

West Linn-Wilsonville School District 3Jt

Clackamas County, Oregon



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Prepared by the Business Office

This Page Intentionally Left Blank

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT

TABLE OF CONTENTS

	<u>PAGE NUMBER</u>
<u>INTRODUCTORY SECTION</u>	
Letter of Transmittal	i-v
Organizational Chart	vi
Elected Officials	vii
Certificate of Achievement for Excellence in Financial Reporting	viii
<u>FINANCIAL SECTION</u>	
Independent Auditors' Report	1
REQUIRED SUPPLEMENTARY INFORMATION	
Management's Discussion and Analysis	I-VII
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements:	
Statement of Net Position	4
Statement of Activities	5
Fund Financial Statements:	
Balance Sheet – Governmental Funds	6
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	7
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	8
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	9
Notes to Basic Financial Statements	10
REQUIRED SUPPLEMENTARY INFORMATION:	
Schedule of Proportionate Share of the Net Pension Liability - PERS	43
Schedule of Net Pension Contributions - PERS	43
Schedule of Proportionate Share of the Net Pension Liability – RHIA	44
Schedule of Contributions – RHIA	44
Schedule of Funding Progress (OPEB) – Health Insurance	45
Schedule of Employer Contributions (OPEB) – Health Insurance	45
Schedule of Funding Progress (OPEB) – Stipend	46
Schedule of Employer Contributions (OPEB) – Stipend	46
Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
General Fund	47
Special Revenue Fund	48

This Page Intentionally Left Blank

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT

TABLE OF CONTENTS (CONTINUED)

PAGE
NUMBER

SUPPLEMENTARY INFORMATION:

Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
Debt Service Fund	49
Capital Projects Fund	50
Schedule of Property Tax Transactions and Balances of Taxes Uncollected	
General Fund	51
Debt Service Fund	52

OTHER INFORMATION:

Supplemental Information – As Required by the Oregon Department of Education – Form 3211-C	53
---	----

STATISTICAL SECTION:

Net Position	54
Changes in Net Position	56
Fund Balance – Governmental Funds	58
Changes in Fund Balances – Governmental Fund	60
Assessed Value of Taxable Property	62
Property Tax Rates – Direct and Overlapping Governments	63
Largest Taxpayers	65
Property Tax Levies and Collections	66
Ratios of Outstanding Debt by Type	67
Direct and Overlapping Governmental Activities Debt	68
Debt Ratios	69
Legal Debt Margin Information	70
Demographic and Economic Statistics	72
Full Time Equivalent District Employees by Type	73
Operating Statistics	75
Principal Employers for the Portland Metro Area	76
Capital Asset Information	77

REPORTS ON LEGAL AND OTHER REGULATORY REQUIREMENTS

Independent Auditors' Report Required By Oregon State Regulations	78
---	----

GRANT COMPLIANCE REVIEW:

Schedule of Expenditures of Federal Awards (Supplementary Information)	80
Report on Compliance and Internal Control over Financial Reporting	81
Report on Compliance with Requirements Applicable to Each Major Program	83
Schedule Findings and Questioned Costs	85

This Page Intentionally Left Blank

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT
CLACKAMAS COUNTY, OREGON

ANNUAL COMPREHENSIVE
FINANCIAL REPORT

For the Year Ended June 30, 2025

This Page Intentionally Left Blank

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT

CLACKAMAS COUNTY, OREGON

INTRODUCTORY SECTION

This Page Intentionally Left Blank



WEST LINN-WILSONVILLE SCHOOL DISTRICT 3JT

ADMINISTRATION BUILDING

22210 SW Stafford Rd. – Tualatin, Oregon 97062

Phone: 503-673-7000 or Fax: 503-673-7001

Citizens & Board of Directors
West Linn-Wilsonville School District 3Jt
22210 SW Stafford Rd Tualatin, OR 97062

LETTER OF TRANSMITTAL

In accordance with the provisions of Oregon Revised Statutes Sections 297.405 through 297.555, collectively known as the Municipal Audit Law, we are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the West Linn-Wilsonville School District 3Jt, encompassing Clackamas and Washington Counties, Oregon, for the fiscal year ended June 30, 2025.

This report has been prepared by the Business Office of the West Linn-Wilsonville School District. Responsibility for the accuracy, completeness, and fairness of the data presented, as well as all accompanying disclosures, rests with district management. To ensure the integrity of this report, the district has implemented a comprehensive internal control framework designed to provide reasonable assurance regarding the reliability of financial reporting and the safeguarding of the district's assets from loss, theft, or misuse.

The internal control framework is designed to balance the cost of controls with their benefits, ensuring a system that provides reasonable—rather than absolute—assurance that the financial statements are free of material misstatement. The financial statements have been prepared in accordance with generally accepted accounting principles (GAAP) in the United States of America. As management, we affirm that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects. It reflects the district's commitment to fiscal responsibility, transparency, and accountability in serving the educational needs of our community.

INDEPENDENT AUDIT

The financial statements of the West Linn-Wilsonville School District for the fiscal year ended June 30, 2025, have been audited by Pauly, Rogers and Co., P.C., a licensed and certified public accounting firm. The primary goal of the independent audit was to obtain reasonable assurance that the district's financial statements are free from material misstatement.

The audit process included examining, on a test basis, evidence supporting the amounts and disclosures presented in the financial statements. Additionally, the auditors assessed the accounting principles applied, significant estimates made by management, and the overall presentation of the financial statements. Based on their audit, the independent auditors issued an unmodified opinion, concluding that the district's financial statements are fairly presented in conformity with Generally Accepted Accounting Principles (GAAP). Their report is presented as the first component of the financial section of this document.

As part of the audit, the district was also subject to a federally mandated "Single Audit," required for entities expending federal funds. The Single Audit ensures compliance with the specific requirements of federal grantor agencies, including internal controls and legal compliance related to the administration of federal awards. In addition to verifying the fair presentation of the financial statements, the Single Audit includes an evaluation of the district's internal controls and compliance with applicable laws and regulations. The results of these evaluations are included in the Single Audit Section of this report.

GAAP also requires that management provide a narrative introduction, overview, and analysis in the form of a Management's Discussion and Analysis (MD&A) to accompany the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The district's MD&A immediately follows the independent auditors' report.

PROFILE OF THE DISTRICT

The West Linn-Wilsonville School District (WLWV), located in Oregon, serves as an educational cornerstone for the vibrant communities of West Linn, Wilsonville, and surrounding areas. Renowned for its commitment to academic excellence, equity, and innovation, the district is dedicated to fostering a culture where every student is empowered to achieve their highest potential.

Demographics and Community

WLWV serves a diverse population of approximately 9,000 students across 16 schools, including primary, middle, and high schools, as well as specialized programs. The district encompasses two dynamic cities with a strong commitment to education, demonstrated through engaged families, dedicated community partnerships, and voter support for educational initiatives.

Educational Vision and Mission

Guided by its mission, *"How do we create learning communities for the greatest thinkers and most thoughtful people for the world?"*, WLWV emphasizes academic rigor, creativity, and character development. The district prioritizes equity and inclusion, ensuring that every student, regardless of background, has access to high-quality education and resources.

Programs and Services

WLWV offers a wide range of programs, including advanced placement courses, career and technical education (CTE), dual language programs, and special education services. The district also emphasizes arts, athletics, and extracurricular activities, creating a well-rounded educational experience for its students.

Financial Stewardship

The district is committed to responsible fiscal management, ensuring that taxpayer dollars are used effectively to enhance educational outcomes. WLWV relies on a combination of state funding, local property taxes, and grants to support its operations. The district has a history of transparent budgeting and has received voter approval for several capital bonds to improve and expand school facilities.

Achievements and Recognitions

WLWV is frequently recognized as one of the top-performing districts in Oregon, with students consistently surpassing state averages in academic achievement. The district's focus on innovation has earned accolades for its leadership in STEM education, environmental stewardship, and community engagement.

Governance and Leadership

WLWV is governed by a five-member elected school board and led by a superintendent and administrative team dedicated to strategic planning and collaborative decision-making. This leadership ensures alignment with district goals and fosters accountability in meeting the needs of students and the community.

Facilities and Growth

The district has seen consistent growth and has proactively responded by investing in new school construction, facility upgrades, and sustainability initiatives. Recent projects funded by community-supported bonds demonstrate WLWV's commitment to maintaining state-of-the-art learning environments.

Closing Statement

West Linn-Wilsonville School District is a leader in providing high-quality education, fostering innovation, and promoting community collaboration. As the district continues to grow, its focus remains on serving students with excellence and integrity, ensuring that every graduate is well-prepared to contribute thoughtfully and meaningfully to the world.

ECONOMIC CONDITION AND OUTLOOK

In November 1996, the voters of the State of Oregon voted by referendum a property tax limitation measure known as "Measure 47." This measure, as amended by Measure 50 along with Measure 5, which was approved in November 1990, provides two property tax limitations in the Oregon Constitution. Measure 5 limits the property tax rate to \$5 per \$1,000 in real market value for schools; Measure 50 is a limitation based on the assessed value of each parcel of property. Measure 50 was initiated in 1997 by "cutting" the tax on each property to the lesser of the 1996 total property tax reduced by 10% or the 1995 total property tax for schools. Measure 50 also "caps" total operating taxes on each property to a 3% annual increase. Neither of these constitutional measures limits taxes for capital construction bonds.

Legislation passed after Measure 50 allowed school districts to refer to voters a "local option" tax. This tax can be levied for up to five years for operation purposes. The tax can collect up to the \$5.00 per-thousands of real market value allowed under Measure 5 from any property within the school district. This local option tax was initially approved in 2000 and most recently renewed in 2023. The local option levy has funded classroom teachers. In the 2024-25 fiscal year, the local option levy funded approximately 90 teachers in the district.

In response to the rate limitation of Measure 5, the state legislature employs a funding formula that equalizes the annual revenues of each school district in the State based on a per-pupil allocation. Excluding local option taxes, individual school districts are only indirectly dependent upon local property taxes for operating purposes, as the State Formula allocates funds overall.

Clackamas County's unemployment rate is under the national average, with the most recent rate of 4.1 percent published in October 2024. Oregon's current personal income-tax-reliant revenue base continues to have the stability and adequacy shortcomings it has experienced over many years. There is concern that the taxation base needs to be broadened to raise the revenues needed for public education and other services the State provides. The voters did not approve recent ballot measures that attempted to fix this situation. However, as the local economy responds to recovery and growth, improvements continue to be seen in funding for education needs.

SCHOOL BOARD GOALS

The School Board, for the 2024-25 school year, approved the following goals:

1. Grow student achievement through the use of high leverage instructional and engagement strategies to raise rigor, disrupt systems of racism and generate equitable outcomes for all students while eliminating opportunity and achievement gaps.
2. Effectively use systems of professional growth, assessment for learning, social-emotional learning, equitable and inclusive practices to build competence, confidence and self-efficacy for every student.
3. Operate in an accessible and transparent manner to encourage and generate community involvement as our parents, students and community partners are an integral and valued voice in our District.
4. Be responsive to community growth and student learning needs of the future by conducting long-range capital improvements and financial planning through processes and practices for long-term financial stability and sustainability.

MAJOR PROGRAMS

The vision and mission of the West Linn-Wilsonville School District (WLWV) reflect an unwavering commitment to fostering professional learning communities that continuously improve teaching and learning conditions. These efforts aim to nurture each student's potential for lifelong intellectual and cultural growth while preparing them for college and career success in an ever-changing world. The district measures its success through student achievement, participation in extracurricular and co-curricular activities, graduation rates, post-secondary success, and robust community support.

At the heart of WLWV's mission lies the guiding question: *"How do we create learning communities for the greatest thinkers and most thoughtful people...for the world?"* This vision emerged through extensive collaboration with community stakeholders, producing six core themes that serve as the framework for the district's work:

1. **Academic Excellence**
2. **Personalized Education**
3. **Community Partnerships**
4. **Educating the Whole Child**
5. **Integrating Technology into Daily Learning**
6. **Sustainability and Stewardship**

These themes provide a roadmap for navigating the district's evolving academic and economic landscape, inspiring board members, educators, staff, students, and community partners alike to pursue excellence in education.

