JEFFERSON SCHOOL DISTRICT NO. 14J
MARION COUNTY, OREGON

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2023

CERTIFIED PUBLIC ACCOUNTANTS
PAULY ROGERS AND CO PC

12700 SW 72nd Ave.
Tigard, OR 97223

JEFFERSON SCHOOL DISTRICT 14J
MARION COUNTY, OREGON

ANNUAL FINANCIAL REPORT
For the Year Ended June 30, 2023

JEFFERSON SCHOOL DISTRICT 14J
MARION COUNTY, OREGON

BOARD OF DIRECTORS 2022-2023

BOARD OF DIRECTORS	TERM EXPIRES
Tracy Roe, Chair	June 30, 2025
Fred Sondermayer, Vice Chair	June 30, 2025
Terry Kamlade	June 30, 2025
Carole Vickery	June 30, 2027
Teresa Mitchell	June 30, 2027

Board members will receive mail at the District address listed below.

ADMINISTRATION

Brad Capener (Registered Agent)
Superintendent

Hattie Truett
Business Manager

1328 North Second Street
Jefferson, Oregon 97352

JEFFERSON SCHOOL DISTRICT 14J
MARION COUNTY, OREGON

TABLE OF CONTENTS

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JEFFERSON SCHOOL DISTRICT 14J
MARION COUNTY, OREGON

TABLE OF CONTENTS (CONTINUED)

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December 15, 2023

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Jefferson School District 14J
Marion County, Oregon

Opinions

We have audited the accompanying basic financial statements of the governmental activities and each major fund of Jefferson School District 14J (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these basic 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 basic financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the basic financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the basic 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 basic 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 basic 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 basic 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 basic financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the basic financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, 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, except for the budgetary statements listed as required supplementary information.

Supplementary Information

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

Other Information

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

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

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our reports dated December 15, 2023 on our consideration of the internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of the reports 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. The reports are 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 15, 2023 on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

Roy R Rogers

ROY R. ROGERS, CPA
PAULY, ROGERS AND CO., P.C.

As management of the School District No. 14J Marion County, Oregon (Jefferson School District), we offer readers a narrative overview and analysis of the financial activities of Jefferson School District for the fiscal year ended June 30, 2023. It should be read in conjunction with the District's financial statements, which follow this section.

Financial Highlights

- As of June 30, 2023, the net position of Jefferson School District 14J amounted to $(3,500,929). Of this amount $4,916,487 was invested in capital assets, net of related debt. The remaining balance included $673,669 restricted for debt service, $184,599 restricted for student activities, and an unrestricted net deficit of $(9,561,895).

- At June 30, 2023 the District's governmental funds reported combined ending fund balances of $892,795 a decrease of $319,291.

- At June 30, 2023 the principal amount of the Series 2017 GO Bond 2017 outstanding amount was $13,410,768.

- At June 30, 2023 the principal amount of Series 2003 PERS Pension Bond outstanding was $3,625,000.

- At June 30, 2023 the principal amount of the Department of Energy Cool Schools Loan outstanding was $239,772.

- At June 30, 2023 the principal amount of the 2020 Umpqua loan is $412,198.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Jefferson School District 14J's basic financial statements. The 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 information on all District assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Jefferson School 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 in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, early retirement and earned but unused vacation leave).

Fund Financial Statements

The *fund Financial Statements* are designed to demonstrate compliance with finance-related legal requirements overseeing the use of fund accounting. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities and objectives. All of the funds of the Jefferson School District No. 14J are governmental funds.

Governmental funds

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

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

Jefferson School District No. 14J maintains five major governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances for the General, Special Revenue, ASB, Debt Service, and Capital funds, all of which are considered to be major funds.

Jefferson School District No. 14J adopts an annual appropriated budget for all of its funds. A budgetary comparison statement has been provided for each fund individually to demonstrate compliance with their respective budgets.

The basic governmental fund financial statements can be found on pages 3 and 5 of this report.

Notes to the Financial Statements

The *notes to the financial statements* provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 7 through 39 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information, which includes the OPEB Schedule of Funding Progress and Employer Contributions and budgetary comparison information for the General Fund and Special Revenue Fund. This required supplementary information can be found on pages 43 through 44 of this report.

The Schedule of Bond and Interest Transactions and Balances is found on page 48. The Schedule of Property Tax Transactions and Balances is found on page 49-50.

Government-Wide Financial Analysis

Net position - As noted earlier, net position may serve over time as a useful indicator of the District's financial position. In the case of Jefferson School District, liabilities exceed assets by $(3,500,929) at June 30, 2023.

A large portion of the District's net position reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets for classrooms and supporting services for providing Kindergarten through Twelfth Grade education; consequently, 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 needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Condensed Statement of Net Position

	Governmental Activities	
	June 30, 2023	June 30, 2022
Assets		
Current and other assets	$ 1,652,610	$ 1,918,780
Capital assets, net of accumulated depreciation	20,462,570	20,553,389
Total Assets	22,115,180	22,472,169
Pension Related Deferrals	2,578,499	2,682,992
Total Assets and Deferred Outflows	24,693,679	25,155,161
Liabilities		
Current liabilities	616,631	555,790
Noncurrent liabilities	24,587,632	23,892,702
Total Liabilities	25,204,263	24,448,492
Pension Related Deferrals	2,990,345	4,584,534
Total Liabilities and Deferred Inflows	28,194,608	29,033,026
Net Position		
Net Investment in Capital Assets	4,916,487	4,602,747
Restricted for:		
Student Activities	184,599	172,172
Capital Projects Fund	673,669	496,145
Debt Service	146,599	123,243
OPEB-RHIA	139,612	132,383
Unrestricted	(9,561,895)	(9,404,555)
Total Net Position	$ (3,500,929)	$ (3,877,865)

District Change in Net Position

The statement of activities information shown on the following pages in net position for fiscal year ended 2023

Changes in Net Position

	Governmental Activities	
	June 30, 2023	June 30, 2022
Program Revenues		
Charges for Services	$ 579,660	$ 149,038
Operating Grants and Contributions	2,027,559	1,695,703
Total program revenues	2,607,219	1,844,741
General Revenues		
Property taxes	2,646,294	2,536,872
Property taxes on Debt Service Fund	765,741	727,265
State school fund - general support	8,333,757	8,172,890
Unrestricted Intermediate and Local Sources	1,115,599	996,944
Earnings on Investments	69,614	14,176
Total general revenues	12,931,005	12,448,147
Total revenues	15,538,224	14,292,888
Program Expenses		
Instruction	7,595,250	7,504,790
Support Services	5,887,375	5,170,199
Community Services	528,642	504,962
Facilities Acquisition and Construction	-	42,073
Interest on long-term debt	1,150,021	1,126,374
Total program expenses	15,161,288	14,348,398
Change in net position	376,936	(55,510)
Net position - beginning of year	(3,877,865)	(3,822,355)
Net position - end of year	$ (3,500,929)	$ (3,877,865)

Revenues

The District's mission is to provide a free and appropriate public education for Kindergarten through Twelfth Grade students within its boundaries, the District may not charge for its core services. As expected, therefore, general revenues provide 83% of the funding required for governmental programs. Property taxes and State school fund combined for 85% of general revenues and 75% of total revenues.

Charges for services are only 4% of total revenues and are composed of the following items for which it is appropriate that the District charge tuition or fees:

• Food services charges for lunch and breakfast	$ 541,205
• Various Student Extra-Curricular Activities	38,455
Total fees and charges for services	579,660

Operating grants and contributions represent 13% of total revenues. Included in this category are amounts for grants and contributions to support various educational activities.

Expenses

Expenses related to governmental activities are presented in several broad functional categories. Costs of direct classroom instruction activities account for 50% of the total expenses of $15,538,224. In addition, approximately 39% of the total costs are for supporting services related to students, instructional staff and school administration.

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.

Government Funds

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

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of $892,795.

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned ending fund balance of the General Fund was $550,563.

General Fund Budgetary Highlights

There were no significant amendments to the 2022-2023 budget documents.

Capital Asset and Debt Administration

Capital assets - The District's investment in capital assets for its governmental activities as of June 30, 2023 amounts to $20,462,570. This investment in capital assets includes land, buildings, building improvements, machinery, and equipment. The total depreciation related to the District's investment in capital assets for the current fiscal year was $625,416.

Long-term debt - At the end of the current fiscal year, the District had total debt outstanding of $17,687,738. This amount is comprised of a limited tax pension obligation bond, a Certificate of Participation, an Oregon Department of Energy Small Energy Loan Program (SELP) loan, Early Retirement liability and Other Post-Employment Benefits. The District's total debt decreased by $523,714 during the current fiscal year.

Economic Factors and Next Year's Budgets

- It is anticipated that the costs of providing medical insurance coverage to employees will continue to rise.
- Local enrollment is expected to stay level over the next several years.
- PERS costs for the next year will not increase but are expected to continue to increase for the following two or three biennium.

All of these factors were considered in preparing the District's budget for fiscal year 2023-2024.

The ending General Fund balance of $550,563 will be available for program resources in fiscal year 2023-2024.

Request for Information

This financial report is designed to provide a general overview of the Jefferson School District's finances for all those with an interest in the school district's finances. Questions concerning any of the information provided in the report or requests for additional information should be addressed to the Superintendent 1328 N 2nd St, Jefferson, Oregon, 97352

JEFFERSON SCHOOL DISTRICT 14J
MARION COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

JEFFERSON SCHOOL DISTRICT 14J
MARION COUNTY, OREGON

STATEMENT OF NET POSITION
June 30, 2023

	Governmental Activities
Assets	
Cash and Investments	$ 669,550
Receivables	676,835
Property Taxes Receivable	115,934
Supply Inventory	44,448
Capital Assets - Nondepreciable	760,251
Capital Assets - Depreciable, Net of Accumulated Depreciation	19,702,319
OPEB Asset - RHIA	139,612
Lease right-to-use asset, net of amortization	6,231
Total Assets	22,115,180
Deferred Outflows of Resources	
Pension Related Deferrals - PERS	2,509,406
OPEB Related Deferrals - RHIA	18,838
OPEB Related Deferrals - Healthcare Premiums	50,255
Total Deferred Outflows of Resources	2,578,499
Total Assets and Deferred Outflows	24,693,679
Liabilities	
Current Liability:	
Accrued Payroll Liabilities	526,793
Accrued Interest Payable	24,229
Accrued Vacation Payable	64,048
Lease Liability, Current	1,561
Non-current Liability:	
Net Pension Liability - PERS	5,047,416
OPEB Benefits - Health Care	364,463
Long-Term Obligations Due Within One Year	1,041,414
Long-Term Obligations Due in More Than One Year	18,129,814
Lease Liability, Long Term	4,525
Total Liabilities	25,204,263
Deferred Inflows of Resources	
Pension Related Deferrals - PERS	2,898,480
OPEB Related Deferrals - RHIA	20,211
OPEB Related Deferrals - Healthcare Premiums	71,654
Total Deferral Inflows of Resources	2,990,345
Total Liabilities and Deferred Inflows	28,194,608
Net Position	
Net Investment in Capital Assets	4,916,487
Restricted for:	
Student Activities	184,599
Debt Service	146,599
Capital Projects	673,669
OPEB-RHIA	139,612
Unrestricted	(9,561,895)
Total Net Position	$ (3,500,929)

See accompanying notes to basic financial statements.

