,372	48,056,954
Capital grants and contributions	385,838	387,233	385,760	120,530	120,530	146,390	133,227	133,227	138,679	-
Total program revenues	<u>23,820,450</u>	<u>21,165,668</u>	<u>22,572,863</u>	<u>25,690,924</u>	<u>26,323,833</u>	<u>24,506,925</u>	<u>28,263,556</u>	<u>44,838,450</u>	<u>50,220,732</u>	<u>50,680,913</u>
<b>Net (Expenses)/Revenue</b>	(81,185,221)	(161,546,023)	(138,792,356)	(147,841,189)	(154,839,093)	(173,798,439)	(178,790,624)	(159,794,511)	(173,441,039)	(182,795,328)
<b>General Revenues</b>										
<b>Governmental activities</b>										
Property taxes, levied for general purposes	53,023,648	55,671,956	58,504,873	61,684,267	66,401,829	67,167,660	70,106,305	72,587,375	75,516,579	78,590,107
Property taxes, levied for debt service	13,969,228	14,949,875	15,298,201	19,090,424	18,161,545	21,018,574	21,995,841	22,674,873	22,846,859	23,971,396
Federal aid not restricted to specific purposes	1,304	1,514	506	3,030	19,811	76,624	12,306	19,627	1,973	22,944
State aid not restricted to specific purposes	54,640,982	59,503,437	59,842,026	69,842,432	64,998,957	68,799,766	73,118,834	67,469,640	67,517,400	72,725,303
Intermediate aid not restricted to specific purposes	3,298,968	1,957,778	1,875,770	1,142,292	1,509,693	1,301,562	1,405,871	1,361,491	2,350,381	1,413,183
Earnings on investments	272,842	307,852	1,019,619	2,436,908	6,495,809	5,015,583	929,591	(326,157)	4,601,859	4,918,006
Recovery of prior year expenditures	286,180	706,103	777,271	396,340	513,168	244,984	177,855	-	-	-
Construction excise tax	545,339	1,823,933	1,125,335	1,254,662	887,556	463,255	830,067	1,180,329	879,607	1,587,985
Gain on sale of capital assets	-	145,200	156,531	1,146,702	-	-	-	-	-	-
Other local revenue	1,024,154	1,023,857	1,034,869	1,003,670	1,213,632	1,629,951	3,052,397	6,379,688	5,795,794	4,896,939
Total general revenues	<u>127,062,645</u>	<u>136,091,505</u>	<u>139,635,001</u>	<u>158,000,727</u>	<u>160,201,999</u>	<u>165,717,959</u>	<u>171,629,067</u>	<u>171,346,866</u>	<u>179,510,452</u>	<u>188,125,863</u>
Restatement of net position										
<b>Change in Net Position-Governmental activities</b>	<u>\$ 45,877,424</u>	<u>\$ (25,454,519)</u>	<u>\$ 842,644</u>	<u>\$ 10,159,539</u>	<u>\$ 5,362,905</u>	<u>\$ (8,080,480)</u>	<u>\$ (7,161,557)</u>	<u>\$ 11,552,355</u>	<u>\$ 6,069,413</u>	<u>\$ 5,330,535</u>



**Schedule 3**  
**Tigard-Tualatin School District No. 23J**  
**Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
(Modified Accrual Basis of Accounting)

	Fiscal Year									
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
General fund										
Unreserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nonspendable	3,456	3,725	3,000	40,594	1,889	264,003	562,444	19,963	34,473	31,025
Assigned	1,080,117	2,403,855	4,318,535	6,518,040	8,195,866	6,394,508	8,850,177	7,452,805	8,524,405	7,673,211
Unassigned	<u>14,058,759</u>	<u>18,333,897</u>	<u>20,193,027</u>	<u>18,705,372</u>	<u>19,767,187</u>	<u>21,450,327</u>	<u>25,016,915</u>	<u>22,303,422</u>	<u>13,465,396</u>	<u>10,193,872</u>
Total general fund	<u>\$ 15,142,332</u>	<u>\$ 20,741,477</u>	<u>\$ 24,514,562</u>	<u>\$ 25,264,006</u>	<u>\$ 27,964,941</u>	<u>\$ 28,108,837</u>	<u>\$ 34,429,536</u>	<u>\$ 29,776,190</u>	<u>\$ 22,024,274</u>	<u>\$ 17,898,108</u>
All other governmental funds										
Reserved, reported in:										
Special Revenue funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Projects funds	-	-	-	-	-	-	-	-	-	-
Restricted, reported in:										
Debt Service funds (1)	-	-	-	-	-	-	-	-	-	-
Nonspendable	319,960	347,763	358,287	470,557	176,474	239,987	195,226	214,715	194,163	210,309
Restricted	8,758,053	11,173,838	238,358,048	216,806,345	232,656,012	153,306,190	114,583,849	77,703,179	47,691,666	36,291,657
Committed	10,432,420	10,157,119	9,608,234	10,390,409	9,907,436	9,097,040	9,617,649	9,351,216	8,087,928	6,617,391
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	(203,103)
Total all other governmental funds	<u>\$ 19,510,433</u>	<u>\$ 21,678,720</u>	<u>\$ 248,324,569</u>	<u>\$ 227,667,311</u>	<u>\$ 242,739,923</u>	<u>\$ 162,643,217</u>	<u>\$ 124,396,724</u>	<u>\$ 87,269,110</u>	<u>\$ 55,973,757</u>	<u>\$ 42,916,254</u>

**Schedule 4**  
**Tigard-Tualatin School District No. 23J**  
**Change in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
(Modified Accrual Basis of Accounting)

	Fiscal Year									
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
<b>Revenues</b>										
Property and other taxes (1)	\$ 66,992,876	\$ 70,621,831	\$ 73,803,074	\$ 80,774,691	\$ 84,563,374	\$ 88,186,234	\$ 92,102,146	\$ 95,223,214	\$ 98,287,918	\$ 102,437,778
Local sources	15,131,020	14,086,791	13,572,826	16,229,620	14,156,961	11,531,038	11,773,887	14,945,225	12,901,879	11,805,982
Intermediate sources	5,508,732	4,364,029	4,629,286	3,971,511	4,743,005	4,798,449	5,551,245	5,397,389	7,025,371	6,375,464
State sources	59,259,105	63,833,598	65,485,824	77,935,591	73,660,080	77,113,631	84,092,823	89,236,037	95,396,675	100,676,906
Federal sources	7,561,425	7,560,443	7,696,999	7,891,972	7,397,900	7,047,380	10,742,742	16,478,960	14,305,781	14,386,091
Investment earnings	272,842	307,852	1,019,619	2,436,908	6,495,809	5,015,583	929,591	(326,157)	4,601,859	4,918,006
Total revenues	<u>154,726,000</u>	<u>160,774,544</u>	<u>166,207,628</u>	<u>189,240,292</u>	<u>191,017,129</u>	<u>193,692,315</u>	<u>205,192,434</u>	<u>220,954,668</u>	<u>232,519,483</u>	<u>240,600,227</u>
<b>Expenditures</b>										
Current										
Instruction	80,241,837	85,620,825	89,549,729	96,497,270	98,051,004	101,660,098	102,169,758	116,761,146	126,350,027	127,778,529
Support services	41,172,985	42,497,523	45,528,683	54,346,195	54,492,794	56,905,399	59,319,595	70,029,352	77,228,954	79,470,843
Community services	4,581,977	4,811,424	4,953,297	4,897,353	4,931,869	4,330,983	4,965,058	5,056,022	5,441,632	5,300,084
Facilities acquisition and construction					76,586,658	39,273,180	12,209,995	6,266,537	8,891,407	5,940,424
Transit payments to other school districts	517,468	353,567	435,091	249,454	444,820	329,656	149,440	128,219	-	-
Debt service										
Principal	13,502,290	12,212,209	17,694,834	13,096,692	11,636,712	9,185,476	10,297,397	11,564,559	12,939,703	11,104,276
Interest	5,874,903	5,285,364	4,750,282	11,267,891	13,496,801	17,489,683	17,104,026	16,622,534	16,089,179	19,002,620
Bond Issue Costs	-	-	-	-	-	-	-	-	-	66,698
Capital Outlay	1,237,407	2,226,201	4,874,144	28,793,252	25,921,554	44,069,571	33,893,586	36,805,970	25,084,203	9,922,078
Total expenditures	<u>147,128,866</u>	<u>153,007,113</u>	<u>167,786,059</u>	<u>209,148,106</u>	<u>285,562,211</u>	<u>273,244,046</u>	<u>240,108,855</u>	<u>263,234,339</u>	<u>272,025,105</u>	<u>258,585,552</u>
Excess (deficiency) of revenues over (under) expenditures	7,597,133	7,767,431	(1,578,431)	(19,907,814)	(94,545,082)	(79,551,731)	(34,916,421)	(42,279,671)	(39,505,622)	(17,985,325)
<b>Other financing sources (uses)</b>										
Debt issuance	-	-	231,997,365	-	112,314,949	-	-	-	-	3,655,000
Payment to escrow agent - refunding										(3,588,302)
Lease proceeds	-	-	-	-	-	-	-	365,132	172,691	286,153
Subscription Proceeds	-	-	-	-	-	-	-	-	274,597	448,759
Proceeds from sale of capital assets	-	-	-	-	3,679	1,348	88,605	133,579	8,065	46
Transfers	-	-	-	-	-	-	5,000	-	3,000	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>231,997,365</u>	<u>-</u>	<u>112,318,628</u>	<u>1,348</u>	<u>93,605</u>	<u>498,711</u>	<u>458,353</u>	<u>801,656</u>
Net change in fund balances	<u>\$ 7,597,133</u>	<u>\$ 7,767,431</u>	<u>\$ 230,418,934</u>	<u>\$ (19,907,814)</u>	<u>\$ 17,773,546</u>	<u>\$ (79,550,383)</u>	<u>\$ (34,822,816)</u>	<u>\$ (41,780,960)</u>	<u>\$ (39,047,269)</u>	<u>\$ (17,183,669)</u>
Debt service as a percentage of noncapital expenditures	13.4%	11.6%	13.8%	13.7%	13.7%	14.0%	14.1%	12.8%	12.2%	12.4%
Debt service as a percentage of (1) All tax revenue based on property taxes only										