WLWV remains steadfast in its dedication to developing systems that support high-quality professional learning and ongoing in-service training. By investing in the growth of all staff, the district enhances its capacity to deliver impactful instruction and comprehensive support services to students and families.

The district's tradition of student success and community engagement is a source of pride. It continues to be a driving force behind families' decisions to move to the thriving communities of West Linn, Wilsonville, and the surrounding rural areas. Both West Linn High School and Wilsonville High School are consistently ranked among Oregon's top ten high schools by *U.S. News & World Report*, underscoring the district's dedication to academic excellence and well-rounded education.

Through collaboration, innovation, and a shared vision, the West Linn-Wilsonville School District remains committed to preparing students for a bright and meaningful future.

BUDGET PROCESS

The West Linn-Wilsonville School District's budget process is a collaborative effort designed to align financial resources with the district's strategic priorities. The process begins with comprehensive input and discussions between school principals, department heads, and the district's business office. These initial conversations focus on identifying needs, setting priorities, and ensuring alignment with the district's vision and goals.

The Superintendent plays a key role by conducting meetings with school leaders, community stakeholders, and decision-makers to provide updates on anticipated State funding levels and how these projections influence the district's financial planning.

The district's Budget Committee, comprising representatives from the community and the district, reviews and evaluates the proposed budget. This step ensures that a wide range of perspectives are considered, fostering transparency and accountability. After thorough review and adjustments, the finalized budget proposal is presented to the School Board for approval and adoption. This iterative and inclusive process ensures that the district's financial plan reflects the educational needs of its students and the priorities of the community it serves.

ACKNOWLEDGEMENTS

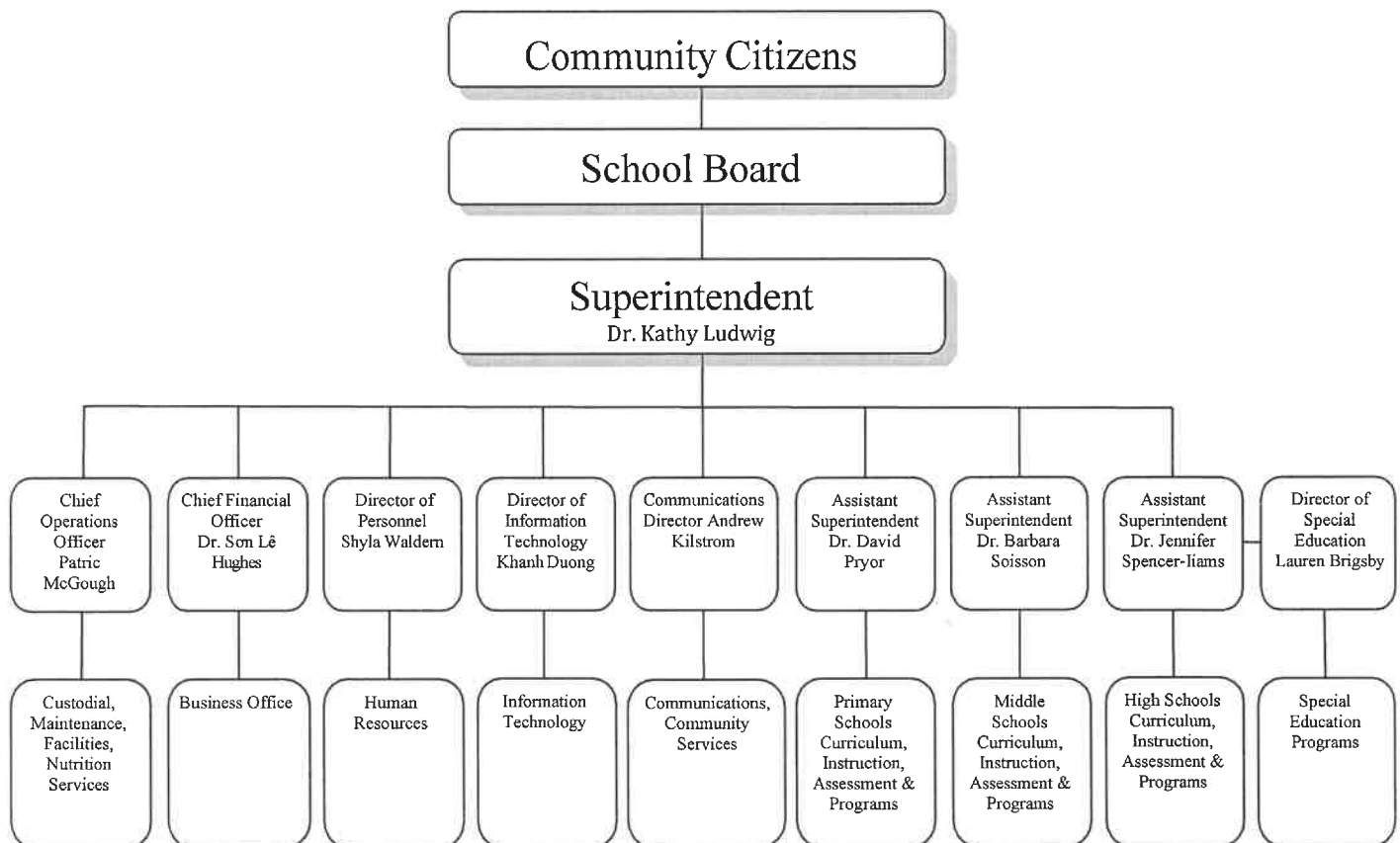
I extend my sincere gratitude to the entire staff in the Business Office for their hard work, expertise, and dedication in preparing this annual financial report. Their commitment to accuracy, transparency, and excellence is vital to the district's financial success. I also wish to express my deep appreciation to the Board of Directors for their unwavering support, guidance, and commitment to the district's mission. Their dedication to maintaining effective financial operations ensures that our resources are used wisely to support the success of our students and schools.

Respectfully submitted,

Son Lê Hughes, Ph.D. | Chief Financial Officer

WEST LINN-WILSONVILLE SCHOOL DISTRICT 3JT

Organizational Chart



WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT
CLACKAMAS COUNTY, OREGON

2024-2025 FINANCIAL REPORT

BOARD OF DIRECTORS

TERM EXPIRES

Louis Taylor, Board Chair

June 30, 2025

Kirsten Wyatt, Board Vice-Chair

June 30, 2025

Maegan Vidal

June 30, 2027

Dan Schumaker

June 30, 2027

Kelly Sloop

June 30, 2025

Board members receive mail at the District address listed below.

ADMINISTRATION

Dr. Kathy Ludwig (Registered Agent)
Superintendent

Dr. Sơn Lê Hughes
Chief Financial Officer

22210 SW Stafford Road
Tualatin, OR 97062



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**West Linn-Wilsonville School District No. 3JT
Oregon**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrell

Executive Director/CEO



PAULY, ROGERS, AND CO., P.C.
12700 SW 72nd Ave. Tigard, OR 97223
(503) 620-2632
www.paulyrogersandcpcpas.com

January 6, 2026

Board of Directors
West Linn – Wilsonville School District
Clackamas County, Oregon

INDEPENDENT AUDITORS' REPORT

Opinion

We have audited the accompanying basic financial statements of the governmental activities and each major fund of West Linn – Wilsonville School District (the District) as of and for the year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the District, as of June 30, 2025, and the respective changes in financial position and the respective budgetary comparisons for the general fund and major special revenue funds 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 West Linn – Wilsonville School 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 the 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 Districts' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 the District's system 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, 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 on it, except for the budgetary schedules presented 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 regulation (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, introduction section, and statistical section, as listed in the table of contents, and the listing of board members containing their term expiration dates, 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 January 6, 2026 on our consideration of 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 are to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. 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 reports dated January 6, 2026 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 the reports are 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, CPA
PAULY, ROGERS AND CO., P.C.

**WEST LINN-WILSONVILLE SCHOOL DISTRICT 3JT
MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED
JUNE 30, 2025**

INTRODUCTION

The following Management's Discussion and Analysis (MD&A) provides an overview of the financial position and activities of the West Linn-Wilsonville School District 3J for the fiscal year ended June 30, 2025.

FINANCIAL HIGHLIGHTS

(As referenced in the October 6, 2025 School Board Report and Memo)

General Fund Balance: When developing the 2025–26 budget, the District projected the 2024-25 Ending Fund Balance (EFB) to be \$14M as of March 31, 2025, based on the best information available at the time. With the fiscal year now officially closed, the General Fund reported an unassigned fund balance of \$19.3 million as of June 30, 2025. This positive variance is attributable to several key factors:

1. **State School Fund & High-Cost Disability Prior Year Adjustments (PYAs):**
The district received PYAs from both the State School Fund and the High-Cost Disability program. These reconciliations occur after year-end and reflect statewide data updates, making them difficult to anticipate. Additionally, higher-than-budgeted reimbursements were received through the Medicaid Administrative Claiming program due to increased qualifying service activity.
2. **Expenditure Savings:**
Savings were realized across multiple categories, including temporary staffing, overtime, unemployment costs, tuition reimbursement, contracted substitutes, utilities, software, and materials. These savings resulted from lower-than-expected usage, operational efficiencies, strategic purchasing decisions, and updated program needs.
3. **Grant Year-End Adjustments:**
During the annual closeout process, some expenditures were shifted from grants to the General Fund or vice versa to ensure alignment with grant rules and district priorities. Grant reconciliation is a complex process requiring compliance checks, timing coordination, and collaboration with program staff and external agencies. These adjustments support accurate financial reporting and responsible stewardship of District resources.

These financial highlights reflect the district's prudent fiscal management and the community's commitment to supporting high-quality education in the West Linn-Wilsonville School District.

OVERVIEW OF THE FINANCIAL STATEMENTS

The MD&A is intended to foster a greater understanding of the West Linn –Wilsonville School District's financial activities. Since this presentation includes summarized formats, it should be read in conjunction with the financial statements, which have three components: I) government-wide financial statements, II) fund financial statements, and III) notes to the financial statements. This report also contains required and other supplementary information besides the basic financial statements.

**WEST LINN-WILSONVILLE SCHOOL DISTRICT 3JT
MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED
JUNE 30, 2025**

I. Government-Wide Financial Statements

The Government-Wide Financial Statements are designed to provide readers with a broad overview of the district's finances like a private-sector business. These statements include:

- **The statement of net position:** The statement of net position presents information on all of the assets, deferred outflow, liabilities, and deferred inflows of the district at year-end. The net position is what remains after the liabilities and deferred outflows have been paid or otherwise satisfied. Over time, increases or decreases in net position may serve as a helpful indicator of whether the district's financial position is improving or deteriorating.
- **The statement of activities:** The statement of activities presents information showing how the district's net position changed over the year by tracking revenues, expenses, and other transactions that increase or reduce net position. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).
- **Governmental activities:** Most of the District's basic functions are shown here, such as regular and special education, child nutrition services, transportation, administration, and facilities acquisition and construction. These activities are primarily financed through property taxes and general obligation bonds, Oregon's State School Fund, and other intergovernmental revenues.

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

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

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

**WEST LINN-WILSONVILLE SCHOOL DISTRICT 3JT
MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED
JUNE 30, 2025**

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

III. Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

IV. Other Information: In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the district's progress in funding its obligation to provide pension benefits to its employees.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position: The District's government-wide financial position reflects two key characteristics:

1. Significant investment in capital assets, such as land, buildings, and equipment.
2. Substantial long-term obligations, including bonds and pension/OPEB liabilities, which are common for school districts.

Additionally, the statement includes large deferred inflows and outflows related to pensions and other post-employment benefits (OPEB), as required by GASB standards.