JEFFERSON SCHOOL DISTRICT 14J
MARION COUNTY, OREGON

STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2023

Functions/Programs	Expenditures	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Instruction	$ 7,595,250	$ 305,358	$ 1,098,363	$ (6,191,529)
Support Services	5,887,375	235,847	852,748	(4,798,780)
Community Services	528,642	38,455	76,448	(413,739)
Interest on Long-Term Debt	1,150,021	-	-	(1,150,021)
Total Governmental Activities	$ 15,161,288	$ 579,660	$ 2,027,559	$ (12,554,069)

General Revenues:	
Property Taxes for General Fund	2,646,294
Property Taxes for Debt Service Fund	765,741
State Support	8,333,757
Unrestricted Intermediate	14,838
Unrestricted Local Sources	1,100,761
Earnings on Investments	69,614
Total General Revenues	12,931,005
Change in Net Position	376,936
Net Position – Beginning	(3,877,865)
Net Position – Ending	$ (3,500,929)

See accompanying notes to basic financial statements.

JEFFERSON SCHOOL DISTRICT 14J
MARION COUNTY, OREGON

BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2023

	GENERAL FUND	SPECIAL REVENUE FUND	ASB FUND	DEBT SERVICE FUND	CAPITAL FUND	TOTALS
ASSETS:						
Cash and Investments	$ -	$ -	$ 184,599	$ 140,369	$ 344,582	$ 669,550
Receivables:						
Taxes	91,043	-	-	24,891	-	115,934
Accounts	51,578	625,257	-	-	-	676,835
Supply Inventory	-	44,448	-	-	-	44,448
Due From Other Funds	1,003,253	-	-	-	329,087	1,332,340
Total Assets	$ 1,145,874	$ 669,705	$ 184,599	$ 165,260	$ 673,669	$ 2,839,107
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE:						
Liabilities:						
Due to Other Funds	$ -	$ 1,332,340	$ -	$ -	$ -	$ 1,332,340
Accounts Payable	-	-	-	-	-	-
Accrued Payroll Liabilities	526,793	-	-	-	-	526,793
Total Liabilities	526,793	1,332,340	-	-	-	1,859,133
Deferred Inflows of Resources:						
Unavailable Revenue-Property Taxes	68,518	-	-	18,661	-	87,179
Total Deferred Inflows of Resources	68,518	-	-	18,661	-	87,179
Fund Balance:						
Nonspendable	-	44,448	-	-	-	44,448
Restricted for:						
Student Activities	-	-	184,599	-	-	184,599
Debt Service	-	-	-	146,599	-	146,599
Capital Projects	-	-	-	-	673,669	673,669
Unassigned	550,563	(707,083)	-	-	-	(156,520)
Total Fund Balance	550,563	(662,635)	184,599	146,599	673,669	892,795
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 1,145,874	$ 669,705	$ 184,599	$ 165,260	$ 673,669	$ 2,839,107

See accompanying notes to basic financial statements.

MARION COUNTY, OREGON

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO STATEMENT OF NET POSITION
June 30, 2023

Total Fund Balances		$ 892,795
Amounts reported for governmental activities in the Statement of Net Position are different because:		
The Net PERS Pension Asset (Liability) is the difference between the total pension liability and the assets set aside to pay benefits earned to past and current employees and beneficiaries.		(5,047,416)
The proportionate share of the OPEB Retiree Health Insurance Account (RHIA) OPEB asset is not reported as an asset in the District's governmental activities.		139,612
Deferred Inflows and Outflows of resources related to the pension plan include differences between expected and actual experience, changes of assumptions, differences between projects and actual earning, and contributions subsequent to the measurement date.		
Deferred Outflows - PERS	$ 2,509,406	
Deferred Inflows - PERS	(2,898,480)	
Deferred Outflows - RHIA	18,838	
Deferred Inflows - RHIA	(20,211)	
Deferred Outflows - Healthcare Premiums	50,255	
Deferred Inflows - Healthcare Premiums	(71,654)	(411,846)
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds.		
Capital Assets, net		20,462,570
Delinquent property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are unearned in the funds.		87,179
Long-term liabilities not payable in the current year are not reported as governmental fund liabilities. Interest in long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due.		
These liabilities consist of:		
Compensated Absences Payable	(64,048)	
Accrued Interest Payable	(24,229)	
Other Post Employment Obligation - Health Care	(364,463)	
Loans Payable	(651,970)	
Bond Premium Payable	(1,483,490)	
Bonds Payable	(17,035,768)	
Lease Liability	(6,086)	(19,630,054)
Right-to-use assets are not financial resources and therefore are not reported in the governmental funds.		6,231
Total Net Position		$ (3,500,929)

See accompanying notes to basic financial statements.

MARION COUNTY, OREGON

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

	GENERAL FUND	SPECIAL REVENUE FUND	ASB FUND	DEBT SERVICE	CAPITAL FUND	TOTALS
REVENUES:						
Local Sources	$ 2,741,029	$ 74,292	$ 123,362	$ 1,663,650	$ 542,734	$ 5,145,067
Intermediate Sources	14,838	-	-	-	-	14,838
State Sources	7,279,909	1,053,848	-	-	-	8,333,757
Federal Sources	-	2,027,559	-	-	-	2,027,559
Total Revenues	10,035,776	3,155,699	123,362	1,663,650	542,734	15,521,221
EXPENDITURES:						
Instruction	5,794,341	1,551,778	107,435	-	-	7,453,554
Support Services	4,552,583	1,213,331	-	-	20,884	5,786,798
Enterprise and Community Services	-	518,780	-	-	-	518,780
Facilities Acquisition and Construction	-	-	-	-	344,326	344,326
Capital Outlay	-	-	-	-	-	-
Debt Service	-	-	-	1,737,054	-	1,737,054
Total Expenditures	10,346,924	3,283,889	107,435	1,737,054	365,210	15,840,512
Excess of Revenues Over, (Under) Expenditures	(311,148)	(128,190)	15,927	(73,404)	177,524	(319,291)
OTHER FINANCING SOURCES, (USES):						
Transfers In	-	124,649	-	96,760	-	221,409
Transfers Out	(217,909)	-	(3,500)	-	-	(221,409)
Total Other Financing Sources, (Uses)	(217,909)	124,649	(3,500)	96,760	-	-
Net Change in Fund Balance	(529,057)	(3,541)	12,427	23,356	177,524	(319,291)
Beginning Fund Balance	1,079,620	(659,094)	172,172	123,243	496,145	1,212,086
Ending Fund Balance	$ 550,563	$ (662,635)	$ 184,599	$ 146,599	$ 673,669	$ 892,795

See accompanying notes to basic financial statements.

JEFFERSON SCHOOL DISTRICT 14J
MARION COUNTY, 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, 2023

Net Change in Fund Balance		$ (319,291)
Amounts reported for governmental activities in the Statement of Activities are different because:		
The PERS Pension Income (Expense) represents the changes in Net Pension Asset (Liability) from year to year due to changes in total pension liability and the fair value of pension plan net position available to pay pension benefits.		176,292
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:		
Capital Asset Additions, net	$ 534,597	
Depreciation Expense	(625,416)	(90,819)
Long-term debt proceeds are reported as other financing sources in governmental funds. In the Statement of Net Position, however, issuing long-term debt increases liabilities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the Statement of Net Position. This is the amount by which proceeds exceeded repayments:		
Debt Principal Repaid	523,714	
Bond Premium Amortized	61,812	585,526
In the Statement of Activities interest is accrued on long-term debt, whereas in the governmental funds it is recorded as an interest expense when due.		1,507
Compensated absences and early retirement obligations are recognized as an expenditure in the governmental funds when they are paid. In the Statement of Activities compensated absences and early retirement obligations are recognized as an expenditure when earned.		
Compensated Absences	(31,112)	
OPEB Income - Health	27,668	
OPEB Income - RHIA	10,948	7,504
Because some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered as "available" revenues in the governmental funds, and are instead recorded as unearned revenue. They are, however, recorded as revenues in the Statement of Activities.		
General Fund	15,965	
Debt Service Fund	1,038	17,003
Payment on Lease Liability decreases liabilities in the Statement of Net Position.		
Payment on Lease Liability		9,434
Expenditure for Right-to-use Assets reduces the Prepaid Expenses in the Statement of Net Position and Amoritzation Expense increases the expenses on the Statement of Activities.		
Amortization Expense		(10,220)
Change in Net Position		$ 376,936

See accompanying notes to basic financial statements.

JEFFERSON SCHOOL DISTRICT 14J
MARION COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. THE FINANCIAL REPORTING ENTITY

Jefferson School District 14J (the District) is a municipal corporation governed by an elected Board of Directors. It was organized under provisions of Oregon Statutes Chapter 332 for the purpose of operating elementary and secondary schools. As required by generally accepted accounting principles, all activities have been included in these basic financial statements.

The District qualifies as a primary government since it has a separately elected governing board, is a legally separate entity, and is fiscally independent. There are various governmental agencies and special service districts which provide services. However, the District is not financially accountable for any of these entities and therefore, none of them are considered component units or included in these basic financial statements, in accordance with GASB 61.

Component Units, as established by the Governmental Accounting Standards Board (GASB) Statement 61, are separate organizations that are included in the District's reporting because of the significance of their operational or financial relationships. There are no component units.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Statement of Net Position and Statements of Activities display information about the District as a whole.

The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions." For this purpose property taxes are recognized in the year for which the taxes are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied.

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the general revenues.