**Schedule 5**  
**Tigard-Tualatin School District No. 23J**  
**Assessed Values of Taxable Property**  
**Last Ten Fiscal Years**

Fiscal Year Ending June 30	Assessed Value				Total Assessed Value (2)	Total Direct Rate*	Real Market Value (3)	Percentage Assessed Value to RMV
	Real Property	Personal Property	Manufactured Homes	Public Utility				
2014-15	\$ 9,106,549,619	\$ 371,515,944	\$ 8,764,280	\$ 292,212,000	\$ 9,779,041,843	7.464	\$ 12,856,078,221	76.07%
2015-16	\$ 9,525,208,748	\$ 394,480,147	\$ 11,560,020	\$ 284,585,900	\$ 10,215,834,815	7.463	\$ 13,656,863,025	74.80%
2016-17	\$ 9,900,650,943	\$ 406,718,744	\$ 17,184,150	\$ 279,106,388	\$ 10,603,660,225	7.451	\$ 15,107,588,519	70.19%
2017-18	\$ 10,383,525,489	\$ 422,249,122	\$ 12,905,580	\$ 297,012,964	\$ 11,115,693,155	7.765	\$ 16,724,672,328	66.46%
2018-19	\$ 10,897,583,960	\$ 446,712,747	\$ 15,055,960	\$ 268,651,400	\$ 11,628,004,067	7.754	\$ 18,226,550,313	63.80%
2019-20	\$ 11,345,345,896	\$ 432,347,729	\$ 16,629,600	\$ 270,414,100	\$ 12,064,737,325	7.782	\$ 18,972,503,779	63.59%
2020-21	\$ 11,773,613,998	\$ 455,699,693	\$ 16,847,020	\$ 320,055,000	\$ 12,566,215,711	7.790	\$ 20,959,222,420	59.96%
2021-22	\$ 12,168,681,341	\$ 459,965,170	\$ 19,349,010	\$ 318,919,500	\$ 12,966,915,021	7.784	\$ 22,261,103,062	58.25%
2022-23	\$ 12,635,078,394	\$ 470,022,545	\$ 20,596,890	\$ 341,344,500	\$ 13,467,042,329	7.737	\$ 26,052,473,217	51.69%
2023-24	\$ 13,132,380,576	\$ 485,696,381	\$ 21,467,930	\$ 395,783,996	\$ 14,035,328,883	7.749	\$ 27,302,055,915	51.41%

(1) In May of 1997, Oregon voters approved Measure 50 which reduced property tax levies by local government for operations by about 17% statewide.

It also reduced assessed value on individual properties to 1995-96 levels less 10%. Measure 50 also restricts future growth of assessed value of individual properties to 3% per year plus the value of any improvements. Bonded debt is exempt from Measure 50.

(2) Assessed Valuation is the total dollar value placed on real and personal property as a basis for imposing taxes.

(3) Real Market Value represents the amount of cash that could reasonably be expected by an informed seller from an informed buyer.

\* Per \$1,000 of assessed value

Sources: Municipal Debt Advisory Commission, State of Oregon, Clackamas and Washington County Departments of Assessment and Taxation.

**Schedule 6**  
**Tigard-Tualatin School District No. 23J**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**  
(Rate Per \$1,000 of Assessed Value)

District Direct Rates				
Fiscal Year	General Tax		Obligation Debt Service	
	Permanent Rate	Local Option (1)	Bonds (2)	Total Direct Tax Rate
2015	\$ 4.989	\$ 1.000	\$ 1.475	\$ 7.464
2016	\$ 4.989	\$ 1.000	\$ 1.473	\$ 7.463
2017	\$ 4.989	\$ 1.000	\$ 1.462	\$ 7.451
2018	\$ 4.989	\$ 1.000	\$ 1.776	\$ 7.765
2019	\$ 4.989	\$ 1.000	\$ 1.765	\$ 7.754
2020	\$ 4.989	\$ 1.000	\$ 1.792	\$ 7.782
2021	\$ 4.989	\$ 1.000	\$ 1.801	\$ 7.790
2022	\$ 4.989	\$ 1.000	\$ 1.795	\$ 7.784
2023	\$ 4.989	\$ 1.000	\$ 1.748	\$ 7.737
2024	\$ 4.989	\$ 1.000	\$ 1.760	\$ 7.749

Overlapping Total Property Tax Rates															
Fiscal Year	Tigard		Tualatin		Valley Fire		Sherwood	Portland	Tri-Met	Metropolitan	Lake	Clackamas	Clackamas County	City of Lake Oswego	City of Portland
	City of Durham	School District	City of Tualatin	City of Tigard	& Rescue District	Washington County	School District	Community College	Service District	Service District	School District	Community College			
2015	\$ 1.831	\$ 7.464	\$ 2.535	\$ 2.931	\$ 1.891	\$ 2.838	\$ 8.819	\$ 0.722	\$ -	\$ 0.459	\$ 6.813	\$ 0.708	\$ 2.404	\$ 5.394	\$ 7.892
2016	\$ 1.689	\$ 7.463	\$ 2.516	\$ 2.932	\$ 2.108	\$ 2.838	\$ 8.529	\$ 0.586	\$ -	\$ 0.388	\$ 6.787	\$ 0.708	\$ 2.404	\$ 5.348	\$ 7.763
2017	\$ 1.639	\$ 7.451	\$ 2.506	\$ 2.898	\$ 2.098	\$ 2.959	\$ 8.678	\$ 0.679	\$ -	\$ 0.397	\$ 6.810	\$ 0.706	\$ 2.404	\$ 5.306	\$ 7.730
2018	\$ 1.662	\$ 7.765	\$ 2.496	\$ 2.871	\$ 2.078	\$ 2.958	\$ 9.143	\$ 0.605	\$ -	\$ 0.409	\$ 7.950	\$ 0.700	\$ 2.404	\$ 5.247	\$ 7.884
2019	\$ 1.118	\$ 7.754	\$ 2.886	\$ 2.863	\$ 2.084	\$ 2.958	\$ 8.952	\$ 0.687	\$ -	\$ 0.473	\$ 7.925	\$ 0.699	\$ 2.404	\$ 5.238	\$ 7.980
2020	\$ 0.493	\$ 7.782	\$ 2.874	\$ 2.852	\$ 2.073	\$ 2.958	\$ 8.794	\$ 0.685	\$ -	\$ 0.663	\$ 8.144	\$ 0.690	\$ 2.404	\$ 5.213	\$ 7.883
2021	\$ 0.493	\$ 7.790	\$ 2.858	\$ 3.134	\$ 2.117	\$ 2.956	\$ 8.644	\$ 0.680	\$ -	\$ 0.590	\$ 8.138	\$ 0.736	\$ 2.404	\$ 5.210	\$ 8.165
2022	\$ 0.493	\$ 7.784	\$ 2.865	\$ 3.146	\$ 2.116	\$ 3.006	\$ 8.531	\$ 0.663	\$ -	\$ 0.570	\$ 8.111	\$ 0.720	\$ 2.404	\$ 5.198	\$ 9.171
2023	\$ 0.493	\$ 7.737	\$ 2.848	\$ 3.141	\$ 2.113	\$ 3.005	\$ 8.250	\$ 0.670	\$ -	\$ 0.566	\$ 8.973	\$ 0.804	\$ 2.404	\$ 5.158	\$ 8.878
2024	\$ 0.493	\$ 7.749	\$ 3.109	\$ 3.139	\$ 2.109	\$ 3.005	\$ 9.816	\$ 0.639	\$ -	\$ 0.575	\$ 8.980	\$ 0.807	\$ 2.404	\$ 5.184	\$ 8.818

(1) Local option levy was renewed by the voters in November 2018 for the 2021-22 fiscal year through the 2025-26 fiscal year.

(2) General Obligation Debt Services Bonds have prior voter approval. All current General Obligation Debt has voter approval. Any new General Obligation Debt requires new voter approval.

Overlapping Debt is calculated by the State Treasurer by shared market value.

Source: Washington & Clackamas County Department of Assessment and Taxation.

**Schedule 7**  
**Tigard-Tualatin School District No. 23J**  
**Principal Property Taxpayers**  
**Current Year and Nine Years Ago**

Taxpayers	2023-24			2014-15		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Pacific Realty Associates	\$ 326,483,003	1	2.33%	\$ 227,561,981	1	2.33%
Lam Research Corporation	231,226,610	2	1.65%	93,080,900	3	0.95%
BV Centercal LLC	169,756,473	3	1.21%	130,741,858	2	1.34%
Portland General Electric Co.	128,937,000	4	0.92%	75,121,245	5	0.77%
Lincoln Center LLC	114,355,418	5	0.81%	85,283,634	4	0.87%
Comcast Corporation	82,798,650	6	0.59%	57,606,700	7	0.59%
Northwest Natural Gas Co.	77,299,000	7	0.55%	-		0.00%
Campbell Soup Supply Company LLC	68,035,320	8	0.48%	51,578,130	8	0.53%
Tuala Northeast LLC	56,469,380	9	0.40%	58,370,175	6	0.60%
SE-Eddyline LLC	49,463,830	10	0.35%	-		
Frontier (Verizon) Communications	-		-	44,179,000	9	0.45%
Walton CWOR LLC	-			40,343,490	10	0.41%
Subtotal of ten largest Taxpayers	1,304,824,684		9.30%	863,867,113		8.83%
All Other Taxpayers	<u>12,730,504,199</u>		90.70%	<u>8,915,174,730</u>		91.17%
Total	<u>\$ 14,035,328,883</u>		100.00%	<u>\$ 9,779,041,843</u>		100.00%

Source: Washington & Clackamas County Department of Assessment and Taxation.