Condensed Statement of Net Position

	June 30, 2025	June 30, 2024	Increase (Decrease)
Total Current Assets	\$ 81,396,726	\$ 88,688,316	\$ (7,291,590)
Total Capital Assets	419,041,013	420,505,170	(1,464,157)
Total Assets	500,344,875	509,193,486	(8,848,611)
Total Deferred Outflows	107,814,600	97,954,096	9,860,504
Total Assets & Deferred Outflows	\$ 608,252,339	\$ 607,147,582	\$ 1,104,757
Total Current Liabilities	\$58,555,395	\$51,860,201	\$ 6,695,194
Total Long-Term Liabilities	518,704,570	507,042,192	11,662,378
Total Liabilities	577,259,965	558,902,393	18,357,572
Deferred Inflows	46,387,859	58,936,179	(12,548,320)
Total Liabilities & Deferred Inflows	\$ 623,647,824	\$ 617,838,572	\$ 5,809,252
Net Investment in Capital Assets	\$ 255,195,215	\$ 102,555,516	\$ 152,639,699
Restricted	32,717,356	4,252,283	28,465,073
Unrestricted	(303,308,056)	(117,498,789)	(185,809,267)
Total Net Position	\$ (15,395,485)	\$ (10,690,990)	\$ (4,704,495)

The District's FY 2024–25 government-wide position continues to reflect significant investment in capital assets and substantial long-term obligations (bonds, pension/OPEB), with large deferred inflows/outflows per GASB 68/75.

**WEST LINN-WILSONVILLE SCHOOL DISTRICT 3JT
MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED
JUNE 30, 2025**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the district, liabilities exceeded assets by \$15.4M on June 30, 2025.

Capital assets, which consist of the district's land, buildings, building improvements, vehicles, and equipment, represent about 83 percent of total assets. The remaining assets consist mainly of investments and cash, bond proceeds, grants, and property taxes receivable.

The district's largest liability is for the repayment of general obligation bonds. Current liabilities, representing about 10 percent of the district's total liabilities, consist almost entirely of payables on accounts, payroll withholdings, accrued interest payable, and the current portion of long-term debt.

Deferred inflows and outflows of resources. Deferred outflows of resources are at \$107.8M compared to \$97.9M in the prior year. Deferred inflows of resources are at \$46.4M compared to \$58.9M in the prior year. These changes are driven mostly by actuarial calculations of the District's PERS retirement benefits revised annually by an independent third-party actuary.

The revenues and expenses shown below explain changes in net position for the fiscal year ending June 30, 2025.

Condensed Statement of Activities

	June 30, 2025	June 30, 2024	Increase (Decrease)
Program Revenues			
Charges for Services	\$ 3,702,033	\$ 2,697,555	\$ 1,005,478
Operating Grants and Contributions	7,318,631	2,924,200	4,394,431
Total Program Revenues	\$ 11,020,664	\$ 5,621,755	\$ 5,399,909
General Revenues			
Property Taxes	\$ 94,458,227	\$ 89,811,520	\$ 4,646,707
State Revenue Sharing	82,253,468	77,563,979	4,689,489
Other Sources	23,637,351	22,946,256	691,095
Total General Revenues	\$200,349,046	\$190,321,755	\$ 10,027,291
Total Revenues	\$211,369,710	\$195,943,510	\$ 15,427,200
Expenses			
Instruction	\$ 113,863,694	\$ 106,236,561	\$ 7,627,133
Support	64,699,422	64,008,812	690,610
Community Services	4,679,595	3,374,844	1,304,751
Interest on Long Term Debt	16,244,160	15,246,552	997,608
Total Expenses	\$ 199,486,871	\$ 188,866,769	\$ 10,620,102
Change in Net Position	\$ 11,882,839	\$ 7,076,741	\$ 4,713,234
Net Position, Beginning	(10,690,990)	(17,767,731)	7,076,741
Prior Period Adjustment	(16,587,334)	-	(16,587,334)
Net Position, Ending	\$ (15,395,485)	\$ (10,690,990)	\$ (4,704,495)

**WEST LINN-WILSONVILLE SCHOOL DISTRICT 3JT
MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED
JUNE 30, 2025**

GOVERNMENTAL ACTIVITIES

The following discussion and analysis provide an overview of the financial performance of the district for the fiscal year ended June 30, 2025, compared to the prior year. This information should be read in conjunction with the district's financial statements.

Financial Highlights

- Program revenues increased by \$5.4 million, driven primarily by higher charges for services and additional operating grants.
- General revenues rose by \$15.3 million, largely due to increased property tax collections and higher state revenue sharing.
- Total revenues grew by \$15.4 million, while total expenses increased by \$10.6 million, resulting in a negative change in net position of \$4.7 million

Revenue Analysis

- Revenues grew to \$211.36 million in FY 2024-25 from \$195.94 million in FY 2023-24. Program revenues increased by \$5.4 million (+94%), while general revenues rose by \$10.03 million. Property taxes contributed \$94.46 million, state revenue sharing \$82.25 million, and other sources \$23.64 million.

Revenues are categorized into Program Revenues and General Revenues.

- Total revenues \$211.37M (2024–25) vs. \$195.94M (2023–24), an increased \$15.42 million (+7.8%), driven by stronger program revenues and growth in property taxes and state revenue sharing.
- Total expenses rose \$10.62 million (+5.6%), from \$188.87 million to \$199.49 million, primarily in Instruction (+\$7.63 million) and Community Services (+\$1.30 million).
- Change in net position improved to a +\$11.88 million surplus (from +\$7.08 million), reflecting revenue growth outpacing expense increases.
- A prior period adjustment of –\$16.59 million restated beginning net position to –\$27.28 million, with year-end net position at –\$15.49 million, showing operational improvement during FY 2024–25 despite the restatement.

Expense Analysis

Total expenses were \$199.49 million, up \$10.62 million (+5.6%) from the prior year. Instruction accounted for \$113.86 million (+\$7.63 million), Support Services \$64.70 million (+\$0.69 million), Community Services \$4.68 million (+\$1.30 million), and Interest on Long-Term Debt \$16.24 million (+\$0.99 million). Interest represented approximately 8.1% of total expenses, consistent year-over-year.

Total expenses for the fiscal year ended June 30, 2025 were \$199.49 million, compared to \$188.87 million in the prior year—an increase of \$10.62 million (5.6%). This growth reflects continued investment in instructional programs and community services, as well as modest increases in support and debt service costs.

- Instruction expenses rose by \$7.63 million, from \$106.24 million to \$113.86 million, primarily due to investments in classroom resources, staffing, and educational programs.
- Support services increased slightly by \$0.69 million, from \$64.01 million to \$64.70 million, indicating stable administrative and operational costs.

**WEST LINN-WILSONVILLE SCHOOL DISTRICT 3JT
MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED
JUNE 30, 2025**

- Community services grew by \$1.30 million, from \$3.37 million to \$4.68 million, reflecting expanded outreach and student support activities.
- Interest on long-term debt increased by \$0.99 million, from \$15.25 million to \$16.24 million. Interest expense represented approximately 8.1% of total expenses in 2024–25, remaining relatively consistent year over year.

This expense pattern demonstrates the district's strategic focus on instructional quality while maintaining controlled growth in other functional areas.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

Governmental funds: The District's governmental funds focus on providing information on relatively short-term cash flow and funding for future essential services. Such information helps assess the district's financing requirements. In particular, unassigned fund balance may serve as a valuable measure of a government's net resources for spending at the end of a fiscal year. On June 30, 2025, the District's governmental funds reported combined ending fund balances of \$50.2M, a decrease of \$11.8M compared with the prior year.

General Fund: The General Fund is the primary operating fund of the District. As of June 30, 2025, the unassigned fund balance was \$19.3M. This decrease of \$5.3M from 2023-24 is due mainly to declining enrollment and increased spending on rising operational costs and inflation.

Special Revenue Fund: The Special Revenue Fund has a total fund balance of \$3.5M, an increase of \$3.4M over the 2023-24 year, due mostly to fund balance carry over from the prior year.

Debt Service Fund: The Debt Service Fund has a total fund balance of \$3.8M, a \$1.3M increase over the 2023-24 year, all of which is restricted for the payment of debt service.

Capital Projects Fund: The Capital Projects Fund has a total fund balance of \$23.6M, a decrease of \$11.1M from 2023-24. This is due primarily to the continued spending down of existing capital bonds. The funds are restricted to the payment of facilities acquisition and construction.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: The District's investment in capital assets includes land, construction in progress, buildings and improvements, site improvements, and equipment. As of June 30, 2025, the district had invested \$419.04M in capital assets, net of accumulated depreciation. During the year, the district's net capital assets decreased by \$1.1M. Major capital asset events for the year included the continuation and completion of bond construction projects. Additional information on the district's capital assets is in Note 6 of this report.

**WEST LINN-WILSONVILLE SCHOOL DISTRICT 3JT
MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED
JUNE 30, 2025**

Long-term Obligations: At the end of current fiscal year, the District had total long-term obligations of approximately \$474M, consisting of general obligation debt and pension obligation debt, net of unamortized premiums and interest accretion.

During the year, the total net obligations decreased by \$39.3M due to the District making regularly scheduled debt payments, along with a refinance of the remaining 2015 debt to reduce costs to the district. Additional information on the district's long-term obligations can be found in Note 12 of this report. Information on the district's pension and OPEB obligations can be found in Notes 7-10.

ECONOMIC FACTORS AND BIENNIUM 2025-27 BUDGET

The West Linn-Wilsonville School District's General Fund operations rely primarily on state and local revenues, supplemented by federal, county, and other sources. A significant portion of funding is determined by Oregon's State School Fund formula, which allocates resources based on the district's average daily membership — a measure of student attendance throughout the year.

Through careful planning and responsible financial stewardship, the District remains committed to providing exceptional educational opportunities for all students while meeting the evolving needs of the community.

2024-2025 school board goals

The Board adopts short-term goals that align with West Linn-Wilsonville School District Goals.

1. Together, we will research, develop and adopt an anti-racism policy.
2. Together, we will monitor student achievement data through the District Integrated Plan, School Work Plans, school visits, a Winter work session and quarterly Board reports.
3. Together, we will value community voice and the authentic engagement of parents/guardians and students through Board-appointed site visits to each school and their respective K-8 PTA/PTO organization meetings or monthly forums, and three Board-facilitated student engagement events with students in grades 6, 9, and 13 regarding their transitions to next learning levels (middle, high, post-high).
4. Together, we will engage as a Board with the Long-Range Planning Committee (LRPC) and the community on long-range facilities and financial planning to host a Bond Summit in Spring 2025.

The District's Budget Committee and School Board will consider these factors when preparing the District Budget for the 2026-27 fiscal year.

REQUESTS FOR INFORMATION

Questions concerning any information provided in this report or requests for additional information should be addressed to the District's Chief Financial Officer at 22210 SW Stafford Road, Tualatin, Oregon 97062. An electronic copy of this and other prior year Annual Comprehensive Financial Reports (ACFR) are available on the district's website at: <https://www.wlww.k12.or.us>.

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT
CLACKAMAS COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

This Page Intentionally Left Blank

WEST LINN - WILSONVILLE SCHOOL DISTRICT 3JT
CLACKAMAS COUNTY, OREGON

STATEMENT OF NET POSITION
June 30, 2025

ASSETS:	
Cash and Cash Equivalents	\$ 68,453,223
Property Taxes and Other Receivables	9,952,267
Lease Receivable	638,051
Inventory	173,766
Prepays	147,366
Net OPEB Asset - RHIA	2,032,053
Capital Assets:	
Land and Construction in Progress	122,800,276
Other Capital Assets, net of depreciation	296,240,737
Total Assets	500,437,739
DEFERRED OUTFLOWS OF RESOURCES:	
Deferred Charge on Refunding	11,411,526
Pension Related Deferrals - PERS	90,577,469
OPEB Related Deferred Outflows - Stipend	959,426
OPEB Related Deferred Outflows - Health Insurance	4,808,804
OPEB Related Deferred Outflows - RHIA	57,375
Total Deferred Outflows of Resources	107,814,600
TOTAL ASSETS AND DEFERRED OUTFLOWS	608,252,339
LIABILITIES:	
Current Liabilities:	
Accounts Payable	6,094,236
Accrued Payroll, Taxes, and Employee Withholdings	19,044,483
Accrued Interest Payable	331,991
Unearned Revenue	35,260
Other Current Liabilities	14,425
Current portion of Bonds Payable	33,518,607
Current portion of Accrued Compensated Absences Payable	483,607
Total Current Liabilities	59,522,609
Noncurrent Liabilities:	
Accrued Compensated Absences Payable, Long Term	18,393,070
Net Pension Liability - PERS	53,295,791
OPEB Liability - Stipend	2,152,207
OPEB Liability - Health Insurance	22,034,341
Bonds Payable, Long Term (including Premium and Accreted Interest)	421,861,947
Total Noncurrent Liabilities	517,737,356
Total Liabilities	577,259,965
DEFERRED INFLOWS OF RESOURCES:	
Pension Related Deferrals - PERS	41,704,435
OPEB Related Deferred Inflows - Stipend	316,615
OPEB Related Deferred Inflows - Health Insurance	3,603,959
OPEB Related Deferred Inflows - RHIA	162,516
Deferred Inflow - Lease	600,334
Total Deferred Inflows of Resources	46,387,859
TOTAL LIABILITIES AND PENSION RELATED DEFERRALS	623,647,824
NET POSITION:	
Net Investment in Capital Assets	255,195,215
Restricted for:	
Net OPEB Asset - RHIA	2,032,053
Grants	3,296,809
Debt Service	3,832,934
Capital Projects	23,555,560
Unrestricted	(303,308,056)
Total Net Position	\$ (15,395,485)

See accompanying notes to basic financial statements.