All direct expenses are reported by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities. In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUND FINANCIAL STATEMENTS

The accounts are organized and operated on the basis of funds. A fund is an independent self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

GOVERNMENTAL FUND TYPES

Governmental funds are used to account for the general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period, which is 60 days. Property tax revenue and proceeds from sale of property are not considered available and, therefore, are not recognized until received. For this purpose, revenues are considered available if they are collected within 60 days of the end of the current fiscal year. Expenditures are recorded when the liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, interfund transactions, pension costs, certain compensated absences, OPEB obligations and claims and judgments which are not recognized as expenditures because they will be liquidated with future expendable financial resources.

Revenues susceptible to accrual are interest, state, county and local shared revenue and federal and state grants. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Financial operations are accounted for in the following major funds:

GENERAL FUND

The General Fund accounts for all financial resources and expenditures, except those required to be accounted for in another fund. The principal revenue sources are property taxes and an apportionment from the State of Oregon School Support Fund.

SPECIAL REVENUE FUND

This Special Revenue Fund accounts for specific revenue sources that are legally restricted to expenditures for specific purposes. The fund balance is negative at June 30, 2023. The District will eliminate the negative balance in future years by transfers from the general fund.

ASB FUND

The ASB Fund accounts for all student body activities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

DEBT SERVICE FUND

The Debt Service Fund accounts for the payment of principal and interest of the general obligation bonds. The principal source of revenue is property taxes.

CAPITAL FUND

The Capital Fund receives money from debt proceeds. The funds are used for capital improvement projects.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Property taxes and interest are considered to be susceptible to accrual. Principal and interest on general long-term debt and claims and judgments are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in the governmental funds and proceeds from general long-term debt and acquisitions under capital leases are reported as other financing sources. Post-employment benefits are expensed when paid rather than when incurred.

CASH AND INVESTMENTS

Investments with a remaining maturity of more than one year at the time of purchase are stated at fair value. Other investments are stated at amortized cost, which approximates fair value.

PROPERTY TAXES

Uncollected real and personal property taxes are reflected on the statement of net position and the balance sheet as receivables. Uncollected taxes are deemed by management to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established. All property taxes receivable are due from property owners within the District.

Under state law, county governments are responsible for extending authorized property tax levies, computing tax rates, billing and collecting all property taxes, and making periodic distributions of collections to entities levying taxes. Property taxes become a lien against the property when levied on July 1 of each year and are payable in three installments due on November 15, February 15 and May 15. Property tax collections are distributed monthly except for November, when such distributions are made weekly.

SUPPLY INVENTORIES AND PREPAID ITEMS

School food and other cafeteria supplies are stated at average invoice cost. Commodities purchased from the United States Department of Agriculture in the Food Service Fund are included in inventories at USDA wholesale value. Inventory is accounted for based on the purchase method for the budgetary statements, and on the consumption method, charged to expense when used, for the government-wide financial statements. Donated commodities consumed during the year are reported as revenues and expenditures. The amount of unused donated commodities and supply inventories at the balance sheet date are considered immaterial by management for reporting purposes. Prepaid assets are recognized as expenditures when their benefits are realized. There were no prepaid items at year end.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY

ACCOUNTS AND OTHER RECEIVABLES

Accounts and other receivables are comprised primarily of claims for reimbursement of costs under various federal, state and local grants.

GRANT ACCOUNTING

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

CAPITAL ASSETS

Capital assets are recorded at original cost or estimated original cost. Donated capital assets are recorded at their estimated fair market value on the date donated. Capital assets are defined as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Interest incurred during construction is not capitalized. The cost of routine maintenance and repairs that do not add to the value of the assets or materially extend asset lives are charged to expenditures as incurred and not capitalized. Capital assets are depreciated using the straight-line method over the following useful lives:

Machinery and equipment	5 years
Vehicles	10 years
Buildings and improvements	40 years

COMPENSATED ABSENCES

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure when paid. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported as a long-term liability on the statement of net position. In accordance with the provisions of GASB Statement No. 16, Accounting for Compensated Absences, no liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

LONG-TERM OBLIGATIONS

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuance are reported as other financing uses.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the basic financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expenditure) until then. At June 30, 2023 there were deferred outflows representing PERS pension related deferrals and OPEB related deferrals for RHIA and Health Insurance reported in the Statement of Net Position.

In addition to liabilities, the basic financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The District has two types of items which qualify for reporting in this category. The first item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues for property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available. At June 30, 2023, there were also deferred inflows representing PERS pension related deferrals and OPEB related deferrals for RHIA and Health Insurance reported in the Statement of Net Position.

NET POSITION

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

Net Investment in Capital Assets – consists of all capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – consists of external constraints placed on asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – consists of all other assets that are not included in the other categories previously mentioned.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUND BALANCE

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

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

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

There were no committed or assigned fund balances as of June 30, 2023.

USE OF ESTIMATES

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 upon the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

LEASE RECEIVABLE

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 District, reduced by principal payments received.

LEASE ASSETS

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

LEASES PAYABLE

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

SUBSCRIPTION ASSETS

Subscription assets are assets in which the government obtains control of the right to use the underlying IT asset. The value of the subscription asset is initially measured as the sum of 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 SBITA vendor at or before the commencement of the subscription term. The subscription asset is amortized in a straight-line manner over the course of the subscription term.

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.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETS

A budget is prepared and legally adopted for all funds on the modified accrual basis of accounting in the main program categories required by Oregon Local Budget Law.

The budget process begins early in each fiscal year with the establishment of the budget committee. Recommendations are developed through late winter with the budget committee approving the budget in early spring. Public notices of the budget hearing are generally published in spring with a public hearing being held approximately three weeks later. The Board may amend the budget prior to adoption. However, budgeted expenditures for each fund may not be increased by more than ten percent without re-publication. The budget is then adopted, appropriations are made, and the tax levy declared no later than June 30th.

3. BUDGETARY BASIS OF ACCOUNTING

The budgetary basis of accounting differs from generally accepted accounting principles. The budgetary basis statements provided as part of supplementary information elsewhere in this report are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The budgetary basis of accounting is substantially the same as generally accepted accounting principles in the United States of America, with the exceptions that capital outlay expenditures are expensed when purchased, depreciation is not calculated, inventories of supplies are budgeted as expenditures when purchased, property taxes are recorded as revenue when received instead of when levied, compensated absences and post-employment benefits are expensed when paid rather than when incurred, pension and OPEB costs are not recorded until paid, and principle payments and proceeds on long-term debt are recorded as revenues when received and expenditures when paid.

4. CASH AND INVESTMENTS

Cash management policies are governed by state statutes. Statutes authorize investing in banker's acceptances, time certificates of deposit, commercial paper, repurchase agreements, obligations of the United States and its agencies and instrumentalities, and the Oregon State Treasurer's Local Government Investment Pool.

A cash pool is maintained that is available for use by all funds. Each fund type's portion of this pool is reported on the combined balance sheet as Cash and Investments or amounts Due to Other Funds.

In addition, cash is separately held by some of the funds.

Cash and Investments at June 30, 2023 (recorded at fair value) consisted of:

Deposits With Financial Institutions:		
Demand Deposits	$	227,909
Investments		441,641
Total	$	669,550

DEPOSITS

Deposits with financial institutions include bank demand deposits. The total bank balance per the bank statements as of June 30, 2023 was $586,780, of which $250,000 was covered by federal depository insurance and remainder was collateralized by the Oregon Public Funds Collateralization Program (PFCP). Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury.

Credit Risk – Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the deposits may not be returned. There is no deposit policy for custodial credit risk. All deposits were either FDIC insured or collateralized.

4. CASH AND INVESTMENTS (CONTINUED)

INVESTMENTS

Policy is to follow state statutes governing cash management. Statutes authorize investing in banker's acceptances, time certificates of deposit, repurchase agreements, obligations of the United States and its agencies and instrumentalities, and the Oregon State Treasurer's Local Government Investment Pool.

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund appears to be in compliance with all portfolio guidelines at June 30, 2023. 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. We intend to measure these investments at book value since it ***materially approximates fair value.***

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, 2023, the fair value of the position in the ***LGIP is 99.63%*** of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized.

The audited financial reports of the Oregon Short Term Fund can be found here:

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

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

4. CASH AND INVESTMENTS (CONTINUED)

At year-end, investment balances were as follows:

		Investment Maturities (in Months)		
Investment Type	Fair Value	Less than 3	3 - 18	18 - 59
State Treasurer's Investment Pool	$ 441,641	$ 441,641	$ -	$ -
Total	$ 441,641	$ 441,641	$ -	$ -

Investments in the State Treasurer's Local Government Investment Pool cannot be classified as to credit risk because they are not evidenced by securities that exist in physical or book entry form.

Interest Rate Risk – Investments

Oregon Revised Statutes require investments to not exceed a maturity of 18 months, except when the local government has adopted a written investment policy that was submitted to and reviewed by the OSTFB. There are no investments that have a maturity date beyond three months.

Credit Risk - Investments

Oregon Revised Statutes do not limit investments as to credit rating for securities purchased from US Government Agencies or USGSE. The State Investment Pool is not rated.

Concentration of Credit Risk

At June 30, 2023, 100% of total investments were in the State Treasurer's Investment Pool. State statutes do not limit the percentage of investments in this instrument.

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 was as follows:

	Governmental Capital Assets 7/1/2022	Additions	Deletions	Governmental Capital Assets 6/30/2023
Capital Assets Not Being Depreciated:				
Land	$ 760,251	$ -	$ -	$ 760,251
Construction in Progress	-	-	-	-
Total Capital Assets Not Being Depreciated	760,251	-	-	760,251
Capital Assets Being Depreciated:				
Buildings & Improvements	24,870,520	314,030	-	25,184,550
Equipment	356,170	220,567	-	576,737
Total Capital Assets Being Depreciated	25,226,690	534,597	-	25,761,287
Accumulated Depreciation				
Buildings & Improvements	5,185,921	555,109	-	5,741,030
Equipment	247,631	70,307	-	317,938
Total Accumulated Depreciation	$ 5,433,552	$ 625,416	$ -	$ 6,058,968
Capital Assets, Net	$ 20,553,389			$ 20,462,570

Depreciation was allocated to the functions as follows:

Instruction	$ 469,062
Support Services	125,083
Community Services	31,271
Total	$ 625,416

6. LONG-TERM OBLIGATIONS

General Obligation Bond

The District passed a General Obligation Bond in August of 2017 for construction and improvement of various school buildings, in the amount of $14,345,768. The bond is being amortized over 30 years. Interest rates are variable between 2% and 4.20%, interest on the final 6 years will be payable only at maturity. Interest is due semi-annually on June 15 and December 15. Debt service on bond principal and interest is paid from the Debt Service Fund. In the event of default, the lender may divert State School Funds and/or LGIP transfers from the District to the lender for payment.