**Schedule 8**  
**Tigard-Tualatin School District No. 23J**  
**Washington County Taxable Value and Assessed Taxes**  
**As of June 30, 2024**

2023-24			
Taxpayers	Rank	Taxable Value	Assessed Taxes
Intel Corporation	1	\$ 1,943,426,395	\$ 32,410,225.64
Nike Inc.	2	\$ 1,493,386,339	\$ 26,658,764.97
Portland General Electric Co.	3	\$ 1,224,054,160	\$ 20,765,177.24
Northwest Natural Gas Co.	4	\$ 486,389,960	\$ 7,902,686.95
Pacific Realty Associates	5	\$ 452,136,083	\$ 7,839,643.63
Comcast Corporation	6	\$ 413,757,290	\$ 7,636,883.91
Genentech Inc.	7	\$ 388,963,760	\$ 6,553,105.92
Maxim Integrated Products Inc.	8	\$ 348,935,270	\$ 5,813,610.52
Verizon Communications Inc.	9	\$ 296,776,860	\$ 5,006,885.29
Northwest Fiber LLC	10	\$ 264,086,950	\$ 4,403,571.64
Total of Ten Largest Taxpayers		\$ 7,311,913,067	\$ 124,990,555.71

Source: Washington County Department of Assessment and Taxation.

**Schedule 9**  
**Tigard-Tualatin School District No. 23J**  
**Clackamas County Taxable Value and Assessed Taxes**  
**As of June 30, 2024**

2023-24			
Taxpayers	Rank	Taxable Value	Assessed Taxes
Portland General Electric Co.	1	\$ 1,185,637,000	\$ 16,804,877.00
General Growth Properties Inc.	2	\$ 304,513,010	\$ 5,050,809.00
PCC Structurals Inc.	3	\$ 293,207,291	\$ 5,112,149.00
Northwest Natural Gas Co.	4	\$ 290,728,000	\$ 4,762,461.00
Fred Meyer Stores Inc.	5	\$ 283,911,960	\$ 5,218,822.00
Shorenstein Properties LLC	6	\$ 252,347,635	\$ 4,839,624.00
Comcast Corporation	7	\$ 129,963,939	\$ 2,532,210.00
ROIC Oregon LLC	8	\$ 96,999,744	\$ 1,862,937.00
Meadows Road LLC	9	\$ 81,088,011	\$ 1,560,656.00
Twist Bioscience	10	\$ 80,426,125	\$ 1,430,446.00
Total of Ten Largest Taxpayers		\$ 2,998,822,715	\$ 49,174,991.00

Source: Clackamas County Department of Assessment and Taxation.

**Schedule 10**  
**Tigard-Tualatin School District No. 23J**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

Fiscal Year	Net Taxes Levied for the Fiscal Year		Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2014-15	\$	68,880,155	\$ 65,834,718	95.6%	\$ 1,161,974	\$ 66,996,692	97.3%
2015-16	\$	72,490,241	\$ 69,268,420	95.6%	\$ 992,969	\$ 70,261,389	96.9%
2016-17	\$	75,985,691	\$ 72,535,193	95.5%	\$ 952,316	\$ 73,487,509	96.7%
2017-18	\$	83,575,152	\$ 79,792,154	95.5%	\$ 1,132,087	\$ 80,924,241	96.8%
2018-19	\$	87,521,671	\$ 84,005,223	96.0%	\$ 1,052,226	\$ 85,057,449	97.2%
2019-20	\$	90,800,955	\$ 87,103,149	95.9%	\$ 1,089,793	\$ 88,192,942	97.1%
2020-21	\$	94,744,210	\$ 91,024,470	96.1%	\$ 1,010,831	\$ 92,035,301	97.1%
2021-22	\$	97,810,821	\$ 94,049,208	96.2%	\$ 754,261	\$ 94,803,469	96.9%
2022-23	\$	101,420,612	\$ 97,215,468	95.9%	\$ 708,859	\$ 97,924,327	96.6%
2023-24	\$	105,796,302	\$ 101,322,410	95.8%	\$ -	\$ 101,322,410	95.8%

Source: Washington and Clackamas County Departments of Assessment and Taxation and Tigard-Tualatin School District financial records.



**Schedule 11**  
**Tigard-Tualatin School District No. 23J**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

Fiscal Year	General Obligation Bonds (3) (thousands of dollars)	Less Amount Available in Debt Service Fund (thousands of dollars)	Net Bonded Debt (thousands of dollars)	Percentage of Personal Income (2)	Percentage of Actual Value of Taxable Property (1)	Per Capita (2)
2014-15	\$ 58,270	\$ 97	\$ 58,173	1.48%	0.06%	\$ 715
2015-16	\$ 47,910	\$ 2,454	\$ 45,456	1.11%	0.04%	\$ 560
2016-17	\$ 263,713	\$ 328	\$ 263,385	5.98%	0.25%	\$ 3,212
2017-18	\$ 255,333	\$ 188	\$ 255,145	5.36%	0.23%	\$ 3,057
2018-19	\$ 307,905	\$ 727	\$ 307,178	6.10%	0.26%	\$ 3,596
2019-20	\$ 301,645	\$ 507	\$ 301,138	5.47%	0.25%	\$ 3,427
2020-21	\$ 294,540	\$ 642	\$ 293,898	4.73%	0.23%	\$ 3,233
2021-22	\$ 286,410	\$ 718	\$ 285,692	4.54%	0.22%	\$ 3,154
2022-23	\$ 277,210	\$ 531	\$ 276,679	4.40%	0.21%	\$ 3,046
2023-24	\$ 267,070	\$ 881	\$ 266,189	3.91%	0.19%	\$ 2,931

Notes: 2016-17 and 2017-18 percentages calculated using 2016 personal income data, which is the most recent available

(1) See Schedule 5 for property value data

(2) Population and personal income data can be found in Schedule 13

(3) General Obligation Bonds net of original issuance discounts and premiums

**Schedule 12**  
**Tigard-Tualatin School District No. 23J**  
**Outstanding Debt by Type**  
**Last Ten Fiscal Years**  
(Dollars in Thousands, Except Per Capita and Per Student)

Fiscal Year	General Obligation Bonds	PERS UAL Bonds	Full Faith & Credit Obligations	Lease Agreements	Subscription Agreements	Issuance Premiums and Discounts	Total Primary Government	Percentage of Personal Income	Per Capita	Per Student
2014-15	\$ 68,000	\$ 35,005	\$ 6,733	\$ 139	\$ -	\$ 1,540	\$ 111,416	0.10%	\$ 1,370	\$ 9,410
2015-16	\$ 56,730	\$ 33,695	\$ 5,914	\$ -	\$ -	\$ 1,125	\$ 97,464	0.08%	\$ 1,201	\$ 7,858
2016-17	\$ 46,785	\$ 32,195	\$ 5,099	\$ -	\$ -	\$ 31,353	\$ 115,432	0.09%	\$ 1,422	\$ 9,121
2017-18	\$ 232,360	\$ 30,480	\$ 4,283	\$ -	\$ -	\$ 28,973	\$ 296,096	0.23%	\$ 3,611	\$ 23,669
2018-19	\$ 226,360	\$ 28,540	\$ 3,466	\$ -	\$ -	\$ 48,538	\$ 306,904	0.22%	\$ 3,677	\$ 24,875
2019-20	\$ 307,905	\$ 26,355	\$ 2,726	\$ -	\$ -	\$ 45,027	\$ 382,013	0.26%	\$ 4,472	\$ 31,220
2020-21	\$ 294,540	\$ 23,900	\$ 1,988	\$ -	\$ -	\$ 41,591	\$ 362,019	0.23%	\$ 4,119	\$ 31,538
2021-22	\$ 286,410	\$ 21,160	\$ 1,294	\$ 256	\$ -	\$ 38,212	\$ 347,332	0.20%	\$ 3,821	\$ 30,216
2022-23	\$ 277,210	\$ 18,115	\$ 599	\$ 304	\$ 856	\$ 34,894	\$ 331,978	0.19%	\$ 3,655	\$ 29,509
2023-24	\$ 267,070	\$ 14,740	\$ -	\$ 457	\$ 1,300	\$ 31,631	\$ 315,198	0.17%	\$ 3,470	\$ 28,241

Sources: Center of Population Research & Census-Portland State University; Bureau of Economic Analysis; Washington County; and Oregon Department of Education

**Schedule 13**  
**Tigard-Tualatin School District No. 23J**  
**Direct and Overlapping Governmental Activities Debt**  
**As of June 30, 2024**

Governmental Unit	Outstanding Gross Property-tax Backed Debt Outstanding (1)	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
City Of Portland	\$ 711,814,756	0.01%	\$ 95,383
City of Tigard	14,934,219	82.70%	12,350,539
City Of Tualatin	30,814,531	81.60%	25,143,117
Clackamas Community College	131,296,792	0.78%	1,025,953
Clackamas County	100,575,000	0.57%	575,188
Clackamas Soil & Water Conservation	5,035,000	0.57%	28,795
Metropolitan Service District	774,190,443	5.83%	45,118,271
Northwest Regional ESD	13,268,338	13.21%	1,752,349
Port of Portland	32,210,000	5.31%	1,711,672
Portland Community College	652,810,000	7.16%	46,728,140
Tualatin Hills Park & Rec District	40,267,598	0.01%	5,597
Tualatin Valley Fire & Rescue District	53,760,000	18.01%	9,681,370
Washington County	134,636,465	16.32%	<u>21,973,883</u>
Subtotal, overlapping debt			166,190,257
District direct debt			<u>315,197,845</u>
Total direct and overlapping debt			<u>\$ 481,388,102</u>

(1) Gross property-tax backed debt is all debt backed by a general fund pledge of the issuer. This includes bonds that may be paid by a source of revenue other than general tax monies.