WEST LINN - WILSONVILLE SCHOOL DISTRICT 3JT
CLACKAMAS COUNTY, OREGON

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
Instruction	\$ 113,863,694	\$ 3,086,474	\$ 4,666,845	\$ (106,110,375)
Support Services	64,699,422	-	2,651,786	(62,047,636)
Community Services	4,679,595	615,559	-	(4,064,036)
Interest on Long-Term Debt	16,244,160	-	-	(16,244,160)
Loss on Sale of Assets	150,711	-	-	(150,711)
Total Governmental Activities	<u>\$ 199,637,582</u>	<u>\$ 3,702,033</u>	<u>\$ 7,318,631</u>	<u>(188,616,918)</u>
General Revenues:				
Property Taxes - General				63,619,958
Property Taxes - Debt Service				30,838,269
State Revenue Sharing				82,253,468
Income Not Restricted to Specific Programs:				
Local Sources				15,981,348
Intermediate Sources				3,847,410
Interest and Investment Earnings				<u>3,959,304</u>
Total General Revenues				<u>200,499,757</u>
Changes in Net Position				11,882,839
Net Position - Beginning (As Restated)				<u>(27,278,324)</u>
Net Position - Ending				<u>\$ (15,395,485)</u>

See accompanying notes to basic financial statements.

WEST LINN - WILSONVILLE SCHOOL DISTRICT 3JT
CLACKAMAS COUNTY, OREGON

BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2025

	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	TOTALS
ASSETS:					
Current Assets					
Cash and Investments	\$ 38,315,971	\$ 1,835,260	\$ 2,264,217	\$ 26,037,775	\$ 68,453,223
Receivables:					
Taxes	2,327,552	-	1,127,917	-	3,455,469
Accounts	2,843,675	3,313,719	238,133	101,271	6,496,798
Grants					-
Lease					-
Due from Other Funds	-	1,610,848	1,251,511	1,974,423	4,836,782
Prepays	48,010	50,606	-	48,750	147,366
Inventory	-	173,766	-	-	173,766
Total Assets	<u>\$ 43,535,208</u>	<u>\$ 6,984,199</u>	<u>\$ 4,881,778</u>	<u>28,162,219</u>	<u>\$ 83,563,404</u>
LIABILITIES, AND FUND BALANCES:					
Liabilities:					
Accounts Payable	\$ 1,061,212	\$ 649,418	\$ -	\$ 4,383,606	\$ 6,094,236
Payroll Liabilities	19,041,735	2,748	-	-	19,044,483
Other Liabilities	14,425	-	-	-	14,425
Due to Other Funds	1,851,627	2,810,852	-	174,303	4,836,782
Total Liabilities	<u>21,968,999</u>	<u>3,463,018</u>	<u>-</u>	<u>4,557,909</u>	<u>29,989,926</u>
Deferred Inflows of Resources:					
Unavailable Revenue-Taxes	2,164,445	-	1,048,844	-	3,213,289
Unavailable Revenue-Grants	35,260	-	-	-	35,260
Total Deferred Inflows of Resources	<u>2,199,705</u>	<u>-</u>	<u>1,048,844</u>	<u>-</u>	<u>3,248,549</u>
Fund Balances:					
Nonspendable	48,010	224,372	-	48,750	321,132
Restricted for:					
Special Grants and Services	-	3,296,809	-	-	3,296,809
Debt Service	-	-	3,832,934	-	3,832,934
Future Capital Projects	-	-	-	23,555,560	23,555,560
Unassigned	19,318,494	-	-	-	19,318,494
Total Fund Balances	<u>19,366,504</u>	<u>3,521,181</u>	<u>3,832,934</u>	<u>23,604,310</u>	<u>50,324,929</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 43,535,208</u>	<u>\$ 6,984,199</u>	<u>\$ 4,881,778</u>	<u>28,162,219</u>	<u>\$ 83,563,404</u>

See accompanying notes to basic financial statements.

WEST LINN - WILSONVILLE SCHOOL DISTRICT 3JT
CLACKAMAS COUNTY, OREGON

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2025

Total Fund Balances - Governmental Funds	\$	50,324,929
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.		
		(53,295,791)
The net OPEB asset (liability) for RHIA is the difference between the total OPEB asset (liability) and the assets set aside to pay benefits earned to past and current employees and beneficiaries.		
		2,032,053
Deferred Inflows and Outflows of resources related to the pension plan and OPEB include differences between expected and actual experience, changes of assumptions, differences between projects and actual earning, and contributions subsequent to the measurement date.		
Deferred Charge on Refunding	\$	11,411,526
Deferred Outflows - PERS		90,577,469
OPEB Deferred Outflows - Health Insurance		4,808,804
OPEB Deferred Outflows - RHIA		57,375
OPEB Deferred Outflows - Stipend		959,426
Deferred Inflows - PERS		(41,704,435)
OPEB Deferred Inflows - Health Insurance		(3,603,959)
OPEB Deferred Inflows - Stipend		(316,615)
OPEB Deferred Inflows - RHIA		(162,516)
		62,027,075
The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the District as a whole.		
Capital Assets	559,922,379	
Accumulated Depreciation	(140,881,366)	419,041,013
Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long term, are reported in the Statement of Net Position.		
Bonds Payable	(424,162,321)	
OPEB Liability - Health Insurance	(22,034,341)	
OPEB Liability - Stipends	(2,152,207)	
Accrued Compensated Absences	(18,876,677)	
Accrued Interest	(331,991)	(467,557,537)
Lease Receivables		638,051
Deferred revenue related to leases		(600,334)
The unamortized portion of bond premiums and accreted interest are not available to pay for current period expenditures, and therefore are not reported in the governmental funds.		
Bond Premiums	(14,883,950)	
Accreted Interest	(16,334,283)	(31,218,233)
Deferred revenue related to property taxes		3,213,289
Ending Net Position	\$	(15,395,485)

See accompanying notes to basic financial statements.

WEST LINN - WILSONVILLE SCHOOL DISTRICT 3JT
CLACKAMAS COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2025

	GENERAL FUND	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	TOTALS
REVENUES:					
From Local Sources:					
Property Taxes	\$ 49,493,655	\$ -	\$ 30,543,546	\$ -	\$ 80,037,201
Local Option Levy	13,544,687	-	-	-	13,544,687
Penalties and Interest on Taxes	108,400	-	67,847	-	176,247
Construction Excise Tax	-	-	-	730,974	730,974
Tuition	321,947	-	-	-	321,947
Earnings from Investments	1,867,493	14,345	746,324	1,154,895	3,783,057
Undesignated	-	615,558	-	-	615,558
Extracurricular Activities	144,636	-	-	-	144,636
Fees	535,275	2,945,416	-	-	3,480,691
Rentals	644,275	-	-	31,630	675,905
Donations	1,205	-	-	-	1,205
Services to Other Funds	-	-	11,831,060	-	11,831,060
Miscellaneous Local Sources	483,913	568,412	-	996,526	2,048,851
Intermediate Sources					
County School Fund	4,892	-	-	-	4,892
ESD Apportionment	3,546,833	-	-	-	3,546,833
Other Intermediate Sources	38,432	257,253	-	-	295,685
State Sources					
State School Fund Support	65,564,997	-	-	-	65,564,997
Common School Fund and other State Sources	1,251,806	-	-	-	1,251,806
Unrestricted Grants In Aid	763,325	-	-	-	763,325
Other State Sources	-	14,673,340	-	-	14,673,340
Federal Sources	17,541	7,301,090	-	-	7,318,631
Total Revenues	138,333,312	26,375,414	43,188,777	2,914,025	210,811,528
EXPENDITURES:					
Current					
Instruction	90,817,067	13,381,501	-	-	104,198,568
Support Services	52,455,020	5,535,421	-	1,217,081	59,207,522
Community Services	354,024	3,928,351	-	-	4,282,375
Debt Service					
Principal	-	-	30,770,000	-	30,770,000
Interest	-	-	11,164,175	-	11,164,175
Other Debt Service Expenditures	-	-	-	57,550	57,550
Capital Outlay					
Facilities Acquisition	46,242	-	-	13,159,166	13,205,408
Total Expenditures	143,672,353	22,845,273	41,934,175	14,433,797	222,885,598
Revenues Over, (Under) Expenditures	(5,339,041)	3,530,141	1,254,602	(11,519,772)	(12,074,070)
Other Financing Sources, (Uses):					
Transfers In	-	20,273	-	115,035	135,308
Transfers Out	(20,273)	(115,035)	-	-	(135,308)
Gain (Loss) on Sale of Investment	50,427	-	-	247,810	298,237
Bond Proceeds	-	-	2,488	52,000	54,488
Total Other Financing Sources, (Uses)	30,154	(94,762)	2,488	414,845	352,725
Net Change in Fund Balance	(5,308,887)	3,435,379	1,257,090	(11,104,927)	(11,721,345)
Beginning Fund Balance	24,675,391	85,802	2,575,844	34,709,237	62,046,274
Ending Fund Balance	\$ 19,366,504	\$ 3,521,181	\$ 3,832,934	\$ 23,604,310	\$ 50,324,929

See accompanying notes to basic financial statements.

WEST LINN - WILSONVILLE SCHOOL DISTRICT 3JT
CLACKAMAS COUNTY, OREGON

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and
Changes in Fund Balances to the Statement of Activities
For the Year Ended June 30, 2025

Net Change in Fund Balance	\$	(11,721,345)
----------------------------	----	--------------

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

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	\$ 9,268,253	
Capital Asset Deletions	(823,246)	
Depreciation expense, net of disposals	(9,909,164)	(1,464,157)

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:

Change in OPEB Liability - Stipends	29,179	
Change in OPEB Liability - Health Insurance	(471,267)	(442,088)

The PERS Pension 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.

(14,435,028)

The PERS Pension - RHIA 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.

344,567

Repayment of long term & short term obligations is an expenditure in the governmental funds, but the repayment reduces debt obligations in the government-wide statements.

Amortization of Bond Premium	15,072,756	
Amortization of Deferred Charge on Refunding	(456,461)	
Issuance of Bonds	(58,245,000)	
Issuance of Bond Premium	(2,485,174)	
Change in Accreted Interest	(3,015,560)	
Change in Interest Payable	39,538	
Decrease in Long Term Obligations	89,930,000	
Change in Compensated Absences	(1,948,102)	38,891,997

Recognition of lease related revenue		14,484
--------------------------------------	--	--------

Recognition of lease related receivable		(6,596)
---	--	---------

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 deferred revenue. They are, however, recorded as revenues in the Statement of Activities.

701,005

Change in Net Position	\$	11,882,839
------------------------	----	------------

See accompanying notes to basic financial statements.

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

This Page Intentionally Left Blank

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

West Linn - Wilsonville School District (the District) is a municipal corporation governed by an elected Board of Directors. Administration officials are approved by the Board. Daily functions are under the supervision of the Superintendent-Clerk. As required by accounting principles generally accepted in the United States of America, all activities have been included in these basic financial statements.

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

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The Statement of Net Position and Statement 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."

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.

FUND FINANCIAL STATEMENTS

Accounts are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a 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.

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOVERNMENTAL FUND TYPES

Governmental funds are used to account for 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. For this purpose, revenues are considered to be 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 non-matured interest on general long-term debt which is recognized when due, interfund transactions and certain compensated absences, pension costs, OPEB cost, 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.