Limited Tax Pension Obligation Bond

The OSBA Pension Bond Pool was participated in for the purpose of funding the District's allocated portion of the PERS Unfunded Actuarial Liability (UAL). A bond in the amount of $6,818,701 was issued on April 21, 2003. The bond is being amortized over 26 years. Interest rates are fixed and range between 2.03% and 6.27%. Interest is due semi-annually on June 30 and December 31. Debt service on bond principal and interest is paid from the Debt Service Fund.

Oregon Department of Energy Cool Schools Loan

The Cool Schools Loan was issued to provide funds for the acquisition, construction and equipping of "small scale local energy projects." The original amount of the loan was $803,659 at 3.5% interest and is received on a reimbursement only basis. In the event of default, lender may accelerate the maturity date for both principal and interest. In addition, assets acquired from expenditures of the proceeds and any unexpended proceeds are considered collateral of the loan.

Umpqua Bank Loan

On May 19, 2020, the District entered into an agreement with Umpqua Bank for a loan of $600,000 to use on improvements to the facilities of the District. The loan has a term of nine years with an interest rate of 2.699%. The principal and interest is due semi-annually on March 1 and September 1. In the event of default, the lender may increase the interest rate applicable to the outstanding balance by 2.00%, however the amounts due are not subject to acceleration.

The Debt Service Fund has traditionally been used to liquidate long-term obligations.

6. LONG-TERM OBLIGATIONS (CONTINUED)

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

	Interest Rate	Original Amount	Outstanding June 30, 2022	Additions	Reductions	Outstanding June 30, 2023	Balances Due Within One Year
Governmental Activities:							
Bonds Payable:							
PERS Bond 2003	2.03-6.27%	$ 6,818,701	$ 3,806,112	$ -	$ 181,112	$ 3,625,000	$ 670,000
GO Bond 2017	2.00-4.20%	14,345,768	13,630,768	-	220,000	13,410,768	245,000
Direct Borrowings:							
DOE Cool Schools Loan	3.50%	803,659	299,243	-	59,471	239,772	61,567
Umpqua Bank Loan	2.70%	600,000	475,329	-	63,131	412,198	64,847
Total of Long-Term Obligations		22,568,128	18,211,452	-	523,714	17,687,738	1,041,414
Premium on Bond		1,854,362	1,545,302	-	61,812	1,483,490	
Total of All Long-Term Obligations		$ 24,422,490	$ 19,756,754	$ -	$ 585,526	$ 19,171,228	

6. LONG-TERM OBLIGATIONS (CONTINUED)

Future Maturities of Long-Term Liabilities for the PERS Bond and Flex Fund Certificates are as follows:

Year ending June 30,	Pension Bond		OR Dept of Energy		GO Bond	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	$ 670,000	$ 205,430	$ 61,567	$ 7,433	$ 245,000	$ 530,300
2025	750,000	167,844	63,776	5,224	275,000	520,500
2026	835,000	125,244	66,045	2,955	310,000	509,500
2027	930,000	77,816	48,384	681	345,000	497,100
2028-2032	440,000	24,992	-	-	2,320,000	2,247,900
2033-2037	-	-	-	-	3,620,000	1,622,250
2038-2042	-	-	-	-	4,557,186	1,192,314
2043-2047	-	-	-	-	1,738,582	3,766,417
Total	$ 3,625,000	$ 601,326	$ 239,772	$ 16,293	$ 13,410,768	$ 10,886,281

Year ending June 30,	Umpqua Bank Loan		Premium		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	$ 64,847	$ 10,691	$ 61,812	$ -	$ 1,103,226	$ 753,854
2025	66,609	8,928	61,812	-	1,217,197	702,496
2026	68,419	7,119	61,812	-	1,341,276	644,818
2027	70,279	5,259	61,812	-	1,455,475	580,856
2028-2032	142,044	4,739	309,060	-	3,211,104	2,277,631
2033-2037	-	-	309,060	-	3,929,060	1,622,250
2038-2042	-	-	309,060	-	4,866,246	1,192,314
2043-2047	-	-	309,062	-	2,047,644	3,766,417
	$ 412,198	$ 36,736	$ 1,483,490	$ -	$ 19,171,228	$ 11,540,636

7. DEFINED BENEFIT PENSION PLAN

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

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

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

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

   i. **Pension Benefits.** The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results.
   A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

   ii. **Death Benefits.** Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following contributions are met:
      - member was employed by PERS employer at the time of death,
      - member died within 120 days after termination of PERS covered employment,
      - member died as a result of injury sustained while employed in a PERS-covered job, or
      - member was on an official leave of absence from a PERS-covered job at the time of death.

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

7. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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, 2019 actuarial valuation, which became effective July 1, 2021. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2023 were $1,166,240, excluding amounts to fund employer specific liabilities. In addition, approximately $287,543 in employee contributions were paid or picked up by the District in 2022-2023.

7. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Asset or Liability – At June 30, 2023, the District reported a net pension liability of $5,047,416 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2020. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement dates of June 30, 2022 and 2021, the District's proportion was .033 percent and .031 percent, respectively. Pension expense for the year ended June 30, 2023 was $176,292.

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

(1) Tier 1/Tier 2 – 7.18%
(2) OPSRP general services – 4.07%

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ 245,011	$ 31,477
Changes in assumptions	791,967	7,235
Net difference between projected and actual earnings on pension plan investments	-	902,380
Net changes in proportionate share	306,188	834,056
Differences between District contributions and proportionate share of contributions	-	1,123,332
Subtotal - Amortized Deferrals (below)	1,343,166	2,898,480
District contributions subsequent to measuring date	1,166,240	-
Deferred outflow (inflow) of resources	$ 2,509,406	$ 2,898,480

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

Subtotal amounts related to pension as deferred outflows of resources $1,343,166, and deferred inflows of resources, (2,898,480), net to $1,555,314 and will be recognized in pension expense as follows:

Year ending June 30,	Amount
2024	$ (558,571)
2025	(542,972)
2026	(669,661)
2027	264,057
2028	(48,167)
Thereafter	-
Total	$ (1,555,314)

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

7. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Valuations – The employer contribution rates effective July 1, 2021 through June 30, 2023, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

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

Actuarial Methods and Assumptions:

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

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

7. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Assumed Asset Allocation:

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

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

Long-Term Expected Rate of Return:

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

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

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

7. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Discount Rate – The discount rate used to measure the total pension liability as of the measurement dates of June 30, 2022 and 2021 was 6.90 percent, for both years, 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%)
District's proportionate share of the net pension liability	$ 8,951,156	$ 5,047,416	$ 1,780,166

Changes Subsequent to the Measurement Date

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

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

OPSRP Individual Account Program (OPSRP IAP)

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

7. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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.

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

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

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

8. OTHER POST EMPLOYMENT BENEFIT PLANS – (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.

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

At June 30, 2023, the District reported a net OPEB liability (asset) of ($139,612) for its proportionate share of the net OPEB asset. The OPEB liability was measured as of June 30, 2022, and the total OPEB liability (asset) used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of December 31, 2020. Consistent with GASB Statement No. 75, paragraph 59(a), the District's proportion of the net OPEB liability (asset) is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement dates of June 30, 2022 and 2021, the District's proportion was .039 percent and .039 percent, respectively. OPEB expense (income) for the year ended June 30, 2023 was ($9,983).

8. OTHER POST EMPLOYMENT BENEFIT PLANS – (RHIA) (CONTINUED)

Components of OPEB Expense/(Income):

Empoyer's proprotionate share of collective system OPEB Expense/(Income)	$	(20,903)
Net amortization of employer-specific deferred amounts from:		
- Changes in proportionate share (per paragraph 64 of GASB 75)		10,920
- Differences between employer contributions and employer's proportionate share of system contributions (per paragraph 65 of GASB 75)		-
Employer's Total OPEB Expense/(Income)	$	(9,983)

Components of Deferred Outflows/Inflows of Resources:

	Deferred Outflow of Resources		Deferred Inflow of Resources	
Differences between expected and actual experience	$	-	$	3,783
Changes in assumptions		1,093		4,654
Net difference between projected and actual earnings on pension plan investments		17,745		10,647
Net changes in proportionate share		-		1,127
Differences between District contributions and proportionate share of contributions		-		-
Subtotal - Amortized Deferrals (below)		18,838		20,211
District contributions subsequent to measuring date		-		-
Deferred outflow (inflow) of resources	$	18,838	$	20,211

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

Subtotal amounts related to OPEB as deferred outflows of resources, $18,838, and deferred inflows of resources, ($20,211), net to ($1,373) and will be recognized in OPEB expense as follows:

Year ending June 30,	Amount	
2024	$	8,794
2025		(6,858)
2026		(6,719)
2027		3,410
2028		-
Thereafter		-
Total	$	(1,373)

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS Retirement Health Insurance Account Cost-Sharing Multiple-Employer Other Postemployment Benefit (OPEB) Plan Schedules of Employer Allocations and OPEB Amounts by Employer report, as of and for the Year Ended June 30, 2022. That independently audited report was dated February 2, 2023 and can be found at:
https://www.oregon.gov/pers/EMP/Documents/GASB/2022/GASB-75-RHIA-2022.pdf

8. OTHER POST EMPLOYMENT BENEFIT PLANS – (RHIA) (CONTINUED)

Actuarial Methods and Assumptions:

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

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

Discount Rate:

The discount rate used to measure the total OPEB liability as of the measurement date of June 30, 2022 and June 30, 2021 was 6.90 percent for both years. 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.

8. OTHER POST EMPLOYMENT BENEFIT PLANS – (RHIA) (CONTINUED)

Long-Term Expected Rate of Return:

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

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

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

Sensitivity of the District's proportionate share of the net OPEB asset to changes in the discount rate – The following presents the District's proportionate share of the net OPEB asset calculated using the discount rate of 6.90 percent, as well as what the District's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 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%)
District's proportionate share of the net pension liability	$ (125,830)	$ (139,612)	$ (151,427)

Changes Subsequent to the Measurement Date

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

9. OTHER POST-EMPLOYMENT BENEFITS (OPEB) HEALTHCARE

A single employer post-retirement healthcare plan was established in accordance with Oregon Revised Statutes (ORS) 243.303. ORS stipulated that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees. The difference between retiree claims cost, 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 implicit employer contribution.