Overlapping debt percentage is calculated by determining the percentage of real market value that the issuer shares between itself and another issuer. This data is provided to the Oregon Treasury annually to the Oregon Department of Revenue. Not all taxpayers of the District will reside in every overlapping governmental unit.

Source: Municipal Debt Advisory Commission, State of Oregon.

**Schedule 14**  
**Tigard-Tualatin School District No. 23J**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**

**Legal Debt Margin Calculation for Fiscal Year 2023-24**

Real Market value	\$ 27,302,055,915
Debt limit (7.95% of real market value)	2,170,513,445
Debt applicable to limit	<u>267,070,000</u>
Legal Debt Margin	<u><u>\$ 1,903,443,445</u></u>

	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
Debt Limit	\$ 1,022,058,219	\$ 1,085,720,610	\$ 1,201,053,287	\$ 1,329,611,450	\$ 1,449,010,750	\$ 1,508,314,050	\$ 1,666,258,182	\$ 1,769,757,693	\$ 2,071,171,621	\$ 2,170,513,445
Total net debt applicable to limit	<u>56,730,000</u>	<u>46,785,000</u>	<u>232,360,000</u>	<u>226,360,000</u>	<u>307,905,000</u>	<u>301,645,000</u>	<u>294,540,000</u>	<u>286,410,000</u>	<u>277,210,000</u>	<u>267,070,000</u>
Legal debt margin	<u>\$ 965,328,219</u>	<u>\$ 1,038,935,610</u>	<u>\$ 968,693,287</u>	<u>\$ 1,103,251,450</u>	<u>\$ 1,141,105,750</u>	<u>\$ 1,206,669,050</u>	<u>\$ 1,371,718,182</u>	<u>\$ 1,483,347,693</u>	<u>\$ 1,793,961,621</u>	<u>\$ 1,903,443,445</u>
Total net debt applicable to the limit as a percentage of debt limit	5.55%	4.31%	19.35%	17.02%	21.25%	20.00%	17.68%	16.18%	13.38%	12.30%

**Schedule 15**  
**Tigard-Tualatin School District No. 23J**  
**Demographics and Economic Statistics**  
**Last Ten Calendar Years**

Fiscal Year	Population (Estimated) (1)	Personal Income (thousands of dollars)	Per Capita Personal Income (2)	Unemployment Rate (3)
2014-15	81,310	3,937,193	48,422	5.4%
2015-16	81,175	4,098,445	50,489	5.2%
2016-17	81,995	4,407,313	53,751	3.9%
2017-18	83,455	4,756,184	56,991	3.8%
2018-19	85,420	5,034,740	58,941	3.9%
2019-20	87,880	5,501,552	62,603	11.8%
2020-21	90,898	6,215,060	68,374	5.0%
2021-22	90,578	6,289,283	69,435	3.5%
2022-23	90,837	6,812,048	74,992	3.3%
2023-24	90,828	n/a	n/a	3.9%

(1) Estimated population includes population estimates for the cities of Tigard, Tualatin, King City and Durham

(2) U.S. Dept of Commerce, Bureau of Economic Analysis

(3) Employment rate is based on US Dept of Labor figures for the Portland Metropolitan area at June 30, 2024

(n/a) Data for 2023-24 was not available at time of printing

Sources: U.S. Department of Labor; Oregon Department of Human Resources, Employment Division for Washington County; Center of Population Research & Census-Portland State University; Oregon Department of Education; and U.S. Department of Commerce, Bureau of Economic Analysis

**Schedule 16**  
**Tigard-Tualatin School District No. 23J**  
**Principal Employers**  
**Current Year and Nine Years Ago**

Employer	2023-24			2014-15		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
LAM Research Corporation (Novellus)	3551	1	36.63%	669	3	11.42%
Tigard - Tualatin School District #23-J	1364	2	14.07%	1141	1	19.48%
Legacy Meridian Park Hospital	1100	3	11.35%	905	2	15.45%
Infinity Rehab	984	4	10.15%	-		-
Nortek Air Solutions	522	5	5.38%	-		-
Pacific Foods of Oregon	464	6	4.79%	-		-
Consumer Cellular	461	7	4.76%	-		-
Nordstrom	440	8	4.54%	422	8	7.21%
Oregon Public Employees Retirement System	426	9	4.39%	-		-
City of Tigard	382	10	3.94%	-		-
United Parcel Services	-		-	512	4	8.74%
Portland General Electric Co	-		-	478	5	8.16%
CES Group LLC	-		-	460	6	7.86%
Precision Wire Components	-		-	457	7	7.80%
Capital One Services	-		-	413	9	7.05%
Macy's / Meier & Frank	-		-	399	10	6.81%
Total	<u>9694</u>		<u>100%</u>	<u>5856</u>		<u>100%</u>

Source: City of Tigard Business Office, City of Tualatin Business Office and nonfinancial information from district records.

**Schedule 17**  
**Tigard-Tualatin School District No. 23J**  
**Full-Time Equivalent District Employees by Type**  
**Last Ten Fiscal Years**

	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
<b>Instruction</b>										
Regular instruction	517	568	549	575	555	551	553	546	529	495
Special programs	305	300	268	193	222	245	250	253	239	229
Early childhood	21	16	9	6	2	-	2	-	-	-
<b>Total direct classroom services</b>	<b>843</b>	<b>884</b>	<b>826</b>	<b>774</b>	<b>779</b>	<b>796</b>	<b>805</b>	<b>799</b>	<b>768</b>	<b>724</b>
<b>Support Services</b>										
Students	111	111	107	90	91	90	87	75	75	78
Instructional staff	54	54	51	41	41	47	44	37	31	36
General administration	4	3	3	3	3	3	3	3	3	2
School administration	103	102	90	84	89	85	85	78	76	71
Business	17	17	19	19	15	2	17	16	16	16
Operations and maintenance of buildings	69	64	74	57	72	73	73	68	68	65
Student transportation	26	27	32	27	25	23	22	22	21	21
Central activities	28	29	24	21	20	21	19	18	17	10
<b>Total classroom support services</b>	<b>412</b>	<b>407</b>	<b>400</b>	<b>342</b>	<b>356</b>	<b>344</b>	<b>350</b>	<b>317</b>	<b>307</b>	<b>299</b>
<b>Enterprise and Community Services</b>										
Food services	28	27	35	35	34	33	32	30	29	29
Scrip services	-	-	-	-	-	-	2	2	2	2
Building use services	-	-	-	-	1	-	1	2	2	2
Other enterprise and community services	6	7	5	3	2	1	4	4	4	3
<b>Total enterprise and community services</b>	<b>34</b>	<b>34</b>	<b>40</b>	<b>38</b>	<b>37</b>	<b>34</b>	<b>39</b>	<b>38</b>	<b>37</b>	<b>36</b>
<b>Facilities Acquisition and Construction</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>-</b>	<b>2</b>	<b>1</b>	<b>-</b>	<b>-</b>
<b>Total Full-Time Equivalent District Employees</b>	<b>1,292</b>	<b>1,328</b>	<b>1,269</b>	<b>1,157</b>	<b>1,174</b>	<b>1,174</b>	<b>1,196</b>	<b>1,155</b>	<b>1,112</b>	<b>1,059</b>

Source: Nonfinancial information from district records

**Schedule 18**  
**Tigard-Tualatin School District No. 23J**  
**Operating Statistics**  
**Last Ten Fiscal Years**

Fiscal Year	Enrollment (1)	Operating Expenditures	Cost per Pupil	Percentage Change	Expenses	Cost per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
2014-15	12,676	\$ 125,996,799	\$ 9,940	6%	\$ 105,005,671	\$ 8,284	-17%	649	19.5:1	34.8%
2015-16	12,799	\$ 132,929,772	\$ 10,386	4%	\$ 182,711,691	\$ 14,275	72%	686	18.7:1	33.4%
2016-17	12,808	\$ 140,031,709	\$ 10,933	5%	\$ 161,365,219	\$ 12,599	-12%	708	18.1:1	32.6%
2017-18	12,890	\$ 155,740,818	\$ 12,082	11%	\$ 173,532,113	\$ 13,463	7%	727	17.7:1	29.6%
2018-19	12,701	\$ 158,899,602	\$ 12,511	4%	\$ 181,162,926	\$ 14,264	6%	725	17.5:1	29.4%
2019-20	12,624	\$ 162,896,480	\$ 12,904	3%	\$ 198,305,364	\$ 15,709	10%	770	16.4:1	27.0%
2020-21	11,859	\$ 166,454,411	\$ 14,036	9%	\$ 207,054,180	\$ 17,460	11%	748	15.9:1	31.0%
2021-22	11,767	\$ 191,846,520	\$ 16,304	16%	\$ 204,632,961	\$ 17,390	0%	758	15.5:1	100.0%
2022-23	11,680	\$ 209,020,613	\$ 17,896	10%	\$ 223,661,771	\$ 19,149	10%	796	14.7:1	30.8%
2023-24	11,620	\$ 212,549,456	\$ 18,292	2%	\$ 233,476,241	\$ 20,093	5%	754	15.4:1	39.7%

(1) Enrollment as of October 1st of the fiscal year.

Operating expenditures are total expenditures less debt service and capital outlays.

In 14-15 the District implemented GASB 68.