The following major governmental funds are reported:

GENERAL FUND

This fund accounts for the financial operations not accounted for in any other fund. Principal sources of revenue are property taxes and distributions from the State of Oregon. Expenditures in the fund are made for instructional purposes and related support services.

SPECIAL REVENUE FUNDS

This fund accounts for the revenue and expenditures restricted for specific educational projects or programs. Principal revenues sources are federal grants and other local sources including a scholarship fund used to account for scholarship resources held by the District. Disbursements from this fund are made by the District.

DEBT SERVICE FUND

Bond principal and interest payments are accounted for in the Debt Service Fund. The main source of revenue is local property taxes.

CAPITAL PROJECTS FUND

This fund accounts for activities related to the acquisition, construction, equipping and furnishing of new schools and other facilities. Principle revenue sources are proceeds from general obligation bond issues and related interest earned on proceeds not yet expended.

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

USE OF ESTIMATES

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

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.

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.

GRANTS

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 is recorded as a liability in the balance sheet and statement of net position.

SUPPLY INVENTORIES

School operating supplies, maintenance supplies, food, and other cafeteria supplies are stated at average invoice cost. Commodities purchased from the United States Department of Agriculture in the Special Revenue Fund are included in the inventories at USDA wholesale value. Inventory is accounted for based on the consumption method in the government wide financial statements and on the purchase method, and therefore expensed, in the fund statements. Under the consumption method inventory is recorded when purchased and expenditures/expenses are recorded when inventory items are used. Donated commodities consumed during the year are reported as revenues and expenditures.

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

LEASE RECEIVABLES

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

PREPAID ITEMS

Payments to vendors may reflect costs applicable to future accounting periods and are recorded as prepaid items in the government-wide and fund financial statements.

CAPITAL ASSETS

Capital assets, which include land, buildings, equipment, and construction in progress, are reported in the government wide financial statements. 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. Capital assets are recorded at historical cost or estimated historical cost.

Donated Capital assets are recorded at their acquisition value on the date donated. Capital assets received in a service concession arrangement are reported at acquisition value. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized.

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

Buildings and Improvements	10 to 50 years
Equipment	5 to 20 years

LEASE ASSETS

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

ACCRUED COMPENSATED ABSENCES

The District recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, two types of leave qualifies for liability recognition for compensated absences – *vacation* and *sick leave*. The liability for compensated absences is reported as incurred in the government-wide financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ACCRUED COMPENSATED ABSENCES (CONTINUED)

The District's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment at the employee's current pay rate upon separation from employment.

The District's policy permits employees to accumulate earned but unused sick leave. All sick leave lapses when employees leave the employ of the District and, upon separation from service, no monetary obligation exists. However, a liability for estimated value of sick leave that will more likely than not be used by employees as time off is included in the liability for compensated absences.

LONG-TERM OBLIGATIONS

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line 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, as well as bond issuance costs, 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 issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NET POSITION

Net position comprises the various net earnings from operations, nonoperating revenues, expenses, and contributions of capital. Net position are 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.

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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. At June 30, 2025, there were deferred outflows representing PERS pension, OPEB-RHIA, OPEB-Health Insurance, and OPEB-Stipend related deferrals, as well as a PERS Escrow Account and Deferred Charge on Refunding reported in the Statement of Net Position.

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES (CONTINUED)

In addition to liabilities, the basic financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) 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 for property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. At June 30, 2025 there were also deferred inflows reported in the Statement of Net Position representing PERS pension, OPEB-RHIA, OPEB-Health Insurance, and OPEB-Stipend related deferrals, along with a deferred inflow for leases.

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 represents amounts that are not in a spendable form. The nonspendable fund balance represents inventories.
- Restricted 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 represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution.
- Assigned 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 is stipulated by the governing body.
- Unassigned 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 are no committed or assigned fund balances at June 30, 2025.

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

RETIREMENT PLANS

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

The District provides a single-employer retiree benefit plan that provides access to postemployment health, dental, and vision benefits to eligible employees and their spouses. Benefits and eligibility for members are established through various collective bargaining agreements, and in accordance with ORS 243.303.

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.

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

A budget is prepared and legally adopted for each fund in accordance with Oregon Local Budget Law. The budget is prepared using the modified accrual basis of accounting.

The budgeting process begins by appointing Budget Committee members in early fall. Budget recommendations are developed by management through spring, with the Budget Committee meeting and approving the budget document in late spring. Public notices of the budget hearing are generally published in May or June, and the hearing is held in June. The budget is adopted, appropriations are made and the tax levy is declared no later than June 30. Expenditure budgets are appropriated at the major function level (instruction, support services, community services, debt service, contingency, and transfers) for each fund. Expenditure appropriations may not legally be over expended, except in the case of grant receipts which could not be reasonably estimated at the time the budget was adopted.

Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriation resolution. Supplemental budgets less than 10% of the fund's original budget may be adopted by the Board of Directors at a regular meeting. A supplemental budget greater than 10% of the fund's original budget requires hearings before the public, publication in newspapers and approval by the Board. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control (major function levels). Such transfers require approval by the Board.

Budget amounts shown in the basic financial statements include the original and final budget amounts. Appropriations lapse at the end of each fiscal year. Expenditures of the various funds were within authorized appropriations, except for the Special Revenue Funds, where enterprise expenditures are over-expended by \$268,780.

3. BUDGET/GAAP REPORTING DIFFERENCES

The budgetary basis of accounting differs from generally accepted accounting principles. The budgetary 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 and depreciation and amortization are not calculated, inventories of supplies are budgeted as expenditures when purchased, tax revenue is shown as receipts when collected instead of when levied, pension and OPEB costs are not recorded as expenses until paid, and debt issuance costs, post-employment obligations and compensated absences are expensed as paid instead of when incurred.

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

4. CASH AND INVESTMENTS

Cash management policies are governed by state statutes. Statutes authorize the investment in bankers acceptances, time certificates of deposit, commercial paper, repurchase agreements, obligations of the United States and its agencies and instrumentalities, and Local Government Investment Pools.

The District maintains a pool of cash and investments that are available for use by all funds. Each fund's portion of this pool is displayed on the financial statements as cash and investments. Interest earned on pooled cash and investments is allocated to participating funds based upon their combined cash and investment balances. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized.

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's compliance with all portfolio guidelines can be found in their annual report when issued. 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, 2025, the fair value of the position in the LGIP is 100.49% 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](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.

Cash and Investments at June 30, 2025 (recorded at fair value) consisted of:

Deposits with Financial Institutions:

Demand Deposits	\$ 28,548,885
Investments	39,904,338
	<u>\$ 68,453,223</u>

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

4. CASH AND INVESTMENTS (CONTINUED)

At year end, the investment balances were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in months)</u>		
		<u>Less than 3</u>	<u>3-18</u>	<u>18-59</u>
US Government Securities	\$11,065,291	\$11,065,291	\$ -	\$ -
Local Government Investment Pool	28,839,047	28,839,047	-	-
Total	<u>\$39,904,338</u>	<u>\$39,904,338</u>	<u>\$ -</u>	<u>\$ -</u>

DEPOSITS

Deposits with financial institutions are comprised of bank demand deposits and certificates of deposit. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury. The total bank balance per the bank statements as of June 30, 2025 was \$28,439,850, \$263,533 of which was covered by federal depository insurance and the remainder was collateralized by the Oregon Public Funds Collateralization Program (PFCP).

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. As of June 30, 2025, none of the bank balances were exposed to custodial credit risk.

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, 2025, 72% of total investments were in the State Treasurer's Investment Pool. State statutes do not limit the percentage of investments in this instrument. 28% of total investments were in US Government Securities.

5. ACCOUNTS / GRANTS RECEIVABLE

Special revenue fund grants receivable are comprised of claims for reimbursement of costs under various federal and state grant programs. Property taxes are levied and become a lien on all taxable property as of July 1. Taxes unpaid and outstanding on May 16 are considered delinquent. No allowance for uncollectible accounts has been recorded because all receivables are considered to be collectible.

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

6. CAPITAL ASSETS

The changes in capital assets for the fiscal year ending June 30, 2025 are as follows:

	Governmental Capital Assets 7/1/2024	Adjustments	Additions	Deletions	Governmental Capital Assets 6/30/2025
Capital assets not being depreciated:					
Land	\$ 10,995,754	\$ -	\$ -	\$ -	\$ 10,995,754
Construction in Progress	148,368,057	(42,971,078)	6,451,447	(43,904)	111,804,522
Total capital assets not being depreciated	159,363,811	(42,971,078)	6,451,447	(43,904)	122,800,276
Capital assets being depreciated:					
Buildings & Improvements	362,628,701	42,521,945	1,870,620	-	407,021,266
Site Improvements	18,451,767	380,146	302,264	-	19,134,177
Equipment	11,033,093	68,987	643,922	(779,342)	10,966,660
Total capital assets being depreciated	392,113,561	42,971,078	2,816,806	(779,342)	437,122,103
Accumulated Depreciation:					
Buildings & Improvements	113,400,888	-	8,369,584	-	121,770,472
Site Improvements	9,453,028	-	790,959	-	10,243,987
Equipment	8,118,286	-	1,122,919	(374,298)	8,866,907
Total accumulated depreciation	130,972,202	-	10,283,462	(374,298)	140,881,366
Total capital assets, net	<u>\$ 420,505,170</u>				<u>\$ 419,041,013</u>

Adjustments during the year included construction projects that were completed and added to buildings and improvements, site improvements, and equipment.

During the year ended June 30, 2025, the District disposed of construction projects and equipment with a total cost of \$823,246 with associated accumulated depreciation of \$374,298 for a net loss of \$448,948.

Depreciation expense was allocated to the following programs:

Instruction	\$ 6,389,956
Support Services	3,630,890
Community Services	262,616
Total	<u>\$ 10,283,462</u>

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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 (ACFR) which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/ACFR/2024-ACFR.pdf>

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

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

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

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has made 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.

- 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.

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

7. DEFINED BENEFIT PENSION PLAN (CONTINUED)

- 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. Under House Bill (HB) 2283, passed during the 2023 legislative session and effective January 1, 2024, if a member has established retirement eligibility under the police and fire classification, they retain that eligibility even if they perform service thereafter as other than police and fire. Under HB 4045, passed during the 2024 legislative session and effective January 1, 2025, normal retirement age for police and fire members will be lowered to age 55 or age 53 with 25 years of retirement credit.

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. Disability benefits continue until the member is no longer disabled or otherwise no longer qualifies for benefits, reaches normal retirement age, or dies.
- iv. **Benefit Changes After Retirement.** Under ORS 238.360, monthly benefits are adjusted annually through cost-of-living changes (COLA), starting with the monthly benefits received or entitled to be received on August 1. The COLA is capped at 2.0 percent.

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, 2021 actuarial valuation, which became effective July 1, 2023. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2025 were \$9,638,424, excluding amounts to fund employer specific liabilities. In addition, approximately \$4,919,621 in employee contributions were paid or picked up by the District in 2024-2025.

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

7. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Asset or Liability – At June 30, 2025, the District reported a net pension liability of \$53,295,791 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement dates of June 30, 2024 and 2023, the District's proportion was .240 percent and .089 percent, respectively. Pension expense for the year ended June 30, 2025 was \$14,435,028.

The rates in effect for the year ended June 30, 2025 were:

- (1) Tier 1/Tier 2 – 20.15%
- (2) OPSRP general services – 17.04%

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 3,157,283	\$ 127,200
Changes in assumptions	5,358,376	6,865
Net difference between projected and actual earnings on pension plan investments	3,385,773	-
Net changes in proportionate share	19,802,444	40,091,605
Differences between District contributions and proportionate share of contributions	49,235,169	1,478,765
Subtotal - Amortized Deferrals (below)	80,939,045	41,704,435
District contributions subsequent to measurement date	9,638,424	-
Net deferred outflow (inflow) of resources	\$ 90,577,469	\$ 41,704,435

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, 2026.