Funding Policy - The benefits from this program are paid by the retired employees on a self-pay basis and the required contribution is based on projected pay-as-you go financing requirements. There is no obligation to fund these benefits in advance. The plan is currently unfunded in accordance with GASB Statement No. 75.

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

Number of Covered Employees	
Actives	116
Retirees	5
Total Included in Valuation	121

The District's total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Valuation Date	June 30, 2023
Measurement Period	July 1, 2022 to June 30, 2023
Actuarial cost method	Entry Age Normal Level Percent of Pay
Discount Rate	3.65% as of June 30, 2023. This rate reflects the Bond Buyer 20-year Generarl Obligation Bond Index.
Inflation Rate	2.50%
Salary Scale	3.00%

9. OTHER POST-EMPLOYMENT BENEFITS (OPEB) HEALTH CARE (CONTNUED)

Changes in Total OPEB Liability:

Total OPEB Liability at June 30, 2022	$	421,918
Changes for the year:		
Service Cost		17,942
Interest		8,548
Change of Benefit Terms		-
Change in Assumptions		(60,652)
Experience (Gain)/Loss		29,054
Benefit Payments		(52,347)
Net Changes		(57,455)
Total OPEB Liability at June 30, 2023	$	364,463

Sensitivity of the total OPEB Liability to changes in discount rate: the following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate 1 percentage point higher and lower than the current rate. A similar sensitivity analysis is then presented for changes in the healthcare cost trend assumption.

Discount Rate Sensitivity Analysis

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
District's proportionate share of the net OPEB liability	$ 385,531	$ 364,463	$ 344,855

Health Care Trend Sensitivity Analysis

	1% Decrease	Current Health Care Trend Rates	1% Increase
District's proportionate share of the net OPEB liability	$ 337,936	$ 364,463	$ 395,827

9. OTHER POST-EMPLOYMENT BENEFITS (OPEB) HEALTH CARE (CONTNUED)

For the year ended June 30, 2023 the District recognized OPEB income for Health Insurance of $27,668. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB Health Insurance as follows:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	$ 26,632	$ 16,057
Changes in assumptions or other inputs	23,623	55,597
Deferred outflow (inflow) of resources	$ 50,255	$ 71,654

Deferred outflows of resources, $50,255, and deferred inflows of resources ($71,654) related to OPEB Health Insurance net to (21,399) and will be recognized in pension expense as follows:

Year ending June 30,	Amount
2024	$ (1,811)
2025	(1,811)
2026	(1,811)
2027	(1,811)
2028	(1,811)
Thereafter	(12,344)
Total	$ (21,399)

10. PROPERTY TAX LIMITATIONS

The voters of the State of Oregon imposed a constitutional limit on property taxes for schools and nonschool 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 $5.00 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 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 voters 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% and limiting future tax value growth of each property to no more than 3% 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.

11. COMMITMENTS AND CONTINGENCIES

A substantial portion of operating funding is received from the State of Oregon. State funding is determined through 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 increases or decreases in revenue. Due to these future uncertainties at the state level, the future effect on operations cannot be determined.

There is participation in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The federal audits for these programs for the year ended June 30, 2023 have not been conducted. Accordingly, compliance with grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although management expects such amounts, if any, to be immaterial.

The District in the course of normal operations is subject to litigation. As of the financial statement issuance date there is no material pending or threatened litigation that would have an adverse effect on the financial condition of the District.

The COVID-19 outbreak in the United States has caused substantial disruption to business and local governments due to mandated and voluntary suspension of operations and stay at home orders. There is considerable uncertainty around the duration of the outbreak and the long-term impact to the overall economy. The ultimate impact of the reduction of economic activity is not determinable.

12. TRANSFERS AND INTERFUND RECEIVABLE/PAYABLE

Operating transfers are reflected as other financing sources (uses) in the governmental funds. Interfund transfers and interfund receivables/payables during the year consisted of:

	Transfers Out	Transfers In	Due From Other Funds	Due To Other Funds
General Fund	$ 217,909	$ -	$ 1,003,253	$ -
Special Revenue Fund	-	124,649	-	1,332,340
ASB Fund	3,500	-	-	-
Debt Service Fund	-	96,760	-	-
Capital Projects Fund	-	-	329,087	-
Total	$ 221,409	$ 221,409	$ 1,332,340	$ 1,332,340

Transfers are made to finance operations between funds. Interfund balances represent cash advanced by the General Fund for operations.

13. RISK MANAGEMENT

There is exposure to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Commercial insurance is purchased to minimize exposure to these risks. Settled claims have not exceeded this commercial coverage for any of the past three fiscal years.

14. TAX ABATEMENTS

As of June 30, 2023, the District potentially had tax abatements through various state allowed programs that impacted levied taxes. Based on the information available from the counties as of the date of issuance of these basic financial statements, there were no material abatements disclosed by the District for the year ended June 30, 2023 for any program covered under GASB 77.

15. DEFICIT FUND BALANCE

At fiscal year end, the Special Revenue Fund had a deficit fund balance of $662,635. The District expects the fund balance to become positive in the upcoming fiscal years through general fund transfers and grants.

16. LEASE LIABILITY

For the year ended 6/30/2023, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

On 05/17/2022, the District entered into a 60 month lease as Lessee for the use of SendPro C Auto - Pitney Bowes. An initial lease liability was recorded in the amount of $8,033. As of 06/30/2023, the value of the lease liability is $6,086. The District is required to make quarterly fixed payments of $429. The lease has an interest rate of 2.8120%. The value of the right to use asset as of 06/30/2023 of $8,033 with accumulated amortization of $1,80 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, the District entered into a 17 month lease as Lessee for the use of Canon Copier. An initial lease liability was recorded in the amount of $26,855. As of 06/30/2023, the value of the lease liability is $0. The District is required to make monthly fixed payments of $2,560. The lease has an interest rate of 0.4660%. The value of the right to use asset as of 06/30/2023 of $0 with accumulated amortization of $0 is included with Equipment on the Lease Class activities table found below.

Changes in Lease Liability

	Balance at July 1, 2022	Additions	Reductions	Balance at June 30, 2023	Due within a Year
Equipment	$ 15,520	$ -	$ 9,434	$ 6,086	$ 1,561
Total	15,520	-	9,434	6,086	1,561

16. LEASE LIABILITY (CONTNUED)

Principal and Interest Requirements to Maturity

Governmental Activities

Fiscal Year Ending June 30.	Equipment Principal Payments	Equipment Interest Payments
2024	$ 1,561	$ 155
2025	1,605	110
2026	1,651	65
2027	1,269	18
Total	$ 6,086	$ 348

17. RIGHT TO USE ASSET

The right-to-use assets apply to the lease disclosure in Note 16.

Changes in Right-to-Use Asset

	Balance at July 1, 2022	Additions	Reductions	Balance at June 30, 2023
Equipment	$ 34,888	$ -	$ (26,855)	$ 8,033
Accumulated Amortization				
Equipment	(18,437)	(10,220)	26,855	(1,802)
Total Lease Assets, Net	$ 16,451	$ (10,220)	-	$ 6,231

Amount of Lease Assets by Major Classes of Underlying Asset (Right-to-Use Asset)

	At June 30, 2023		
Asset Class	Lease Asset Value	Accumulated Amortization	Net Value
Equipment	34,888	$ 28,657	6,231
Total	$ 34,888	$ 28,657	$ 6,231

JEFFERSON SCHOOL DISTRICT 14J
MARION COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

OTHER POSTEMPLYMENT BENEFITS
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
June 30, 2023

HEALTH CARE

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

Year Ended June 30,	Total OPEB Liability - Beginning	Service Cost	Interest	Changes of Benefit Terms	Changes of Assumptions	Experience Gain/(Loss)	Benefit Payments	Total OPEB Liability - End of Year	Estimated Covered Payroll	Total OPEB Liability as a % of Covered Payroll
2023	$ 421,918	$ 17,942	$ 8,548	$ -	$ (60,652)	$ 29,054	$ (52,347)	$ 364,463	$ 5,854,233	6.2%
2022	454,037	-	-	-	-	-	-	454,037	5,093,796	8.9%
2021	477,969	21,402	9,622	-	31,327	(21,295)	(64,988)	454,037	4,993,918	9.1%
2020	554,398	14,745	17,846	-	-	-	(109,020)	477,969	4,997,501	9.6%
2019	649,553	14,456	20,860	-	-	-	(130,471)	554,398	4,899,511	11.3%
2018	-	-	-	-	-	-	-	649,553	4,803,442	13.5%

The above table presents the most recent actuarial valuations for the District's post-retirement benefit.

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

PERS

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) Employer's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.033 %	$ 5,047,416	$ 6,055,683	83.4 %	84.5 %
2022	0.031	3,707,944	5,258,030	70.5	87.6
2021	0.035	7,578,582	5,015,811	151.1	75.8
2020	0.039	6,748,853	4,728,943	142.7	80.2
2019	0.045	6,802,092	5,089,112	133.7	82.1
2018	0.036	4,843,619	4,980,241	97.3	83.1
2017	0.036	5,377,729	4,807,906	111.9	80.5
2016	0.028	1,613,373	4,592,070	35.1	91.9
2015	0.028	(627,605)	4,496,461	(14.0)	103.6
2014	0.028	1,412,953	4,167,312	33.9	92.0

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

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
2023	$ 1,166,240	$ 1,166,240	$ -	$ 6,380,232	18.3 %
2022	1,123,368	1,123,368	-	6,055,683	18.6
2021	1,217,553	1,217,553	-	5,258,030	23.2
2020	1,248,816	1,248,816	-	5,015,811	24.9
2019	982,216	982,216	-	4,728,943	20.8
2018	902,292	902,292	-	5,089,112	17.7
2017	759,913	759,913	-	4,980,241	15.3
2016	710,639	710,639	-	4,807,906	14.8
2015	612,059	612,059	-	4,592,070	13.3
2014	573,272	573,272	-	4,496,461	12.7

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years.

OPEB - RHIA

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB ASSET/(LIABILITY) FOR RHIA

Year Ended June 30,	(a) Employer's proportion of the net OPEB asset (liability) (NOA/(L))	(b) Employer's proportionate share of the net OPEB asset/ (liability) (NOA/(L))	(c) Employer's covered payroll	(b/c) NOA/(L) as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2023	0.039 %	$ 139,612	$ 6,055,683	2.3 %	194.6 %
2022	0.039	132,383	5,258,030	2.5	183.9
2021	0.074	150,157	5,015,811	3.0	150.1
2020	0.045	87,255	4,728,943	1.8	144.4
2019	0.049	54,956	5,089,112	1.1	124.0

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

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.