Source: Nonfinancial information from district records



**Schedule 19**  
**Tigard-Tualatin School District No. 23J**  
**Teacher Base Salaries**  
**Last Ten Fiscal Years**

Fiscal Year	Minimum Salary	Maximum Salary	Statewide Average Salary
2014-15	\$ 36,061	\$ 72,633	\$ 59,477
2015-16	\$ 37,143	\$ 74,812	\$ 60,407
2016-17	\$ 38,164	\$ 76,870	\$ 61,860
2017-18	\$ 39,500	\$ 79,560	\$ 63,086
2018-19	\$ 40,685	\$ 81,947	\$ 64,583
2019-20	\$ 41,906	\$ 84,405	\$ 66,825
2020-21	\$ 42,953	\$ 86,516	\$ 68,565
2021-22	\$ 44,349	\$ 89,327	\$ 70,342
2022-23	\$ 46,899	\$ 94,464	\$ 73,193
2023-24	\$ 48,775	\$ 98,242	\$ 77,130

Source: State Dept. of Education

**Schedule 20**  
**Tigard-Tualatin School District No. 23J**  
**School Building Information**  
**Last Ten Fiscal Years**

	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>Building only</u> <u>Ins. Value</u> <u>2023-24</u>
<b>Elementary Schools</b>											
Art Rutkin (2023)											
Value									47,610,000	49,514,400	47,361,600
Square Feet									78,747	78,747	
Capacity									650	650	
Enrollment										109	
Alberta Rider (2006)			(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Value	14,440,689	14,787,494	14,787,494	14,787,494	14,787,494	14,381,276	15,120,938	17,216,000	18,799,872	19,551,867	18,132,267
Square Feet	72,995	72,995	72,995	72,995	72,995	72,995	72,995	72,995	72,995	72,995	
Capacity	*624	*624	*624	*624	*624	*624	*624	*624	*624	*624	
Enrollment	591	587	595	559	558	536	501	488	504	387	
Bridgeport (1982)											
Value	4,542,707	4,542,707	4,549,322	4,549,322	4,549,322	9,834,477	10,142,474	12,273,000	13,402,116	13,938,200	12,766,179
Square Feet	66,193	66,193	66,193	66,193	66,193	67,985	67,985	67,985	67,985	67,985	
Capacity	*572	*598	*598	*598	*598	702	702	702	702	702	
Enrollment	498	491	505	521	549	569	525	491	471	482	
Edward Byrom (1979)											
Value	3,757,775	3,763,316	3,763,316	3,763,316	3,763,316	10,039,060	10,462,455	12,827,000	14,007,084	14,567,367	13,307,898
Square Feet	61,275	61,275	61,275	61,275	61,275	64,859	64,859	64,859	64,859	64,859	
Capacity	*650	*598	*598	*598	*598	702	702	702	702	702	
Enrollment	528	560	553	562	557	535	426	397	418	404	
Charles F. Tigard (2004)			(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Value	10,668,932	10,668,932	10,668,932	10,668,932	10,668,932	13,576,081	16,786,235	19,801,912	21,834,047	22,707,409	21,095,395
Square Feet	76,444	76,444	76,444	76,444	76,444	76,444	76,444	76,444	76,444	76,444	
Capacity	*624	*624	*624	*624	*624	650	650	650	650	650	
Enrollment	531	527	508	485	478	482	461	421	475	453	
Deer Creek (1997)											
Value	7,297,102	7,302,644	7,313,194	7,313,194	7,313,194	11,601,546	12,443,468	13,903,000	15,182,076	15,789,359	14,517,397
Square Feet	61,387	61,387	61,387	61,387	61,387	63,629	63,629	63,629	63,629	63,629	
Capacity	*624	*598	*598	*598	*598	702	702	702	702	702	
Enrollment	580	600	621	611	605	569	538	536	565	539	
Durham (1989)											
Value	6,365,422	6,365,422	6,373,372	6,373,372	6,373,372	10,637,934	10,850,693	13,788,000	15,056,496	15,658,756	14,381,116
Square Feet	65,322	65,322	65,322	65,322	65,322	65,322	65,322	65,322	65,322	65,322	
Capacity	*598	*598	*598	*598	*598	*598	*598	*598	*598	*598	
Enrollment	574	584	530	552	560	559	527	509	565	552	
Mary Woodward (1979)											
Value	4,327,667	4,327,667	4,377,558	4,377,558	4,377,558	8,414,962	8,805,645	12,895,000	14,081,340	14,644,594	13,389,667
Square Feet	68,330	68,330	68,330	68,330	68,330	72,694	72,694	72,694	72,694	72,694	
Capacity	*624	*598	*598	*598	*598	624	624	624	624	624	
Enrollment	469	505	515	534	569	583	524	472	481	451	
Metzger (2004)											
Value	11,024,992	11,024,992	11,024,992	11,024,992	11,024,992	12,453,449	13,294,838	16,949,000	18,508,308	19,248,640	17,869,925
Square Feet	69,981	69,981	69,981	69,981	69,981	73,565	73,565	73,565	73,565	73,565	
Capacity	*546	*624	*624	*624	*624	728	728	728	728	728	
Enrollment	648	645	652	665	618	613	539	519	518	545	
Kalapuya Early Learning Center (James Templeton (1965))											
Value	5,227,913	5,227,913	5,227,913	5,227,913	5,227,913	6,975,699	4,665,446	3,130,861	23,355,797	24,290,029	22,744,172

	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>Building only</u> <u>Ins. Value</u> <u>2023-24</u>
Square Feet	50,478	50,478	50,478	50,478	50,478	74,472	23,511	15,674	46,099	46,099	
Capacity	*598	*598	*598	*598	*598	*598					
Enrollment	581	577	593	611	556	545					
New James Templeton (2019)											
Value	-	-	-	-	-	-	26,520,000	25,015,000	28,617,160	29,761,846	27,523,908
Square Feet	-	-	-	-	-	-	74,472	74,472	74,472	74,472	
Capacity	-	-	-	-	-	-	635	635	635	635	
Enrollment	-	-	-	-	-	-	504	481	514	543	
New Tualatin (2004)											
Value	11,079,086	11,079,086	11,079,086	11,079,086	11,079,086	12,453,449	13,253,465	18,351,000	20,039,292	20,840,864	19,392,872
Square Feet	76,024	76,024	76,024	76,024	76,024	76,024	76,024	76,024	76,024	76,024	
Capacity	*598	*624	*624	*624	*624	676	676	676	676	676	
Enrollment	572	554	556	535	488	482	407	366	396	412	
Middle Schools											
Thomas Fowler (1971)											
Value	12,269,116	12,269,116	12,269,116	12,269,116	21,687,681	24,752,182	25,247,225	27,511,000	30,042,012	31,243,692	28,801,980
Square Feet	124,488	124,488	124,488	124,488	124,488	124,488	124,488	124,488	124,488	124,488	
Capacity	*983	*1000	*1000	*1000	*1000	*1000	*1000	*1000	*1000	*1000	
Enrollment	815	804	803	801	835	855	839	766	775	743	
Hazelbrook (1992)											
Value	8,157,260	8,157,260	8,157,260	8,157,260	8,157,260	23,984,627	24,951,652	28,770,000	31,416,840	32,673,514	30,089,842
Square Feet	135,523	135,523	135,523	135,523	135,523	135,523	135,523	135,523	135,523	135,523	
Capacity	*1040	*1000	*1000	*1000	*1000	*1000	*1000	*1000	*1000	*1000	
Enrollment	984	959	966	970	995	992	925	877	877	831	
Twality (1963) & (2020)											
Value	10,060,096	10,060,096	10,124,239	10,124,239	10,124,239	20,248,346	49,190,535	49,190,535	54,995,018	57,194,819	51,868,208
Square Feet	123,314	123,314	123,314	123,314	123,314	123,314	145,010	145,010	145,010	145,010	
Capacity	*942	*942	*942	*942	*942	1,200	1,200	1,200	1,200	1,200	
Enrollment	1,024	1,062	1,026	1,066	1,034	1,083	1,017	948	918	977	
High Schools											
Tigard (1953)											
Value	27,371,134	27,371,134	27,371,134	27,371,134	27,371,134	24,818,651	34,848,155	91,470,369	100,197,282	104,205,174	95,488,788
Square Feet	269,639	269,639	269,639	269,639	269,639	269,639	269,639	323,884	323,884	323,884	
Capacity	*1776	*1776	*1776	*1776	*1776	2,000	2,000	2,000	2,000	2,000	
Enrollment	1,959	1,956	1,992	1,960	1,832	1,778	1,782	1,752	1,799	1,782	
Tualatin (1992)											
Value	23,061,989	23,061,989	23,077,489	23,077,489	23,077,489	46,395,847	70,772,959	70,313,000	76,781,796	79,853,067	72,550,645
Square Feet	321,064	321,064	321,064	321,064	321,064	321,064	321,064	321,064	321,064	321,064	
Capacity	*1888	*1888	*1888	*1888	*1888	2,000	2,000	2,000	2,000	2,000	
Enrollment	1,896	1,928	1,940	1,998	1,947	1,918	1,866	1,734	1,747	1,756	