Subtotal amounts related to pension as deferred outflows of resources \$80,939,045, and deferred inflows of resources, (\$41,704,435), net to \$39,234,610 and will be recognized in pension expense as follows:

Year ending June 30,	Amount
2026	\$ 9,678,460
2027	15,840,407
2028	8,072,654
2029	4,050,605
2030	1,592,484
Thereafter	-
Total	\$ 39,234,610

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated January 31, 2025. Oregon PERS produces an independently audited ACFR which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/ACFR/2024-ACFR.pdf>

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

7. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Valuations – The employer contribution rates effective July 1, 2023 through June 30, 2025, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization 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, 2022
Measurement Date	June 30, 2024
Experience Study Report	2022, Published July 24, 2023
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
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision; blend based on service
Mortality	<u>Healthy retirees and beneficiaries:</u> 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. <u>Active members:</u> Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. <u>Disabled retirees:</u> Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

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

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

7. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Debt Securities	20.0%	30.0%	25.0%
Public Equity	22.5%	32.5%	27.5%
Real Estate	7.5%	17.5%	12.5%
Private Equity	15.0%	27.5%	20.0%
Real Assets	2.5%	10.0%	7.5%
Diversifying Strategies	2.5%	10.0%	7.5%
Opportunity Portfolio	0.0%	5.0%	0.0%
Total			100.0%

(Source: June 30, 2024 PERS ACFR; p. 116)

Long-Term Expected Rate of Return:

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

Asset Class	Target Allocation	Compound Annual (Geometric) Return
Global Equity	27.50%	7.07%
Private Equity	25.50%	8.83%
Core Fixed Income	25.00%	4.50%
Real Estate	12.25%	5.83%
Master Limited Partnerships	0.75%	6.02%
Infrastructure	1.50%	6.51%
Hedge Fund of Funds - Multistrategy	1.25%	6.27%
Hedge Fund Equity - Hedge	0.63%	6.48%
Hedge Fund - Macro	5.62%	4.83%
Assumed Inflation - Mean		2.35%

(Source: June 30, 2024 PERS ACFR; p. 88)

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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, 2024 and 2023 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 (asset)	\$ 84,071,946	\$ 53,295,791	\$ 27,519,258

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, 2024, 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.

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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, 2025.

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>

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

8. OTHER POST-EMPLOYMENT BENEFIT PLAN – (RHIA)

Plan Description:

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

Funding Policy:

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

Participating 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, 2025. 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, 2025, the District reported a net OPEB asset of \$2,032,053 for its proportionate share of the net OPEB asset. The OPEB asset was measured as of June 30, 2024, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2022. Consistent with GASB Statement No. 75, paragraph 59(a), the District's proportion of the net OPEB 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, 2024 and 2023, the District's proportion was .503 percent and .458 percent, respectively. OPEB income for the year ending June 30, 2025, was \$344,567.

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

8. OTHER POST-EMPLOYMENT BENEFIT PLAN – (RHIA) (CONTINUED)

Components of OPEB Expense/(Income):

Employer's proportionate share of collective system OPEB Expense/(Income)	\$ (241,590)
Net amortization of employer-specific deferred amounts from:	
- Changes in proportionate share (per paragraph 64 of GASB 75)	(101,870)
- Differences between employer contributions and employer's proportionate share of system contributions (per paragraph 65 of GASB 75)	<u>-</u>
Employer's Total OPEB Expense/(Income)	<u>\$ (343,460)</u>

Components of Deferred Outflows/Inflows of Resources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ 39,744
Changes in assumptions	-	25,703
Net difference between projected and actual earnings on pension plan investments	57,375	-
Net changes in proportionate share		
Differences between contributions	-	97,069
and proportionate share of contributions	<u>-</u>	<u>-</u>
Subtotal - Amortized Deferrals (below)	57,375	162,516
Contributions subsequent to measuring date	<u>-</u>	N/A
Deferred outflow (inflow) of resources	<u>\$ 57,375</u>	<u>\$ 162,516</u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB liability/(asset) in the fiscal year ended June 30, 2026.

Subtotal amounts related to OPEB as deferred outflows of resources, \$57,375, and deferred inflows of resources, (\$162,516), net to (\$105,141) and will be recognized in OPEB expense as follows:

Year ending June 30,	Amount
2026	\$ (204,623)
2027	61,818
2028	31,040
2029	6,624
2030	-
Thereafter	<u>-</u>
Total	<u>\$ (105,141)</u>

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

8. OTHER POST-EMPLOYMENT BENEFIT PLAN – (RHIA) (CONTINUED)

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 75 reporting summary dated January 31, 2025. Oregon PERS produces an independently audited ACFR which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/ACFR/2024-ACFR.pdf>

Actuarial Methods and Assumptions:

Valuation Date	December 31, 2022
Measurement Date	June 30, 2024
Experience Study Report	2022, Published July 24, 2023
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: 25%; Disabled retirees: 15%
Mortality	<u>Healthy retirees and beneficiaries:</u> 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. <u>Active members:</u> Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. <u>Disabled retirees:</u> Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

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

Discount Rate:

The discount rate used to measure the total OPEB liability as of the measurement date of June 30, 2024 and June 30, 2023 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.

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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

Asset Class	Target Allocation	Compound Annual (Geometric) Return
Global Equity	27.50%	7.07%
Private Equity	25.50%	8.83%
Core Fixed Income	25.00%	4.50%
Real Estate	12.25%	5.83%
Master Limited Partnerships	0.75%	6.02%
Infrastructure	1.50%	6.51%
Hedge Fund of Funds - Multistrategy	1.25%	6.27%
Hedge Fund Equity - Hedge	0.63%	6.48%
Hedge Fund - Macro	5.62%	4.83%
Assumed Inflation - Mean		2.35%

(Source: June 30, 2024 PERS ACFR; p. 88)

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 OPEB asset	\$ 1,881,063	\$ 2,032,053	\$ 2,162,059

Changes Subsequent to the Measurement Date

There are no changes subsequent to the June 30, 2024 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. OTHER POST-EMPLOYMENT BENEFITS (OPEB) – HEALTH BENEFITS

The District operates a single-employer retiree benefit plan that provides access to post-employment health benefits to eligible employees and their spouses. Benefits and eligibility for members are established through the collective bargaining agreements.

The District's post-retirement health insurance program was established in accordance with ORS 243.303. ORS stipulates 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 costs, which because of the effect of age is generally higher in comparison to all plan members, and the amount of retiree health insurance premiums, represents the District's implicit employer contribution. The plan is currently unfunded in accordance with GASB Statement No. 75.

At June 30, 2025, the following employees were covered by the benefit terms:

Active Employees	1,052
Eligible Employees	<u>57</u>
Total Participants	<u>1,109</u>

The District's total OPEB liability in the July 1, 2025 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, 2025
Measurement Date	June 30, 2025
Actuarial Cost Method	Entry Age Normal
Discount Rate	5.20% for results as of June 30, 2025 measurement date. Which reflects the Bond Buyer 20-year General Obligation Bond Index. Reporting Dates follow measurement dates by one full year.
Health Care Cost Trend	Dental and Vision: 2.5% per year
Annual Premium Increase Rate	5.0% per year
Inflation Rate	2.5% per year, used to develop other economic assumptions
Salary Scale	4% per year

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. OTHER POST-EMPLOYMENT BENEFITS (OPEB) – HEALTH BENEFITS (CONTINUED)

Changes in Total OPEB Liability:

Total OPEB Liability at June 30, 2024	\$ 20,993,644
Changes for the year:	
Service Cost	670,033
Interest	743,593
Changes of Benefit Terms	-
Experience (gain)/loss	2,541,607
Changes of assumptions or other inputs	(1,672,072)
Benefit Payments	<u>(1,242,464)</u>
Net Changes	<u>1,040,697</u>
Total OPEB Liability at June 30, 2025	<u>\$ 22,034,341</u>

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:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability, as of June 30, 2025	\$ 23,432,229	\$ 22,034,341	\$ 20,706,356

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability, as of June 30, 2025	\$ 20,331,795	\$ 22,034,341	\$ 23,943,331

Schedule of Deferred Inflows and Outflows of Resources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 3,238,205	\$ 96,936
Changes of assumptions or inputs	<u>1,570,599</u>	<u>3,507,023</u>
Total as of June 30, 2025	<u>\$ 4,808,804</u>	<u>\$ 3,603,959</u>

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. OTHER POST-EMPLOYMENT BENEFITS (OPEB) – HEALTH BENEFITS (CONTINUED)

Subtotals amounts related to OPEB deferred outflows of resources, \$4,808,804, and deferred inflows of resources, (\$3,603,959), net to \$1,204,845 and will be recognized in OPEB expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2026	\$ 300,105
2027	300,105
2028	300,105
2029	300,105
2030	145,848
2031	(8,374)
Thereafter	(133,049)
Total	<u>\$ 1,204,845</u>

Actuarial calculations of the OPEB plan reflect a long-term perspective and actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future.

10. OTHER POST-EMPLOYMENT BENEFIT PLANS – (STIPENDS)

Plan Description - A single employer early retirement incentive plan exists for certified employees and administrators hired before November 30, 2001. The retirement incentive is offered as a form of deferred compensation for work performed during the years of active employment. To qualify, an employee must be a certified staff member or administrator eligible to retire with benefits under the rules of the Public Employees Retirement System and applicable Oregon law. In addition, the electing employee must have 10-15 years of service with the District immediately prior to retirement. This plan is funded on a pay-as-you-go basis.

Summary of significant accounting policies –The plan is accounted for in General Fund. The District's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Funding Policy - The benefits from this program are fully paid by the District and, consequently, no contributions by employees are required. There is no obligation on the part of the District to fund these benefits.

Total Pension Liability (Stipends) - The District's total pension liability and total other post-employment benefits were measured as of June 30, 2025 and determined by an actuarial valuation as of June 30, 2025.

Actuarial Methods and Assumptions - The District engaged an actuary to perform a valuation as of June 30, 2025 using the Entry age normal, level percent of salary Actuarial Cost Method. The asset valuation method used was market value and the amortization method used was 30 year, open level %.

The total pension liability in the June 30, 2025 actuarial valuation was calculated based on the discount rate and actuarial assumptions below, and was then projected forward/backward to the measurement date. There are no assets accumulated in a trust that meets the criteria in GASB 73 paragraph 4.

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

10. OTHER POST-EMPLOYMENT BENEFIT PLANS – (STIPENDS) (CONTINUED)

Discount Rate	5.20%
Valuation Date	June 30, 2025
Measurement Date	June 30, 2025
Reporting Date	June 30, 2025
Inflation Rate	2.50%
Salary Increases	4.00%
Healthy Mortality	Based on Oregon PERS valuation assumptions as of December 31, 2021
Actuarial Cost Method	Entry Age Normal Level Percent of Pay

Mortality rates were based on the RP=2000 Combined Mortality Table for males or females, as appropriate, set back 24 months, and were calculated by adjusting the rates by 60% for male participants and 55% for female participants. Turnover rates were based on percentages development for the valuation of benefits under Oregon PERS and vary by years of service.

Disability rates were assumed to be immaterial for purposes of the OPEB Actuarial Valuation.

Retirement rates were calculated based on age, tier/OPSRP and years of service. Members who can become eligible for District-paid stipend were assumed not to terminate employment prior to retirement.

100% of active members eligible for stipend benefits were assumed to elect coverage upon retirement.

The discount rate used to measure the total other post-employment benefit liabilities was 5.20%, based on the expected long-term future annual investment returns for Oregon's Local Government Investment Pool and comparable investments.

Program membership consisted of the following as of the Actuarial Measurement date of June 30, 2025:

Active Employees	1,052
Eligible Employees	<u>57</u>
Total Participants	<u>1,109</u>

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

10. OTHER POST-EMPLOYMENT BENEFIT PLANS – (STIPENDS) (CONTINUED)

Change in Total OPEB Stipend Liability:

Total OPEB Stipend Liability at June 30, 2024	\$ 2,138,705
Changes for the year:	
Service Cost	47,360
Interest	71,777
Changes of Benefit Terms	-
Experience (gain)/loss	370,063
Changes of assumptions or other inputs	(131,274)
Benefit Payments	(344,424)
Net Changes	<u>13,502</u>
Total OPEB Stipend Liability at June 30, 2025	<u>\$ 2,152,207</u>

Sensitivity of the Total Pension Liability to changes in the discount and trend rates

The following presents the Total Pension Liability of the plan, calculated using the discount rate as of the measurement date, as well as what the Plan's Total Pension Liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
Total Pension Liability, as of June 30, 2025	\$ 2,240,338	\$ 2,152,207	\$ 2,066,544

OPEB Expense and Deferred Outflows and Inflows of Resources

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 800,199	\$ -
Changes of assumptions or inputs	159,227	316,615
Total as of June 30, 2025	<u>\$ 959,426</u>	<u>\$ 316,615</u>

Subtotal amounts related to OPEB deferred outflows of resources, \$959,426, and deferred inflows of resources, (\$316,615), net to \$642,811 and will be recognized in OPEB expense as follows:

Year ending June 30,	Amount
2026	\$ 151,611
2027	129,686
2028	113,230
2029	101,788
2030	62,439
2031	49,108
Thereafter	34,949
Total	<u>\$ 642,811</u>

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

11. PROPERTY TAX LIMITATIONS

The voters of the State of Oregon imposed a constitutional limit on property taxes for schools and non-school government operations. School operations include community colleges, local school districts, and education service districts. The limitation provides that property taxes for school operations are limited to \$5.00 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 voters further reduced property taxes by replacing the previous constitutional limits on tax bases with a rate and value limit in 1997. This reduction was 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.