Amounts for covered payroll "c" use the prior years' data to match the measurement date used by the OPEB plan for each year.

SCHEDULE OF CONTRIBUTIONS FOR RHIA

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2023	$ N/A	$ N/A	$ N/A	$ 6,380,232	N/A %
2022	N/A	N/A	N/A	6,055,683	N/A
2021	N/A	N/A	N/A	5,258,030	N/A
2020	N/A	N/A	N/A	5,015,811	N/A
2019	N/A	N/A	N/A	4,728,943	N/A

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

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.

All statutorily required contributions were made and are included within PERS contributions (See page 41).

JEFFERSON SCHOOL DISTRICT 14J
MARION COUNTY, OREGON

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

GENERAL FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:				
Local Sources	$ 2,609,507	$ 2,609,507	$ 2,741,029	$ 131,522
Intermediate Sources	33,000	33,000	14,838	(18,162)
State Sources	7,717,600	7,717,600	7,279,909	(437,691)
Federal Sources	1,000	1,000	-	(1,000)
Total Revenues	10,361,107	10,361,107	10,035,776	(325,331)
EXPENDITURES:				
Instruction	6,345,890	6,345,890 (1)	5,794,341	551,549
Support Services	4,644,617	4,644,617 (1)	4,552,583	92,034
Operating Contingency	10,000	10,000 (1)	-	10,000
Total Expenditures	11,000,507	11,000,507	10,346,924	653,583
Excess of Revenues Over, (Under) Expenditures	(639,400)	(639,400)	(311,148)	328,252
OTHER FINANCING SOURCES, (USES):				
Transfers Out	(270,600)	(270,600) (1)	(217,909)	52,691
Total Other Financing Sources, (Uses)	(270,600)	(270,600)	(217,909)	52,691
Net Change in Fund Balance	(910,000)	(910,000)	(529,057)	380,943
Beginning Fund Balance	1,200,000	1,200,000	1,079,620	(120,380)
Ending Fund Balance	$ 290,000	$ 290,000	$ 550,563	$ 260,563

(1) Appropriation Level

JEFFERSON SCHOOL DISTRICT 14J
MARION COUNTY, OREGON

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

SPECIAL REVENUE FUND

	ORIGINAL BUDGET	FINAL BUDGET		ACTUAL		VARIANCE TO FINAL BUDGET
REVENUES:						
Local Sources	$ 84,015	$ 84,015		$ 74,292		$ (9,723)
Intermediate Sources	-	-		-		-
State Sources	1,190,086	1,190,086		1,053,848		(136,238)
Federal Sources	2,402,936	2,402,936		2,027,559		(375,377)
Total Revenues	3,677,037	3,677,037		3,155,699		(521,338)
EXPENDITURES:						
Instruction	1,942,836	1,942,836	(1)	1,551,778		391,058
Support Services	1,238,841	1,238,841	(1)	1,213,331		25,510
Enterprise and Community Service	666,700	666,700	(1)	518,780		147,920
Total Expenditures	3,848,377	3,848,377		3,283,889		564,488
Excess of Revenues Over, (Under) Expenditures	(171,340)	(171,340)		(128,190)		43,150
OTHER FINANCING SOURCES, (USES):						
Transfers In	135,500	135,500		124,649	(2)	(10,851)
Total Other Financing Sources, (Uses)	135,500	135,500		124,649		(10,851)
Net Change in Fund Balance	(35,840)	(35,840)		(3,541)		32,299
Beginning Fund Balance	35,840	35,840		(659,094)		(694,934)
Ending Fund Balance	$ -	$ -		$ (662,635)		$ (662,635)

(1) Appropriation Level
(2) Included in this Transfer In is the required match of $3,193 for National School Lunch Support

JEFFERSON SCHOOL DISTRICT 14J
MARION COUNTY, OREGON

SUPPLEMENTARY INFORMATION

JEFFERSON SCHOOL DISTRICT 14J
MARION COUNTY, OREGON

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

ASB FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:				
Local Sources	$ 266,300	$ 266,300	$ 123,362	$ (142,938)
Total Revenues	266,300	266,300	123,362	(142,938)
EXPENDITURES:				
Instruction	281,800	281,800 (1)	107,435	174,365
Total Expenditures	281,800	281,800	107,435	174,365
Excess of Revenues Over, (Under) Expenditures	(15,500)	(15,500)	15,927	31,427
OTHER FINANCING SOURCES, (USES):				
Transfers Out	(9,500)	(9,500) (1)	(3,500)	6,000
Total Other Financing Sources, (Uses)	(9,500)	(9,500)	(3,500)	6,000
Net Change in Fund Balance	(25,000)	(25,000)	12,427	37,427
Beginning Fund Balance	25,000	25,000	172,172	147,172
Ending Fund Balance	$ -	$ -	$ 184,599	$ 184,599

(1) Appropriation Level

JEFFERSON SCHOOL DISTRICT 14J
MARION COUNTY, OREGON

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

DEBT SERVICE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:				
Local Sources	$ 1,597,088	$ 1,597,088	$ 1,663,650	$ 66,562
Total Revenues	1,597,088	1,597,088	1,663,650	66,562
EXPENDITURES:				
Debt Service	1,737,118	1,737,118 (1)	1,737,054	64
Operating Contingency	54,570	54,570 (1)	-	54,570
Total Expenditures	1,791,688	1,791,688	1,737,054	54,634
Excess of Revenues Over, (Under) Expenditures	(194,600)	(194,600)	(73,404)	11,928
OTHER FINANCING SOURCES, (USES):				
Transfers In	144,600	144,600	96,760	(47,840)
Total Other Financing Sources, (Uses)	144,600	144,600	96,760	(47,840)
Net Change in Fund Balance	(50,000)	(50,000)	23,356	73,356
Beginning Fund Balance	50,000	50,000	123,243	73,243
Ending Fund Balance	$ -	$ -	$ 146,599	$ 146,599

(1) Appropriation Level

JEFFERSON SCHOOL DISTRICT 14J
MARION COUNTY, OREGON

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

CAPITAL FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:				
Local Sources	$ 100,000	$ 100,000	$ 542,734	$ 442,734
State Sources	2,500,000	2,500,000	-	(2,500,000)
Total Revenues	2,600,000	2,600,000	542,734	(2,057,266)
EXPENDITURES:				
Support Services	41,926	41,926 (1)	20,884	21,042
Facilities Acquisition	3,054,000	3,054,000 (1)	344,326	2,709,674
Total Expenditures	3,095,926	3,095,926	365,210	2,730,716
Net Change in Fund Balance	(495,926)	(495,926)	177,524	673,450
Beginning Fund Balance	495,926	495,926	496,145	219
Ending Fund Balance	$ -	$ -	$ 673,669	$ 673,669

(1) Appropriation Level

JEFFERSON SCHOOL DISTRICT 14J
MARION COUNTY, OREGON

SCHEDULE OF BOND AND INTEREST TRANSACTIONS AND BALANCES
For The Year Ended June 30, 2023

DATE OF ISSUE	MATURED BONDS & COUPONS OUTSTANDING July 1, 2022	BONDS & COUPONS MATURING DURING THE YEAR	BONDS REDEEMED AND COUPONS PAID DURING THE YEAR	MATURED BONDS & COUPONS OUTSTANDING June 30, 2023
2003	$ -	$ 835,430	$ 835,430	$ -
2017	-	757,088	757,088	-
	$ -	$ 1,592,518	$ 1,592,518	$ -

JEFFERSON SCHOOL DISTRICT 14J
MARION COUNTY, OREGON

SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES OF TAXES UNCOLLECTED
For The Year Ended June 30, 2023

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/2022	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED 6/30/2023
GENERAL FUND						
CURRENT:						
2022-23	$ 2,731,431	74,491	(2,981)	523	2,605,997	$ 48,485
PRIOR YEARS:						
2021-22	47,656	(72)	(4,891)	1,826	25,725	18,938
2020-21	17,375	(57)	(3,205)	1,173	4,924	10,476
2019-20	10,807	(56)	(3,624)	1,690	4,149	4,780
2018-19	4,818	(33)	(2,190)	1,007	1,819	1,849
Prior	8,107	-	(1,289)	1,097	1,400	6,515
Total Prior	88,763	(218)	(15,199)	6,793	38,017	42,558
Total of All Counties	2,820,194	74,273	(18,180)	7,316	2,644,014	91,043

RECONCILIATION OF REVENUE:	GENERAL FUND
Cash Collections by County Treasurer Above	$ 2,644,014
Accrual of Receivables:	
June 30, 2022	(36,210)
June 30, 2023	22,525
Change in Prior year Unavailable Revenue, see page 6	15,965
Total Revenue	$ 2,646,294

JEFFERSON SCHOOL DISTRICT 14J
MARION COUNTY, OREGON

SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES OF TAXES UNCOLLECTED
For The Year Ended June 30, 2023

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/2022	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED 6/30/2023
DEBT SERVICE FUND						
CURRENT:						
2022-23	$ 790,366	21,554	(863)	151	754,069	$ 14,031
PRIOR YEARS:						
2021-22	13,580	(21)	(1,394)	520	7,329	5,398
2020-21	5,019	(17)	(926)	339	1,423	3,026
2019-20	3,301	(17)	(1,107)	516	1,267	1,460
2018-19	1,514	(10)	(688)	317	572	581
Prior	564	-	(86)	85	168	395
Total Prior	23,978	(65)	(4,201)	1,777	10,759	10,860
Total of All Counties	814,344	21,489	(5,064)	1,928	764,828	24,891

RECONCILIATION OF REVENUE:	DEBT SERVICE FUND
Cash Collections by County Treasurer Above	$ 764,828
Accrual of Receivables:	
June 30, 2022	(6,355)
June 30, 2023	6,230
Change in Prior year Unavailable Revenue, see page 6	1,038
Total Revenue	$ 765,741

JEFFERSON SCHOOL DISTRICT 14J
MARION COUNTY, OREGON

OTHER INFORMATION

JEFFERSON SCHOOL DISTRICT NO. 14J
MARION COUNTY, OREGON
SUPPLEMENTAL INFORMATION FORM 581-3211C
For the Year Ended June 30, 2023