	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>Building only Ins. Value 2023-24</u>
Other											
New Administration (2000)											
Value	4,501,326	4,501,326	4,501,326	4,501,326	4,501,326	12,828,471	13,085,041	13,480,000	14,720,160	15,308,966	13,344,240
Square Feet	74,936	74,936	74,936	74,936	74,936	74,936	74,936	74,936	74,936	74,936	
Durham Center (1919) - Creekside HS											
Value	204,260	204,260	204,260	204,260	204,260	2,518,414	2,568,783	2,672,000	2,917,824	3,034,537	2,761,974
Square Feet	13,464	13,464	13,464	13,464	13,464	13,464	13,464	13,464	13,464	13,464	
Capacity	*105	*105	*105	*105	*105	*105	*105	*105	*105	*105	
Enrollment	55	46	52	50	52	185					
Creekside HS (2019)											
Value	-	-	-	-	-	-	6,325,020	5,899,000	6,441,708	6,699,376	6,193,999
Square Feet	-	-	-	-	-	-	17,828	17,828	17,828	17,828	
Capacity	-	-	-	-	-	-	300	300	300	300	
Enrollment	-	-	-	-	-	-	170	167	167	173	
Tigard Swim Center (1974)											
Value	1,621,889	1,621,889	1,621,889	1,621,889	1,621,889	3,000,714	3,060,728	3,270,000	3,570,840	3,713,674	3,713,674
Square Feet	14,484	14,484	14,484	14,484	14,484	14,484	14,484	14,484	14,484	14,484	
Tualatin Swim Center (1998)											
Value	2,635,231	2,635,231	2,635,231	2,635,231	2,635,231	4,170,337	4,253,744	3,957,000	4,321,044	4,493,886	4,493,886
Square Feet	17,338	17,338	17,338	17,338	17,338	17,338	17,338	17,338	17,338	17,338	
Bus Garage - Tigard (1967)											
Value	186,443	186,443	186,443	186,443	186,443	1,644,124	1,677,007	924,000	1,009,008	1,049,368	1,049,368
Square Feet	5,521	5,521	5,521	5,521	5,521	5,521	5,521	5,521	5,521	5,521	
Bus Garage - Tualatin (2013)											
Value	158,753	158,753	158,753	158,753	158,753	219,921	224,320	253,000	276,276	287,327	223,729
Square Feet	1,792	1,792	1,792	1,792	1,792	1,792	1,792	1,792	1,792	1,792	
School Based Health Center(2007)											
Value	296,853	296,853	296,853	296,853	296,853	278,556	284,127	211,000	230,412	239,628	239,628
Square Feet	3,584	3,584	3,584	3,584	3,584	3,584	3,584	3,584	3,584	3,584	
School Based Health Center(2014)											
Value	388,642	388,642	388,642	388,642	388,642	388,642	388,642	388,642	388,642	388,642	
Square Feet	-	-	-	-	-	-	-	-	-	-	
Tigard-Tualatin On Line Academy											
Value	209,724	209,724	209,724	209,724	209,724	22,973	-	-	-	-	
Square Feet	5,596	5,596	5,596	5,596	5,596	5,596	-	-	-	-	
Enrollment						93	93	-	-	-	

\*Starting 2008-09 capacity is without portable classrooms.

Capacity Source: Tigard-Tualatin School District Capacity Report/Dull Olson Weekes Architects, Inc. (December 2009)

Source: Trended Property Schedule based on Pace appraisals

(1)Not included is the Alberta Rider Cabin for 186,252

(2)Value for CFT includes 3,281,603 for the BRTC bldg

Portables are included in total values

**REQUIRED SCHEDULES, AUDIT COMMENTS & DISCLOSURES**

# Schedules Required by Oregon Department of Education

SUPPLEMENTAL INFORMATION 2023-2024

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	\$2,451,758
Function 2550	\$5,867

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

Exclude these functions:

\$0
-----

- 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.*

**2023-24 AUDIT REVENUE SUMMARY**  
**TigardTualatin School District 23J**

Revenue from Local Sources		Fund 100	Fund 200	Fund 300	Fund 400	Fund 600	Fund 700
1110 Ad Valorem Taxes Levied by District		\$66,486,709	\$0	\$23,905,665	\$0	\$0	\$0
1120 Local Option Ad Valorem Taxes Levied by District		\$12,008,013	\$0	\$0	\$0	\$0	\$0
1130 Construction Excise Tax		\$0	\$0	\$0	\$1,587,985	\$0	\$0
1190 Penalties and Interest on Taxes		\$133,665	\$0	\$37,410	\$0	\$0	\$0
1312 Regular Day School Tuition Other Dist Within State		\$50,400	\$0	\$0	\$0	\$0	\$0
1500 Earnings on Investments		\$1,260,108	\$138,317	\$668,919	\$951,904	\$0	\$10,809
1600 Food Service		\$0	\$767,879	\$0	\$0	\$0	\$0
1700 Extracurricular Activities		\$94,863	\$26,593	\$0	\$0	\$0	\$0
1800 Community Services Activities		\$104,009	\$0	\$0	\$0	\$0	\$0
1910 Rentals		\$0	\$690,119	\$965,492	\$0	\$0	\$0
1920 Contributions and Donations From Private Sources		\$0	\$779,924	\$0	\$0	\$0	\$0
1960 Recovery of Prior Years' Expenditure		\$84,129	\$0	\$0	\$0	\$44,949	\$0
1970 Services Provided Other Funds		\$0	\$0	\$4,325,038	\$0	\$260,968	\$0
1980 Fees Charged to Grants		\$1,049,400	\$0	\$0	\$0	\$0	\$0
1990 Miscellaneous		\$423,169	\$2,803,261	\$12,700	\$6,093	\$397,414	\$0
Total Revenue from Local Sources		\$81,694,463	\$5,006,092	\$29,915,224	\$2,545,981	\$703,330	\$10,809
Revenue from Intermediate Sources		Fund 100	Fund 200	Fund 300	Fund 400	Fund 600	Fund 700
2101 County School Funds		\$208,493	\$0	\$0	\$0	\$0	\$0
2102 General ESD Revenue		\$1,000,000	\$4,563,335	\$0	\$0	\$0	\$0
2199 Other Intermediate Sources		\$69,794	\$0	\$20,326	\$0	\$0	\$0
2200 Restricted Revenue		\$0	\$513,516	\$0	\$0	\$0	\$0
Total Revenue from Intermediate Sources		\$1,278,287	\$5,076,851	\$20,326	\$0	\$0	\$0
Revenue from State Sources		Fund 100	Fund 200	Fund 300	Fund 400	Fund 600	Fund 700
3101 State School Fund General Support		\$77,130,470	\$0	\$0	\$0	\$0	\$0
3102 State School Fund School Lunch Match		\$0	\$31,974	\$0	\$0	\$0	\$0
3103 Common School Fund		\$1,579,864	\$0	\$0	\$0	\$0	\$0
3109 High Cost SSF		\$2,960,705	\$0	\$0	\$0	\$0	\$0
3199 Other Unrestricted GrantsinAid		\$599,788	\$907	\$0	\$0	\$0	\$0
3200 State Restricted Revenue		\$0	\$4,126,730	\$0	\$0	\$0	\$0
3299 Other Restricted Grants in Aid Including 3297		\$0	\$14,246,468	\$0	\$0	\$0	\$0
Total Revenue from State Sources		\$82,270,827	\$18,406,079	\$0	\$0	\$0	\$0
Revenue from Federal Sources		Fund 100	Fund 200	Fund 300	Fund 400	Fund 600	Fund 700
4500 Restricted Revenue From the Federal Government Through the State		\$12,105	\$14,090,145	\$0	\$0	\$0	\$0
4801 Federal Forest Fees		\$839	\$0	\$0	\$0	\$0	\$0
4900 Revenue for/on Behalf of the District		\$0	\$283,002	\$0	\$0	\$0	\$0
Total Revenue from Federal Sources		\$12,944	\$14,373,147	\$0	\$0	\$0	\$0
Revenue from Other Sources		Fund 100	Fund 200	Fund 300	Fund 400	Fund 600	Fund 700
5100 Long Term Debt Financing Sources		\$508,586	\$226,326	\$3,655,000	\$0	\$0	\$0
5200 Interfund Transfers		\$0	\$1,568,764	\$503,839	\$0	\$0	\$0
5400 Resources Beginning Fund Balance		\$22,024,276	\$13,585,323	\$936,258	\$41,452,170	\$3,551,010	\$214,532
Total Revenue from Other Sources		\$22,532,862	\$15,380,413	\$5,095,097	\$41,452,170	\$3,551,010	\$214,532
Grand Total		\$187,789,382	\$58,242,581	\$35,030,647	\$43,998,152	\$4,254,340	\$225,341