12. LONG-TERM OBLIGATIONS

In March of 2015, the District issued \$161,390,000 in general obligation and refunding bonds with interest rates between 2% and 5% and was paid in full. The proceeds were used to refund \$81,395,000 of outstanding Series 2009 general obligation bonds which had interest rates ranging from 2.5% to 5%. Of the \$189,333,774 net proceeds (including a \$27,943,774 premium) \$94,617,780 were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on refundable bonds. The District refunded the Series 2009 general obligation bonds to reduce its total debt service payments over 19 years by \$10,435,273, resulting in an economic gain of \$4,939,752. In the event of default, the trustee may exercise any remedy available at law or in equity, however, the bond payments will not be subject to acceleration.

The District issued series 2020A deferred interest bonds for \$103,756,716 in general obligation bonds to finance capital construction and improvements. Interest rates range from 2.37% to 2.95% deferred interest is compounded and paid at maturity beginning June 2035. The bonds mature on June 15, 2050. In the event of default, the trustee may exercise any remedy available at law or in equity, however, the bond payments will not be subject to acceleration.

In February 2020, the District issued Series 2017B Bonds for \$44,120,000 (plus \$11,148,059 premiums) in general obligation bonds to finance capital construction and improvements. Interest rates of 5.0%, payable semiannually in June and December, beginning December 2020. The bonds mature on December 15, 2034 with principal payments semi-annually December 15 and June 15. In the event of default, the trustee may exercise any remedy available at law or in equity, however, the bond payments will not be subject to acceleration.

In February 2020, the District issued Series 2020C Bonds for \$76,285,000 in general obligation bonds for the purpose of refunding portion of its general obligation bonds issued in 2015. Interest rates range from 1.567% to 2.474%, payable semiannually in June and December. The bonds mature on June 15, 2033. A total of \$75,871,773 was raised to buy back bonds issued in 2015. The total principal of 2015 bonds defeased was \$63,555,000. The difference of \$413,227 was paid for cost of issuance of the bonds. Although the stated balance amount of the bonded debt is now higher, the District will save a significant amount of money over the life of the new bonds due to the reduction in interest payments.

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

12. LONG-TERM OBLIGATIONS (CONTINUED)

On December 2, 2019, the Board adopted Resolution No. 2019-6 authorizing the issuance of one or more series of G.O Bonds in the aggregate principal amount of \$206,800,000. On February 26, 2020, the district issued G.O. bonds in the principal amount of \$147,876,716, and on November 8, 2022, the district issued G.O. bonds in the remaining amount not to exceed \$58,923,284 (Series 2022A: \$8,170,605 deferred interest bonds, Series 2022B: \$50,750 current interest bonds). The bond proceeds for Series 2022 is \$65,786,474 (\$6,800,000 in net premium). This series will mature on June 15, 2036.

Pension Obligation Bond – On March 1, 2004, the District issued \$42,180,000 of limited tax pension obligation bonds to finance its portion of the unfunded actuarial liability (UAL) with the State of Oregon Public Employees Retirement System (PERS). The actual savings realized over the life of the bonds is uncertain because of the various legislative changes and legal issues pending with the PERS system which could impact the future required contribution rate. The District issued a new Limited Tax Pension Obligation Bond on August 29, 2021 in the amount of \$112,440,000 at a 0.18%-2.90% rate of interest. Payments begin in the fiscal year ending in 2022.

On May 6, 2025, the District issued Series 2025 Bonds for \$58,245,000 in general obligation bonds for the purpose of refunding portion of its general obligation bonds issued in 2015. Interest rates of 5.0% payable semi-annually in June 15 and December 15, beginning June 15, 2025. The bonds mature on June 15, 2031 with principal payments semi-annually December 15 and June 15. In the event of default, the trustee may exercise any remedy available at law or in equity, however, the bond payments will not be subject to acceleration.

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

12. LONG-TERM OBLIGATIONS (CONTINUED)

The following changes occurred in the long-term obligations for the year ended June 30, 2025:
All long-term obligations are payable from the General and Debt Service funds.

	Balance 7/1/2024	Additions	Payments & Deletions	Balance 6/30/2025	Due Within One Year
General Obligation Bonds:					
March 2015	\$ 71,980,000	\$ -	\$ 71,980,000	\$ -	\$ -
2020 (A)	103,756,716	-	-	103,756,716	-
2020 (B)	30,385,000	-	975,000	29,410,000	1,095,000
2020 (C)	73,975,000	-	1,525,000	72,450,000	1,550,000
2022 (B)	56,735,605	-	6,020,000	50,715,605	6,735,000
2025	-	58,245,000	1,090,000	57,155,000	14,570,000
	<u>336,832,321</u>	<u>58,245,000</u>	<u>81,590,000</u>	<u>313,487,321</u>	<u>23,950,000</u>
Limited Tax Pension Obligation Bonds:					
March 2004	16,850,000	-	4,290,000	12,560,000	4,785,000
August 2021	102,165,000	-	4,050,000	98,115,000	4,300,000
	<u>119,015,000</u>	<u>-</u>	<u>8,340,000</u>	<u>110,675,000</u>	<u>9,085,000</u>
Total GO and Pension Bonds	<u>455,847,321</u>	<u>58,245,000</u>	<u>89,930,000</u>	<u>424,162,321</u>	<u>33,035,000</u>
Compensated Absences*	16,928,575	1,948,102	-	18,876,677	483,607
Unamortized Premium	27,471,532	2,485,174	15,072,756	14,883,950	-
Bond Interest Accretion	13,318,723	3,015,560	-	16,334,283	-
Total Bonds Payable	<u>\$ 513,566,151</u>	<u>\$ 65,693,836</u>	<u>\$ 105,002,756</u>	<u>\$ 474,257,231</u>	<u>\$ 33,518,607</u>

* - The change in compensated absences above is a net change for the year.

Future principal obligations are as follows:

Amounts Payable in Fiscal Year	Principal	Interest
2025-26	\$ 33,035,000	\$ 11,020,203
2026-27	27,970,000	9,558,550
2027-28	27,025,000	8,345,539
2028-29	26,545,000	7,197,022
2029-30	28,215,000	6,607,243
2031-2035	135,848,713	23,284,536
2036-2040	81,827,658	29,565,697
2041-2045	32,272,844	29,207,156
2046-2050	31,423,106	39,846,894
	<u>\$ 424,162,321</u>	<u>\$ 164,632,841</u>

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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. CONTINGENT LIABILITIES

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

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

15. INTERFUND TRANSFERS AND INTERFUND RECEIVABLES/PAYABLES

Operating and internal transfers are comprised of the following activity:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Due From</u>	<u>Due To</u>
General Fund	\$ -	\$ 20,273	\$ -	\$ 1,851,627
Special Revenue Funds	20,273	115,035	1,610,848	2,810,852
Debt Service Fund	-	-	1,251,511	-
Capital Projects Fund	115,035	-	1,974,423	174,303
Total Funds	<u>\$ 135,308</u>	<u>\$ 135,308</u>	<u>\$ 4,836,782</u>	<u>\$ 4,836,782</u>

The interfund transfers are budgeted and recorded to show legal and operational commitments between funds including a utility grant in the Special Revenue Fund, which is used to cover qualifying expenditures made by the Capital Projects Fund. The interfund balances are recorded to show legal and operational commitments between funds, including monies owed to the General Fund by the other funds related to reimbursable grants and debt payments.

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

16. TAX ABATEMENTS

As of June 30, 2025, the District potentially had tax abatements through various state allowed programs that impacted levied taxes. Based on the information available from the county as of the date of issuance of these basic financial statements, there was one material abatement disclosed by the county for the year ended June 30, 2025 for any program covered under GASB 77.

Water Association (OR 307.210):

- The Water Association exemption consists of land, improvements, fixtures, equipment of supplies, including dams and dikes, owned by any association of persons, wholly mutual or cooperative in character, whether incorporated or unincorporated, used primarily in storing, conveying and distributing water to the member of such association for domestic use or irrigation, where such association has no other business or purpose and its operations are conducted without profit money.

For the fiscal year ended June 30, 2025, the District abated property taxes totaling \$1,643,899 under this program.

17. LEASE RECEIVABLES AND DEFERRED INFLOWS

For the year ending June 30, 2025, the basic financial statements follow 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.

On July 1, 2021, the District entered into a 545 month lease as Lessor for the use of AT&T Cell Tower. An initial lease receivable was recorded in the amount of \$658,270. As of June 30, 2025, the value of the lease receivable is \$638,051. The lessee is required to make monthly fixed payments of \$723. Additionally, there are monthly other reasonably certain payments of \$500. The lease has an interest rate of 1.3940%. The value of the deferred inflow of resources as of June 30, 2025 was \$600,334, and the District recognized lease revenue of \$14,484 during the fiscal year. The lessee has 6 extension option(s), each for 60 months. The lessee had a termination period of 1 month as of the lease commencement.

Changes in the Lease Receivable are as follows:

	Balance Beginning of Year	Additions	Less Rent Received	Balance End of Year
Lease Receivable				
Land				
AT&T Cell Tower	\$644,647	\$ -	\$ (6,596)	\$638,051
Total	<u>\$644,647</u>	<u>\$ -</u>	<u>\$ (6,596)</u>	<u>\$638,051</u>

WEST LINN-WILSONVILLE SCHOOL DISTRICT No. 3JT
CLACKAMAS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

17. LEASE RECEIVABLES AND DEFERRED INFLOWS (CONTINUED)

Future maturities for the receivables are as follows:

Fiscal year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2026	\$ 6,689	\$ 8,852	\$ 15,541
2027	7,261	8,757	16,018
2028	7,845	8,650	16,495
2029	7,955	8,540	16,495
2030	8,066	8,428	16,494
Thereafter	600,235	182,109	782,344
Total	<u>\$ 638,051</u>	<u>\$ 225,336</u>	<u>\$ 863,387</u>

The Deferred Lease Revenue will be recognized on a straight line basis over the life of the receivable.

	Balance Beginning of Year	Additions	Less Deferred Revenue Recognized	Balance End of Year
Deferred Lease Revenue				
Land				
AT&T Cell Tower	<u>\$614,818</u>	<u>\$ -</u>	<u>\$ (14,484)</u>	<u>\$600,334</u>
Total	<u>\$614,818</u>	<u>\$ -</u>	<u>\$ (14,484)</u>	<u>\$600,334</u>

18. RESTATEMENTS OF BEGINNING BALANCES

During the current year, the District implemented GASB Statement No. 101, *Compensated Absences*. In addition to the value of unused vacation time owed to employees upon separation of employment, the District now recognizes an estimated amount of sick leave earned as of year-end that will be used by employees as time off in future years as part of the liability for compensated absences. The effects of the change in accounting principle are summarized below in the "Restatement – GASB 101 Implementation" column in the table below.