A.	Energy bills for heating - all funds:				Objects 325 and 326 and 327*
			Function 2540	$	274,725
			Function 2550		-
B.	Replacement of equipment - General Fund:				
	Include all General Fund expenditures in Object 542, except for the following exclusions:				Amount
	Exclude these functions:				
	1113, 1122 & 1132	Co-curricular activitie 2550	Pupil transportation	$	-
	1140	Pre-kindergarten 3100	Food service		
	1300	Continuing education 3300	Community services		
	1400	Summer school 4150	Construction		

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

OREGON DEPARTMENT OF EDUCATION

REVENUE SUMMARY 2022-2023 - All Funds

Jefferson School District

Revenue from Local Sources	Total	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
1110 Ad Valorem Taxes Levied by District	$ 3,452,306	$ 2,657,175	$ -	$ 795,131	$ -	$ -	$ -	$ -
1130 Construction Excise Tax	147,734	-	-	-	147,734	-	-	-
1500 Earnings on Investments	69,615	69,615	-	-	-	-	-	-
1600 Food Service	17,311	-	17,311	-	-	-	-	-
1700 Extracurricular Activiies	139,737	-	139,737	-	-	-	-	-
1910 Rentals	1,580	1,580	-	-	-	-	-	-
1920 Contributions and Donations From Private Sources	421,702	-	3,310	23,392	395,000	-	-	-
1970 Services Provided Other Funds	866,726	-	-	866,726	-	-	-	-
1990 Miscellaneous	28,356	12,659	37,297	(21,600)	-	-	-	-
Total Revenue from Local Sources	5,145,067	2,741,029	197,655	1,663,649	542,734	-	-	-

Revenue from Intermediate Sources	Total	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
2101 County School Funds	11,279	11,279	-	-	-	-	-	-
2800 Revenue in Lieu of Taxes	3,559	3,559	-	-	-	-	-	-
Total Revenue from Intermediate Sources	14,838	14,838	-	-	-	-	-	-

Revenue from State Sources	Total	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
3101 State School Fund - General Support	7,038,220	7,038,220	-	-	-	-	-	-
3103 Common School Fund	103,157	103,157	-	-	-	-	-	-
3104 State Managed County Timber	174	174	-	-	-	-	-	-
3199 Other Unrestricted Grants-in-Aid	(2,015)	-	(2,015)	-	-	-	-	-
3299 Other Restricted Grants-in-Aid	985,948	-	985,948	-	-	-	-	-
3900 Revenue for/on Behalf of the District	69,916	-	69,916	-	-	-	-	-
Total Revenue from State Sources	8,195,400	7,141,551	1,053,849	-	-	-	-	-

Revenue from Federal Sources	Total	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
4500 Restricted Revenue From the Federal Government Through the State	2,027,560	-	2,027,560	-	-	-	-	-
Total Revenue from Federal Sources	2,027,560	-	2,027,560	-	-	-	-	-

Revenue from Other Sources	Total	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
5200 Interfund Transfers	221,409	-	124,649	96,760	-	-	-	-
5400 Resources - Beginning Fund Balance	1,035,124	1,079,622	(663,885)	123,243	496,144	-	-	-
Total Revenue from Other Sources	1,256,533	1,079,622	(539,236)	220,003	496,144	-	-	-

	Total	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
Grand Totals	$ 16,639,398	$ 10,977,040	$ 2,739,828	$ 1,883,652	$ 1,038,878	$ -	$ -	$ -

OREGON DEPARTMENT OF EDUCATION

REVENUE SUMMARY 2022-2023 - All Funds

Jefferson School District

Revenue from Local Sources	**Total**	**Fund 100**	**Fund 200**	**Fund 300**	**Fund 400**	**Fund 500**	**Fund 600**	**Fund 700**
1110 Ad Valorem Taxes Levied by District	$ 3,452,306	$ 2,657,175	$ -	$ 795,131	$ -	$ -	$ -	$ -
1130 Construction Excise Tax	147,734	-	-	-	147,734	-	-	-
1500 Earnings on Investments	69,615	69,615	-	-	-	-	-	-
1600 Food Service	17,311	-	17,311	-	-	-	-	-
1700 Extracurricular Activiies	139,737	-	139,737	-	-	-	-	-
1910 Rentals	1,580	1,580	-	-	-	-	-	-
1920 Contributions and Donations From Private Sources	421,702	-	3,310	23,392	395,000	-	-	-
1970 Services Provided Other Funds	866,726	-	-	866,726	-	-	-	-
1990 Miscellaneous	28,356	12,659	37,297	(21,600)	-	-	-	-
Total Revenue from Local Sources	5,145,067	2,741,029	197,655	1,663,649	542,734	-	-	-

Revenue from Intermediate Sources	**Total**	**Fund 100**	**Fund 200**	**Fund 300**	**Fund 400**	**Fund 500**	**Fund 600**	**Fund 700**
2101 County School Funds	11,279	11,279	-	-	-	-	-	-
2800 Revenue in Lieu of Taxes	3,559	3,559	-	-	-	-	-	-
Total Revenue from Intermediate Sources	14,838	14,838	-	-	-	-	-	-

Revenue from State Sources	**Total**	**Fund 100**	**Fund 200**	**Fund 300**	**Fund 400**	**Fund 500**	**Fund 600**	**Fund 700**
3101 State School Fund - General Support	7,038,220	7,038,220	-	-	-	-	-	-
3103 Common School Fund	103,157	103,157	-	-	-	-	-	-
3104 State Managed County Timber	174	174	-	-	-	-	-	-
3150 Small HS Grant	49,100	49,100	-	-	-	-	-	-
3190 High Cost Disability Grant	89,258	89,258	-	-	-	-	-	-
3199 Other Unrestricted Grants-in-Aid	(2,015)	-	(2,015)	-	-	-	-	-
3299 Other Restricted Grants-in-Aid	985,948	-	985,948	-	-	-	-	-
3900 Revenue for/on Behalf of the District	69,916	-	69,916	-	-	-	-	-
Total Revenue from State Sources	8,333,758	7,279,909	1,053,849	-	-	-	-	-

Revenue from Federal Sources	**Total**	**Fund 100**	**Fund 200**	**Fund 300**	**Fund 400**	**Fund 500**	**Fund 600**	**Fund 700**
4500 Restricted Revenue From the Federal Government Through the State	2,027,560	-	2,027,560	-	-	-	-	-
Total Revenue from Federal Sources	2,027,560	-	2,027,560	-	-	-	-	-

Revenue from Other Sources	**Total**	**Fund 100**	**Fund 200**	**Fund 300**	**Fund 400**	**Fund 500**	**Fund 600**	**Fund 700**
5200 Interfund Transfers	221,409	-	124,649	96,760	-	-	-	-
5400 Resources - Beginning Fund Balance	1,035,124	1,079,622	(663,885)	123,243	496,144	-	-	-
Total Revenue from Other Sources	1,256,533	1,079,622	(539,236)	220,003	496,144	-	-	-
Grand Totals	$ 16,777,756	$ 11,115,398	$ 2,739,828	$ 1,883,652	$ 1,038,878	$ -	$ -	$ -

OREGON DEPARTMENT OF EDUCATION:

EXPENDITURE SUMMARY 2022-2023

Jefferson School District

General Fund (1XX)

Instruction		Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111	Primary, K-3	$ 1,736,376	$ 1,025,470	$ 641,198	$ 59,881	$ 9,827	$ -	$ -	$ -
1113	Elementary Extracurricular	3,910	2,893	1,017	-	-	-	-	-
1121	Middle/Junior High Programs	997,074	600,043	354,124	31,988	10,710	-	209	-
1122	Middle/Junior High School Extracurricular	53,726	14,122	4,604	35,000	-	-	-	-
1131	High School Programs	1,524,165	935,055	514,472	61,971	9,167	-	3,500	-
1132	High School Extracurricular	106,252	73,333	32,919	-	-	-	-	-
1210	Programs for the Talented and Gifted	4,727	3,000	817	-	910	-	-	-
1220	Restrictive Programs for Students with Disabilities	513,448	296,889	210,773	658	5,128	-	-	-
1250	Less Restrictive Programs for Students with Disabilities	578,163	315,552	207,560	45,368	9,038	-	645	-
1280	Alternative Education	40,464	17,375	8,329	1,760	13,000	-	-	-
1291	English Second Language Programs	236,042	138,088	96,167	1,787	-	-	-	-
	Total Instruction Expenditures	5,794,347	3,421,820	2,071,980	238,413	57,780	-	4,354	-

Support Services		Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110	Attendance and Social Work Services	6,642	-	-	-	6,642	-	-	-
2120	Guidance Services	222,418	142,458	79,960	-	-	-	-	-
2140	Psychological Services	91,635	-	-	91,635	-	-	-	-
2190	Service Direction, Student Support Services	108,746	75,080	33,666	-	-	-	-	-
2210	Improvement of Instruction Services	45,168	-	-	-	45,168	-	-	-
2220	Educational Media Services	11,816	9,296	2,470	-	50	-	-	-
2240	Instructional Staff Development	5,123	-	-	-	-	-	5,123	-
2310	Board of Education Services	101,710	28,959	17,777	53,267	765	-	942	-
2320	Executive Administration Services	181,680	104,039	51,442	9,508	10,186	-	6,505	-
2410	Office of the Principal Services	1,045,599	672,564	360,274	3,486	5,871	-	3,404	-
2510	Direction of Business Support Services	134,996	85,510	47,361	464	-	-	1,661	-
2520	Fiscal Services	155,527	73,041	42,855	14,055	25,057	-	519	-
2540	Operation and Maintenance of Plant Services	1,150,605	366,152	242,109	361,097	59,346	3,891	118,010	-
2550	Student Transportation Services	787,811	-	-	787,616	195	-	-	-
2570	Internal Services	81,392	-	-	65,253	16,139	-	-	-
2630	Information Services	1,226	-	-	1,226	-	-	-	-
2640	Staff Services	111,118	66,529	37,812	2,605	2,034	-	2,138	-
2660	Technology Services	309,377	92,350	46,217	12,112	158,698	-	-	-
	Total Support Services Expenditures	4,552,589	1,715,978	961,943	1,402,324	330,151	3,891	138,302	-

Other Uses		Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5200	Transfer of Funds	217,909	-	-	-	-	-	-	217,909
	Total Other Uses Expenditures	217,909	-	-	-	-	-	-	217,909
	Grand Total	$ 10,564,845	$ 5,137,798	$ 3,033,923	$ 1,640,737	$ 387,931	$ 3,891	$ 142,656	$ 217,909

OREGON DEPARTMENT OF EDUCATION:

EXPENDITURE SUMMARY 2022-2023

Jefferson School District

Special Revenue Funds (2XX)