**DISTRICT AUDIT EXPENDITURE SUMMARY**  
**Tigard-Tualatin School District 23J**

Fund: 100 General Fund

Instruction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111	Elementary, K-5 or K-6	\$34,166,600	\$19,283,903	\$12,993,385	\$1,498,844	\$389,436	\$0	\$1,033	\$0
1113	Elementary Extracurricular	\$90,117	\$66,344	\$24,651	\$0	\$123	\$0	\$0	\$0
1121	Middle/Junior High Programs	\$17,448,059	\$9,956,244	\$6,593,055	\$666,574	\$213,921	\$0	\$18,266	\$0
1122	Middle/Junior High School Extracurricular	\$122,908	\$83,511	\$32,320	\$0	\$6,702	\$0	\$375	\$0
1131	High School Programs	\$23,058,676	\$13,071,943	\$8,519,590	\$1,060,551	\$348,880	\$3,121	\$54,592	\$0
1132	High School Extracurricular	\$2,070,574	\$1,391,771	\$484,393	\$33,009	\$43,683	\$8,261	\$109,457	\$0
1140	Pre-Kindergarten Programs	\$1,411,587	\$674,869	\$485,272	\$238,197	\$13,120	\$0	\$129	\$0
1210	Programs for the Talented and Gifted	\$413,705	\$249,588	\$152,135	\$0	\$1,150	\$0	\$10,232	\$0
1220	Restrictive Programs for Students with Disabilities	\$2,179,778	\$1,221,474	\$872,548	\$71,602	\$14,154	\$0	\$0	\$0
1250	Less Restrictive Programs for Students with Disabilities	\$13,099,536	\$6,637,855	\$5,860,126	\$563,962	\$37,548	\$0	\$25	\$0
1271	Remediation	\$1,226,592	\$758,983	\$425,281	\$2,450	\$40,078	\$0	\$0	\$0
1280	Alternative Education	\$5,074,438	\$1,554,400	\$1,042,128	\$2,342,380	\$133,683	\$0	\$1,927	\$0
1291	English Second Language Programs	\$4,421,779	\$2,520,711	\$1,805,458	\$74,234	\$21,016	\$0	\$358	\$0
1299	Other Programs	\$71,841	\$6,059	\$2,442	\$8,624	\$0	\$0	\$54,716	\$0
Total Instruction Expenditures		\$104,856,451	\$57,476,654	\$39,292,765	\$6,560,446	\$1,264,094	\$11,381	\$251,710	\$0
Support Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110	Attendance and Social Work Services	\$1,966,409	\$1,165,662	\$773,731	\$23,182	\$3,834	\$0	\$0	\$0
2120	Guidance Services	\$6,846,481	\$3,751,040	\$2,635,295	\$409,964	\$49,983	\$0	\$199	\$0
2130	Health Services	\$268,304	\$80,324	\$59,114	\$120,335	\$8,458	\$0	\$72	\$0
2140	Psychological Services	\$997,424	\$513,256	\$313,377	\$162,158	\$8,633	\$0	\$0	\$0
2150	Speech Pathology and Audiology Services	\$603,027	\$353,807	\$226,313	\$19,186	\$3,721	\$0	\$0	\$0
2160	Other Student Treatment Services	\$75,582	\$0	\$0	\$75,582	\$0	\$0	\$0	\$0
2190	Service Direction, Student Support Services	\$354,881	\$344,523	\$195,020	\$1,877	\$1,566	\$0	\$11,895	\$0
2210	Improvement of Instruction Services	\$2,999,520	\$1,808,049	\$1,112,283	\$51,997	\$24,598	\$0	\$2,594	\$0
2220	Educational Media Services	\$1,636,417	\$842,789	\$685,627	\$7,868	\$99,868	\$0	\$2,655	\$0
2230	Assessment & Testing	\$536,024	\$289,855	\$182,072	\$54,386	\$446	\$0	\$9,265	\$0
2240	Instructional Staff Development	\$1,131,810	\$604,062	\$333,014	\$184,512	\$10,212	\$0	\$10	\$0
2310	Board of Education Services	\$652,810	\$300	\$96	\$248,307	\$27,357	\$0	\$376,449	\$0
2320	Executive Administration Services	\$976,576	\$562,349	\$309,240	\$976,550	\$25,970	\$0	\$2,465	\$0
2410	Office of the Principal Services	\$12,480,108	\$7,223,020	\$4,902,006	\$203,682	\$136,885	\$0	\$14,513	\$0
2510	Direction of Business Support Services	\$431,586	\$253,405	\$138,242	\$22,448	\$11,197	\$0	\$6,296	\$0
2520	Fiscal Services	\$2,639,178	\$1,000,409	\$727,770	\$13,842	\$12,990	\$133,494	\$750,672	\$0
2540	Operation and Maintenance of Plant Services	\$13,865,382	\$4,334,583	\$3,165,184	\$4,774,604	\$995,719	\$250,130	\$345,161	\$0
2550	Student Transportation Services	\$9,342,347	\$1,206,027	\$1,139,093	\$6,630,938	\$272,273	\$0	\$94,017	\$0
2570	Internal Services	\$773,291	\$239,124	\$173,416	\$144,599	\$215,502	\$0	\$651	\$0
2630	Information Services	\$751,011	\$402,698	\$235,969	\$48,191	\$25,805	\$23,018	\$15,330	\$0
2640	Staff Services	\$1,857,440	\$775,633	\$784,967	\$84,751	\$65,528	\$0	\$146,560	\$0
2660	Technology Services	\$2,769,907	\$1,189,736	\$749,807	\$278,803	\$274,132	\$95,792	\$181,639	\$0
2680	Interpretation and Translation Services	\$32,710	\$11,140	\$4,552	\$17,018	\$0	\$0	\$0	\$0
Total Support Services Expenditures		\$64,187,924	\$26,951,789	\$18,846,190	\$13,654,781	\$2,274,676	\$502,434	\$1,958,054	\$0
Enterprise and Community Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100	Food Services	\$5,522	\$2,955	\$2,572	\$0	\$6	\$0	\$0	\$0
3300	Community Services	\$361,284	\$185,717	\$139,325	\$6,974	\$30,800	\$0	\$468	\$0
3500	Custody and Care of Children Services	\$104,009	\$62,237	\$38,600	\$3,172	\$0	\$0	\$0	\$0
Total Enterprise and Community Services Expenditures		\$470,815	\$248,909	\$180,497	\$10,146	\$30,795	\$0	\$468	\$0
Other Uses Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5200	Transfers of Funds	\$376,130	\$0	\$0	\$0	\$0	\$0	\$0	\$376,130
Total Other Uses Expenditures		\$376,130	\$0	\$0	\$0	\$0	\$0	\$0	\$376,130
Grand Total		\$169,891,320	\$84,677,352	\$58,319,452	\$20,225,373	\$3,569,566	\$513,815	\$2,209,632	\$376,130

**DISTRICT AUDIT EXPENDITURE SUMMARY**  
**Tigard-Tualatin School District 23J**

Fund: 200 Special Revenue Funds

Instruction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111	Elementary, K-5 or K-6	\$2,724,423	\$1,390,726	\$848,756	\$99,668	\$268,305	\$0	\$116,969	\$0
1113	Elementary Extracurricular	\$54,162	\$28,477	\$9,581	\$4,857	\$10,310	\$0	\$938	\$0
1121	Middle/Junior High Programs	\$1,386,228	\$324,568	\$165,334	\$700,491	\$121,056	\$0	\$74,779	\$0
1122	Middle/Junior High School Extracurricular	\$72,252	\$40,178	\$15,973	\$0	\$14,475	\$0	\$1,626	\$0
1131	High School Programs	\$2,439,098	\$1,066,049	\$665,509	\$155,341	\$327,887	\$11,239	\$213,073	\$0
1132	High School Extracurricular	\$1,782,484	\$199,889	\$35,817	\$368,837	\$1,004,625	\$18,063	\$155,255	\$0
1140	Pre-Kindergarten Programs	\$624,395	\$307,614	\$249,690	\$11,735	\$27,571	\$0	\$27,785	\$0
1210	Programs for the Talented and Gifted	\$5,408	\$3,856	\$1,551	\$0	\$0	\$0	\$0	\$0
1220	Restrictive Programs for Students with Disabilities	\$2,887,065	\$916,836	\$680,437	\$1,224,873	\$55,629	\$0	\$9,290	\$0
1250	Less Restrictive Programs for Students with Disabilities	\$4,623,872	\$2,216,234	\$1,867,362	\$467,953	\$65,484	\$3,269	\$3,569	\$0
1260	Treatment and Habilitation	\$412,549	\$0	\$0	\$412,549	\$0	\$0	\$0	\$0
1271	Remediation	\$686,071	\$213,630	\$120,682	\$324,000	\$1,497	\$0	\$26,261	\$0
1272	Title I	\$1,838,623	\$1,208,692	\$503,187	\$11,814	\$34,296	\$0	\$80,634	\$0
1280	Alternative Education	\$1,814,618	\$844,855	\$559,973	\$362,797	\$44,754	\$0	\$2,239	\$0
1291	English Second Language Programs	\$1,310,452	\$755,674	\$500,693	\$23,708	\$23,131	\$0	\$7,245	\$0
1299	Other Programs	\$401,484	\$186,998	\$127,951	\$7,951	\$12,110	\$0	\$66,474	\$0
1400	Summer School Programs	\$1,078	\$0	\$0	\$0	\$1,078	\$0	\$0	\$0
Total Instruction Expenditures		\$23,064,261	\$9,704,276	\$6,352,495	\$4,176,575	\$2,012,208	\$32,571	\$786,135	\$0
Support Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110	Attendance and Social Work Services	\$1,417,440	\$737,928	\$650,095	\$26,823	\$2,459	\$0	\$135	\$0
2120	Guidance Services	\$3,642,946	\$1,629,015	\$1,054,882	\$411,310	\$73,240	\$54,071	\$420,426	\$0
2130	Health Services	\$826,759	\$1,783	\$580	\$824,397	\$0	\$0	\$0	\$0
2140	Psychological Services	\$326,050	\$16,371	\$6,583	\$303,097	\$0	\$0	\$0	\$0
2150	Speech Pathology and Audiology Services	\$1,219,763	\$5,488.17	\$2,208	\$1,211,740	\$326	\$0	\$0	\$0
2190	Service Direction, Student Support Services	\$378,127	\$240,873	\$134,705	\$2,550	\$0	\$0	\$0	\$0
2210	Improvement of Instruction Services	\$1,949,448	\$1,154,867	\$715,644	\$58,141	\$6,108	\$0	\$14,688	\$0
2220	Educational Media Services	\$7,556	\$1,170	\$471	\$0	\$5,745	\$0	\$170	\$0
2230	Assessment & Testing	\$34,478	\$0	\$0	\$0	\$34,478	\$0	\$0	\$0
2240	Instructional Staff Development	\$844,081	\$351,548	\$184,247	\$220,338	\$3,761	\$0	\$84,188	\$0
2310	Board of Education Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2320	Executive Administration Services	\$115,040	\$59,821	\$46,651	\$2,000	\$4,013	\$0	\$2,555	\$0
2410	Office of the Principal Services	\$2,905,834	\$1,754,007	\$1,035,956	\$26,000	\$20,201	\$49,972	\$19,698	\$0
2520	Fiscal Services	\$2,133	\$0	\$0	\$0	\$0	\$0	\$2,133	\$0
2540	Operation and Maintenance of Plant Services	\$251,323	\$38,109	\$4,560	\$133,112	\$530	\$75,011	\$0	\$0
2550	Student Transportation Services	\$895,392	\$42,439	\$38,720	\$132,562	\$2,522	\$670,760	\$8,389	\$0
2570	Internal Services	\$39,734	\$0	\$0	\$34,452	\$0	\$5,282	\$0	\$0
2620	Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$174,812	\$85,036	\$59,776	\$30,000	\$0	\$0	\$0	\$0
2630	Information Services	\$43,492	\$0	\$0	\$0	\$43,492	\$0	\$0	\$0
2640	Staff Services	\$408,977	\$176,737	\$99,878	\$61,215	\$69,202	\$0	\$1,946	\$0
2660	Technology Services	\$852,101	\$155,899	\$99,609	\$0	\$203,083	\$358,665	\$34,845	\$0
2680	Interpretation and Translation Services	\$7,604	\$2,417	\$970	\$4,217	\$0	\$0	\$0	\$0
2690	Other Support Services - Central	\$500	\$0	\$0	\$0	\$500	\$0	\$0	\$0
2700	Supplemental Retirement Program	\$1,158,589	\$422,425	\$736,163	\$0	\$0	\$0	\$0	\$0
Total Support Services Expenditures		\$17,501,176	\$6,875,933	\$4,871,695	\$3,481,955	\$468,659	\$1,213,761	\$589,173	\$0
Enterprise and Community Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100	Food Services	\$3,982,518	\$1,208,605	\$1,060,430	\$82,857	\$1,599,968	\$0	\$30,657	\$0
3500	Custody and Care of Children Services	\$870,044	\$210,308	\$142,917	\$389,691	\$110,609	\$4,569	\$11,949	\$0
Total Enterprise and Community Services Expenditures		\$4,852,562	\$1,418,913	\$1,203,348	\$472,548	\$1,710,577	\$4,569	\$42,606	\$0
Other Uses Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5200	Transfers of Funds	\$1,192,633	\$0	\$0	\$0	\$0	\$0	\$0	\$1,192,633
Total Other Uses Expenditures		\$1,192,633	\$0	\$0	\$0	\$0	\$0	\$0	\$1,192,633
Grand Total		\$46,610,633	\$17,999,122	\$12,427,538	\$8,131,078	\$4,191,444	\$1,250,902	\$1,417,915	\$1,192,633