Instruction		Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111	Primary, K-3	$ 474,131	$ 305,042	$ 149,006	$ 4,398	$ 15,685	$ -	$ -	$ -
1113	Elementary Extracurricular	42,172	1,900	602	-	39,670	-	-	-
1121	Middle/Junior High Programs	107,572	50,815	33,236	1,835	21,686	-	-	-
1122	Middle/Junior High School Extracurricular	16,154	1,220	409	1,395	13,130	-	-	-
1131	High School Programs	366,092	109,756	54,924	88,532	85,880	27,000	-	-
1132	High School Extracurricular	178,694	62,834	17,587	25,725	66,153	-	6,395	-
1220	Restrictive Programs for Students with Disabilities	702	-	-	-	702	-	-	-
1250	Less Restrictive Programs for Students with Disabilities	268,220	152,736	95,732	7,708	11,499	-	545	-
1272	Early Intervention	127,984	56,941	32,695	36,483	1,865	-	-	-
1280	Alternative Education	1,122	-	-	1,122	-	-	-	-
1291	English Second Language Programs	1,180	-	-	-	1,180	-	-	-
1400	Summer School Programs	75,193	48,324	15,545	8,388	2,936	-	-	-
	Total Instruction Expenditures	1,659,216	789,568	399,736	175,586	260,386	27,000	6,940	-

Support Services		Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110	Attendance and Social Work Services	133,517	89,760	42,731	415	526	-	85	-
2120	Guidance Services	80,384	47,867	32,517	-	-	-	-	-
2140	Psychological Services	104,351	-	-	104,351	-	-	-	-
2190	Service Direction, Student Support Services	8,642	-	-	8,642	-	-	-	-
2210	Improvement of Instruction Services	3,287	2,500	787	-	-	-	-	-
2220	Educational Media Services	49,663	18,807	10,856	-	20,000	-	-	-
2230	Assessment & Testing	4,969	4,000	969	-	-	-	-	-
2240	Instructional Staff Development	116,064	13,532	4,570	59,768	23,816	-	14,378	-
2310	Board of Education Services	6,455	-	-	2,300	4,155	-	-	-
2320	Executive Administration Services	2,905	-	-	-	2,905	-	-	-
2410	Office of the Principal Services	211	-	-	211	-	-	-	-
2490	Other Support - School Administration	106,125	68,803	36,338	984	-	-	-	-
2520	Fiscal Services	7,725	-	-	7,725	-	-	-	-
2540	Operation and Maintenance of Plant Services	193,628	-	-	11,796	3,798	178,034	-	-
2550	Student Transportation Services	19,396	-	-	19,396	-	-	-	-
2620	Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	1,905	1,475	430	-	-	-	-	-
2640	Staff Services	157,811	104,000	31,952	21,601	-	-	258	-
2660	Technology Services	183,354	-	-	-	183,354	-	-	-
2700	Supplemental Retirement Program	32,942	-	32,942	-	-	-	-	-
	Total Support Services Expenditures	1,213,334	350,744	194,092	237,189	238,554	178,034	14,721	-

Enterprise and Community Services Expenditures		Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100	Food Services	518,779	197,130	139,764	10,650	170,130	1,105	-	-
	Total Enterprise and Community Services Expenditures	518,779	197,130	139,764	10,650	170,130	1,105	-	-

Other Uses		Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5200	Transfer of Funds	3,500	-	-	-	-	-	-	3,500
	Total Other Uses Expenditures	3,500	-	-	-	-	-	-	3,500

		Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
	Grand Total	$ 3,394,829	$ 1,337,442	$ 733,592	$ 423,425	$ 669,070	$ 206,139	$ 21,661	$ 3,500

OREGON DEPARTMENT OF EDUCATION:

EXPENDITURE SUMMARY 2022-2023

Jefferson School District

Debt Service Fund (3XX)

Other Uses		Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100	Debt Service	$ 1,737,054	$ -	$ -	$ -	$ -	$ -	$ 1,737,054	$ -
	Total Other Uses Expenditures	1,737,054	-	-	-	-	-	1,737,054	-
	Grand Total	1,737,054	-	-	-	-	-	1,737,054	-

OREGON DEPARTMENT OF EDUCATION:

EXPENDITURE SUMMARY 2022-2023

Jefferson School District

Capital Projects Funds (4XX)

Support Services		Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110	Attendance and Social Work Services	$ 16,723	$ -	$ -	$ -	$ 16,723	$ -	$ -	$ -
2540	Operation and Maintenance of Plant Services	4,161	-	-	4,161	-	-	-	-
	Total Support Services Expenditures	20,884	-	-	4,161	16,723	-	-	-

Facilities Acquisition and Construction Expenditures		Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4150	Building Acquisition, Construction, and Improvement Services	344,326	-	-	14,556	39,573	286,697	3,500	-
	Total Facilities Acquisition and Construction Expenditures	344,326	-	-	14,556	39,573	286,697	3,500	-

	Total	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
Grand Total	$ 365,210	$ -	$ -	$ 18,717	$ 56,296	$ 286,697	$ 3,500	$ -

JEFFERSON SCHOOL DISTRICT 14J
MARION COUNTY, OREGON

INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS

PAULY, ROGERS AND CO., P.C.
12700 SW 72nd Ave. ♦ Tigard, OR 97223
(503) 620-2632 ♦ (503) 684-7523 FAX
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December 15, 2023

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of Jefferson School District 14J as of and for the year ended June 30, 2023, and have issued our report thereon dated December 15, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards.

Compliance

As part of obtaining reasonable assurance about whether the 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 Statues as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of the basic 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 Jefferson School District 14J was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the internal controls over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the basic 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.

Roy R Rogers

ROY R. ROGERS, CPA
PAULY, ROGERS AND CO., P.C.

JEFFERSON SCHOOL DISTRICT 14J
MARION COUNTY, OREGON

GRANT COMPLIANCE REVIEW

JEFFERSON SCHOOL DISTRICT 14J
MARION COUNTY, OREGON

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
As Required by The Oregon Department of Education
For The Year Ended June 30, 2023

PROGRAM TITLE	PASS THROUGH ORGANIZATION	FEDERAL AL NUMBER	PASS THROUGH ENTITY NUMBER	EXPENDITURES
U.S. DEPARTMENT OF EDUCATION				
Title I Grants to Local Educational Agencies 2021.22	Oregon Department of Education	84.010	66994	$ 43,453
Title I Grants to Local Educational Agencies 2022.23	Oregon Department of Education	84.010	72534	166,325
Total Title I Grants to Local Education Agencies				209,778
ESSA Partnerships 19-20 Supplement	Oregon Department of Education	84.010	60394	25,496
ESSA Partnerships 20-21 ShM	Oregon Department of Education	84.010	67977	15,864
Total Title I Grants under Every Student Succeeds Act				41,360
Total Title I Grants				251,138
Student Support and Academic Enrichment	Oregon Department of Education	84.424	66783	20,204
Total Student Support and Academic Enrichment				20,204
Elem&Secondary SCH Emergency Relief Fund ESSER II	Oregon Department of Education	COVID-19, 84.425D	64902	217,516
LEA Elem&Secondary SCH Emergency Relief Fund ESSER I	Oregon Department of Education	COVID-19, 84.425U	64907	513,810
Total CDL & ESSER Funds				731,326
Title IIA - Teacher Quality 2020-21	Oregon Department of Education	84.367	58777	17,331
Title IIA - Teacher Quality 2021-22	Oregon Department of Education	84.367	67427	19,339
Title IIA - Teacher Quality 2022-23	Oregon Department of Education	84.367	72731	23,654
Total Title IIA - Teacher Quality				60,324
Special Education Cluster				
Enhancement 2020-21	Oregon Department of Education	84.027	60676	-
Enhancement 2021-22	Oregon Department of Education	84.027	68651	85,238
Enhancement 2022-23	Oregon Department of Education	84.027	74047	19,856
Enhancement 2022-23 Special ED Preschool	Oregon Department of Education	84.027	60514	702
Total Special Education Cluster				105,796
TOTAL U.S. DEPARTMENT OF EDUCATION				1,168,788
Federal Communications Commission				119,600
Emergency Connectivity Fund ECF	Federal Government	32.009		119,600
U.S. DEPARTMENT OF AGRICULTURE				
Child Nutrition Cluster:				
School Breakfast Program	Oregon Department of Education	10.553		67,315
NSLP Lunch		10.555		192,826
NSLP Supply Chain Assistance	Oregon Department of Education	10.555		19,187
Commodity		10.555		41,825
Summer Food	Oregon Department of Education	10.559		12,336
Total Child Nutrition Cluster				333,489
TOTAL U.S. DEPARTMENT OF AGRICULTURE				333,489
TOTAL GRANTS EXPENDED OR PASSED THROUGH TO SUBRECIPIENTS				$ 1,621,877

Reconciliation to Federal Revenue Recognized:	
Federal Awards Expended	$ 1,621,877
Accruals / Deferrals	405,682
Federal Revenue Recognized	$ 2,027,559

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December 15, 2023

To the Board of Directors
Jefferson School District 14J
Marion 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 basic financial statements of the governmental activities and each major fund of Jefferson School District 14J as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated December 15, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the basic 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 basic 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 basic 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 basic 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 basic 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.

Roy R Rogers

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December 15, 2023

To the Board of Directors
Jefferson School District 14J
Marion 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 Jefferson School District 14J's (the District) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2023. The major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

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

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of compliance.

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.

Roy R Rogers

Roy R. Rogers, CPA
PAULY, ROGERS AND CO., P.C.

JEFFERSON SCHOOL DISTRICT 14J
MARION COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2023

SECTION I – SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	☐ yes	☒ no
Significant deficiency(s) 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 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

JEFFERSON SCHOOL DISTRICT 14J
MARION COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2023

IDENTIFICATION OF MAJOR PROGRAMS

AL NUMBER	NAME OF FEDERAL PROGRAM CLUSTER
COVID-19, 84.425D; COVID-19, 84.425U	ESSER

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

Auditee qualified as low-risk auditee? ☒ yes ☐ no

SECTION II – FINANCIAL STATEMENT FINDINGS

None

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

SECTION IV – SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

None

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. BASIS OF PRESENTATION

The 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.

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 District has not elected to use the ten percent de minimis indirect cost rate as allowed under Uniform Guidance, due to the fact that it already has a negotiated indirect cost rate with the Oregon Department of Education, and thus is not allowed to use the de minimis rate. The District has elected not to charge any indirect costs in the current year.