DISTRICT AUDIT EXPENDITURE SUMMARY  
Tigard-Tualatin School District 23J

Fund: 300 Debt Service Funds									
Other Uses Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100	Debt Service	\$33,142,876	\$0	\$0	\$57,600	\$0	\$0	\$33,085,276	\$0
Total Other Uses Expenditures		\$33,142,876	\$0	\$0	\$57,600	\$0	\$0	\$33,085,276	\$0
Grand Total		\$33,142,876	\$0	\$0	\$57,600	\$0	\$0	\$33,085,276	\$0

**DISTRICT AUDIT EXPENDITURE SUMMARY**  
**Tigard-Tualatin School District 23J**

Fund: 400 Capital Projects Funds

Facilities Acquisition and Construction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110	Service Area Direction	\$849,359	\$203,194	\$104,975	\$445,068	\$59,826	\$0	\$36,297	\$0
4120	Site Acquisition and Development Services	\$2,062,865	\$0	\$0	\$141,993	\$0	\$1,906,809	\$14,064	\$0
4150	Building Acquisition, Construction, and Improvement Services	\$6,846,571	\$0	\$0	\$704,599	\$6,168	\$6,111,489	\$24,315	\$0
4180	Other Capital Items	\$537,352	\$8,738	\$3,721	\$0	\$521,857	\$3,035	\$0	\$0
4190	Other Facilities Construction Services	\$3,801,632	\$0	\$0	\$0	\$3,665,607	\$136,025	\$0	\$0
Total Facilities Acquisition and Construction Expenditures		\$14,097,779	\$211,933	\$108,696	\$1,291,659	\$4,253,458	\$8,157,357	\$74,676	\$0
Other Uses Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5200	Transfers of Funds	\$503,839	\$0	\$0	\$0	\$0	\$0	\$0	\$503,839
Total Other Uses Expenditures		\$503,839	\$0	\$0	\$0	\$0	\$0	\$0	\$503,839
Grand Total		\$14,601,618	\$211,933	\$108,696	\$1,291,659	\$4,253,458	\$8,157,357	\$74,676	\$503,839

**DISTRICT AUDIT EXPENDITURE SUMMARY**  
**Tigard-Tualatin School District 23J**

**Fund: 600 Internal Service Funds**

<b>Support Services Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
2110	Attendance and Social Work Services	\$2,112	\$0	\$2,112	\$0	\$0	\$0	\$0	\$0
2120	Guidance Services	\$1,970	\$0	\$1,970	\$0	\$0	\$0	\$0	\$0
2130	Health Services	\$339	\$0	\$339	\$0	\$0	\$0	\$0	\$0
2410	Office of the Principal Services	\$1,749	\$0	\$1,749	\$0	\$0	\$0	\$0	\$0
2520	Fiscal Services	\$117,000	\$0	\$0	\$49,679	\$3,066	\$64,255	\$0	\$0
2540	Operation and Maintenance of Plant Services	\$34,144	\$0	\$214	\$33,930	\$0	\$0	\$0	\$0
2550	Student Transportation Services	\$8,422	\$0	\$0	\$8,422	\$0	\$0	\$0	\$0
2570	Internal Services	\$16,620	\$0	\$0	\$0	\$0	\$16,620	\$0	\$0
2640	Staff Services	\$155,074	\$0	\$155,009	\$0	\$65	\$215,781	\$0	\$0
2660	Technology Services	\$267,306	\$0	\$0	\$49,325	\$2,200	\$215,781	\$0	\$0
<b>Total Support Services Expenditures</b>		<b>\$604,736</b>	<b>\$0</b>	<b>\$161,393</b>	<b>\$141,356</b>	<b>\$5,331</b>	<b>\$296,656</b>	<b>\$0</b>	<b>\$0</b>
<b>Enterprise and Community Services Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
3100	Food Services	\$32,185	\$0	\$32,185	\$0	\$0	\$0	\$0	\$0
<b>Total Enterprise and Community Services Expenditures</b>		<b>\$32,185</b>	<b>\$0</b>	<b>\$32,185</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Grand Total</b>		<b>\$636,921</b>	<b>\$0</b>	<b>\$193,577</b>	<b>\$141,356</b>	<b>\$5,331</b>	<b>\$296,656</b>	<b>\$0</b>	<b>\$0</b>

**DISTRICT AUDIT EXPENDITURE SUMMARY**  
**Tigard-Tualatin School District 23J**

**Fund: 700 Trust and Agency Funds**

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

## Audit Comments and Disclosures Required by State Regulations



**PAULY, ROGERS AND Co., P.C.**  
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www.paulyrogersandcpcas.com

December 20, 2024

### **Independent Auditors' Report Required by Oregon State Regulations**

We have audited the basic financial statements of the Tigard-Tualatin School District No. 23J as of and for the year ended June 30, 2024, and have issued our report thereon dated December 20, 2024. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards.

### **Compliance**

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

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

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

In connection with our testing nothing came to our attention that caused us to believe the Tigard-Tualatin School District No. 23J was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, except for the following:

1. Budget over expenditures as noted on page 40 of the report.



### **OAR 162-10-0230 Internal Control**

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

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

A handwritten signature in cursive script that reads "Tara M Kamp, CPA".

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

# GRANT COMPLIANCE



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December 20, 2024

To the Board of Directors  
Tigard-Tualatin School District No. 23J  
Washington County, Oregon

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tigard-Tualatin School District No. 23J as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated December 20, 2024.

**Report on Internal Control over Financial Reporting**

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

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

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

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

## **Report on Compliance and Other Matters**

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

## **Purpose of this Report**

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

A handwritten signature in cursive script that reads "Tara M. Kamp, CPA".

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



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December 20, 2024

To the Board of Directors  
Tigard-Tualatin School District No. 23J  
Washington County, Oregon

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

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Tigard-Tualatin School District No. 23J's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2024. The major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Tigard-Tualatin School District No. 23J 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Tigard-Tualatin School District No. 23J and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

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

***Auditors' Responsibilities for the Audit of Compliance***

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

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

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

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

### **Report on Internal Control over Compliance**

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

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

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

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



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

TIGARD-TUALATIN SCHOOL DISTRICT NO. 23J  
WASHINGTON COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended June 30, 2024

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**SECTION I – SUMMARY OF AUDITORS' RESULTS**

**FINANCIAL STATEMENTS**

Type of auditors' report issued:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

☐ yes ☒ no

Significant deficiency(s) identified that are not considered  
to be material weaknesses?

☐ yes ☒ none reported

Noncompliance material to financial statements noted?

☐ yes ☒ no

Any GAGAS audit findings disclosed that are required to be reported  
reported in accordance with section 515(d)(2) of the Uniform Guidance?

☐ yes ☒ no

**FEDERAL AWARDS**

Internal control over major programs:

Material weakness(es) identified?

☐ yes ☒ no

Significant deficiency(s) identified that are not considered  
to be material weaknesses?

☐ yes ☒ none reported

Type of auditors' report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in  
accordance with section 200.516(a) of the Uniform Guidance?

☐ yes ☒ no

**IDENTIFICATION OF MAJOR PROGRAMS**

**AL NUMBER**

**NAME OF FEDERAL PROGRAM CLUSTER**

84.425                      Elementary and Secondary Education  
84.027, 84.173           IDEA

Dollar threshold used to distinguish between type A and B programs

\$750,000

Auditee qualified as low-risk auditee?

☒ yes ☐ no

TIGARD-TUALATIN SCHOOL DISTRICT NO. 23J  
WASHINGTON COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2024

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**SECTION II – FINANCIAL STATEMENT FINDINGS**

None

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

None

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL EXPENDITURES**

1. **BASIS OF PRESENTATION**

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

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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