	6/30/2024 Net Position As Previously Reported	Restatement - GASB 101 Implementation	6/30/2024 Net Position As Restated
Government-Wide			
Governmental Activities	<u>\$(10,690,990)</u>	<u>\$ (16,587,334)</u>	<u>\$(27,278,324)</u>

This Page Intentionally Left Blank

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT
CLACKAMAS COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

This Page Intentionally Left Blank

WEST LINN - WILSONVILLE SCHOOL DISTRICT
CLACKAMAS COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2025

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
2025	0.2398 %	\$ 53,295,791	\$ 81,975,532	65.01 %	79.30 %
2024	0.0887	16,611,026	76,248,626	21.79	81.70
2023	0.2518	38,554,876	64,666,016	59.62	84.50
2022	0.5557	66,494,006	63,659,966	104.45	87.60
2021	0.5903	128,825,143	63,199,550	203.84	75.80
2020	0.5525	95,560,725	57,646,722	165.77	80.20
2019	0.5389	81,650,525	57,278,896	142.55	82.10
2018	0.4977	67,093,506	51,847,547	129.41	83.10
2017	0.5221	78,384,174	59,135,440	132.55	80.50
2016	0.4900	28,137,018	52,612,703	53.48	91.90

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.

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
2025	\$ 9,638,424	\$ 9,638,424	\$ -	\$ 84,057,103	11.47 %
2024	9,354,286	9,354,286	-	81,975,532	11.41
2023	8,105,040	8,105,040	-	76,248,626	10.63
2022	16,184,191	16,184,191	-	64,666,016	25.03
2021	16,791,474	16,791,474	-	63,659,966	26.38
2020	15,774,793	15,774,793	-	63,199,550	24.96
2019	12,260,735	12,260,735	-	57,646,722	21.27
2018	11,578,991	11,578,991	-	57,278,896	20.22
2017	9,273,315	9,273,315	-	51,847,547	17.89
2016	8,781,366	8,781,366	-	59,135,440	14.85

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.

WEST LINN - WILSONVILLE SCHOOL DISTRICT
CLACKAMAS COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2025

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB ASSET FOR RHIA

Year Ended June 30,	(a) Employer's proportion of the net OPEB asset (NOA)	(b) Employer's proportionate share of the net OPEB asset (NOA)	(c) Employer's covered payroll	(b/c) NOA as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total OPEB asset
2025	0.5031 %	\$ 2,032,053	\$ 81,975,532	2.479 %	220.6 %
2024	0.4578	1,676,439	76,248,626	2.199	201.6
2023	0.4253	1,511,332	64,666,016	2.337	194.6
2022	0.4612	1,583,618	63,659,966	2.488	183.9
2021	0.5432	1,106,735	63,199,550	1.751	150.1
2020	0.5277	1,019,796	57,646,722	1.737	144.5
2019	0.5038	562,324	57,278,896	0.982	124.0
2018	0.5223	217,984	51,847,547	0.420	108.9

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 year's data to match the measurement date used by the OPEB plan for each year.

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
2025	\$ N/A	\$ N/A	\$ N/A	\$ 84,057,103	N/A %
2024	N/A	N/A	N/A	81,975,532	N/A
2023	N/A	N/A	N/A	76,248,626	N/A
2022	N/A	N/A	N/A	64,666,016	N/A
2021	N/A	N/A	N/A	63,659,966	N/A
2020	N/A	N/A	N/A	63,199,550	N/A
2019	N/A	N/A	N/A	57,646,722	N/A
2018	N/A	N/A	N/A	57,278,896	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 with PERS contributions (See p. 43)

**WEST LINN - WILSONVILLE SCHOOL DISTRICT 3JT
CLACKAMAS COUNTY, OREGON**

**REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST EMPLOYMENT BENEFITS
June 30, 2025**

**IMPLICIT BENEFIT (OPEB) - HEALTH INSURANCE BENEFITS:
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	Benefit Payments	Total OPEB Liability - End of Year	Estimated Covered Employee Payroll	Total OPEB Liability as a % of Covered Employee Payroll
2025	\$ 20,993,644	\$ 670,033	\$ 743,593	\$ 2,541,607	\$ (1,672,072)	\$ (1,242,464)	\$ 22,034,341	\$ 66,718,380	33.03%
2024	20,619,818	901,231	729,682	-	-	(1,257,087)	20,993,644	64,152,288	32.72%
2023	23,269,969	866,568	487,692	21,789	(2,642,941)	(1,383,259)	20,619,818	58,739,177	35.10%
2022	23,174,684	1,050,711	485,016	-	-	(1,440,442)	23,269,969	56,752,828	41.00%
2021	21,228,328	1,015,180	445,715	(165,201)	1,837,427	(1,186,765)	23,174,684	55,468,234	41.78%
2020	20,917,393	795,448	711,184	-	-	(1,195,697)	21,228,328	53,592,497	39.61%
2019	17,257,862	768,549	582,345	2,289,011	1,258,480	(1,238,854)	20,917,393	59,233,770	35.31%
2018	17,328,809	509,638	597,494	-	-	(1,178,079)	17,257,862	57,230,696	30.15%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended June 30,	(a) Actuarially Determined Contribution	(b) Contributions During Year	(b)-(a) Difference	(c) Covered Employee Payroll	(b/c) Contributions as a Percentage of Payroll
2025	\$ N/A	\$ N/A	\$ N/A	\$ 77,168,408	N/A %
2024	N/A	N/A	N/A	66,718,380	N/A
2023	N/A	N/A	N/A	64,152,288	N/A
2022	N/A	N/A	N/A	58,739,177	N/A
2021	N/A	N/A	N/A	56,752,828	N/A
2020	N/A	N/A	N/A	55,468,234	N/A
2019	768,549	-	N/A	53,592,497	N/A
2018	509,638	-	N/A	59,233,770	N/A

The above table presents the most recent actuarial valuations for the District's post-retirement health insurance and it provides information that approximates the funding progress of the plan.

In implementing GASB Statement No. 75, the following changes since the prior valuation were implemented; (i) the actuarial cost method was changed from Projected Unit Credit to Entry Age Normal, (ii) the interest rate for discounting future liabilities was lowered to match municipal bond rates, (iii) premium increase rates were modified to reflect anticipated experience, (iv) the percentage of future retirees covering a spouse on the plan was decreased to reflect the anticipated experience, (v) demographic assumptions were revised to match (as closely as possible) those developed in the most recent experience study for Oregon PERS, and (vi) an implicit rate subsidy is now being valued for participants in the health plans. In prior valuations, the District's participating in the health plans determined to be a community rated arrangement.

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.

There are no assets in a trust that meet the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the pension/OPEB plan.

**WEST LINN - WILSONVILLE SCHOOL DISTRICT 3JT
CLACKAMAS COUNTY, OREGON**

**REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST EMPLOYMENT BENEFITS
June 30, 2025**

IMPLICIT BENEFIT (OPEB) - STIPENDS:

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	Benefit Payments	Total OPEB Liability - End of Year	Estimated Covered Employee Payroll	Total OPEB Liability as a % of Covered Employee Payroll
2025	\$ 2,138,705	\$ 47,360	\$ 71,777	\$ 370,063	\$ (131,274)	\$ (344,424)	\$ 2,152,207	\$ 20,529,021	10.48%
2024	2,353,337	70,748	79,242	-	-	(364,622)	2,138,705	19,739,443	10.83%
2023	2,325,252	68,027	46,200	464,555	(178,015)	(372,682)	2,353,337	21,099,721	11.15%
2022	2,521,347	90,965	50,812	-	-	(337,872)	2,325,252	20,386,204	11.41%
2021	2,301,726	87,889	46,435	25,857	363,372	(303,932)	2,521,347	21,986,457	11.47%
2020	2,557,484	66,777	82,425	-	-	(404,960)	2,301,726	21,242,954	10.84%
2019	2,589,407	64,519	83,651	562,831	(344,167)	(398,757)	2,557,484	15,972,425	16.01%
2018	2,846,476	65,846	94,433	(1,010)	67,432	(483,770)	2,589,407	15,432,295	16.78%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended June 30,	(a) Actuarially Determined Contribution	(b) Contributions During Year	(b)-(a) Difference	(c) Covered Employee Payroll	(b/c) Contributions as a Percentage of Payroll
2025	\$ N/A	\$ N/A	\$ N/A	\$ 20,274,244	N/A %
2024	N/A	N/A	N/A	20,529,021	N/A
2023	N/A	N/A	N/A	19,739,443	N/A
2022	N/A	N/A	N/A	21,099,721	N/A
2021	N/A	N/A	N/A	20,386,204	N/A
2020	N/A	N/A	N/A	21,986,457	N/A
2019	N/A	N/A	N/A	21,242,954	N/A
2018	N/A	N/A	N/A	15,972,425	N/A

The above table presents the most recent actuarial valuations for the District's post-retirement health insurance and it provides information that approximates the funding progress of the plan.

In implementing GASB Statement No. 75, the following changes since the prior valuation were implemented; (i) the actuarial cost method was changed from Projected Unit Credit to Entry Age Normal, (ii) the interest rate for discounting future liabilities was lowered to match municipal bond rates, (iii) premium increase rates were modified to reflect anticipated experience, (iv) the percentage of future retirees covering a spouse on the plan was decreased to reflect the anticipated experience, (v) demographic assumptions were revised to match (as closely as possible) those developed in the most recent experience study for Oregon PERS, and (vi) an implicit rate subsidy is now being valued for participants in the health plans. In prior valuations, the District's participating in the health plans determined to be a community rated arrangement.

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.

There are no assets in a trust that meet the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the pension/OPEB plan.

WEST LINN - WILSONVILLE SCHOOL DISTRICT 3JT
CLACKAMAS COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2025

GENERAL FUND				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:				
From Local Sources				
Property Taxes	\$ 48,318,078	\$ 48,318,078	\$ 49,493,655	\$ 1,175,577
Local Option Levy	13,499,000	13,499,000	13,544,687	45,687
Penalties and Interest on Taxes	36,466	36,466	108,400	71,934
Tuition	427,951	427,951	321,947	(106,004)
Earnings from Investments	2,292,861	2,292,861	1,867,493	(425,368)
Extra Curricular Activities	228,591	228,591	144,636	(83,955)
Fees	517,144	517,144	535,275	18,131
Rentals	420,038	420,038	644,275	224,237
Donations	257,500	257,500	1,205	(256,295)
Miscellaneous Local Sources	184,426	184,426	483,913	299,487
Total Local Sources	66,182,055	66,182,055	67,145,486	963,431
From Intermediate Sources				
County School Fund	1,000	1,000	4,892	3,892
ESD Apportionment	3,383,188	3,383,188	3,546,833	163,645
Other Intermediate Sources	-	-	38,432	38,432
Total Intermediate Sources	3,384,188	3,384,188	3,590,157	205,969
From State Sources				
State School Fund Support	65,583,628	65,583,628	65,564,997	(18,631)
Unrestricted Grants In Aid	1,089,552	1,089,552	763,325	(326,227)
Common School Fund and other State Sources	1,266,896	1,266,896	1,251,806	(15,090)
Total State Sources	67,940,076	67,940,076	67,580,128	(359,948)
From Federal Sources				
Federal Forest Fees	-	-	17,541	17,541
Total Revenues	137,506,319	137,506,319	138,333,312	826,993
EXPENDITURES:				
Instruction	95,717,112	95,717,112 (1)	90,817,067	4,900,045
Support Services	54,981,270	54,931,270 (1)	52,455,020	2,476,250
Enterprise and Community Service	492,739	492,739 (1)	354,024	138,715
Facilities Acquisition	-	50,000 (1)	46,242	3,758
Contingency	7,819,500	7,819,500 (1)	-	7,819,500
Total Expenditures	159,010,621	159,010,621	143,672,353	15,338,268
Excess of Revenues Over, (Under) Expenditures	(21,504,302)	(21,504,302)	(5,339,041)	16,165,261
OTHER FINANCING SOURCES, (USES)				
Transfers Out	(30,000)	(30,000) (1)	(20,273)	9,727
Gain (Loss) on Sale of Investment	-	-	50,427	50,427
Total Other Financing Sources, (Uses)	(30,000)	(30,000)	30,154	60,154
Net Change in Fund Balance	(21,534,302)	(21,534,302)	(5,308,887)	16,225,415
Beginning Fund Balance	21,534,302	21,534,302	24,675,391	3,141,089
Ending Fund Balance	\$ -	\$ -	\$ 19,366,504	\$ 19,366,504

(1) Appropriation Level

WEST LINN - WILSONVILLE SCHOOL DISTRICT 3JT
CLACKAMAS COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2025

SPECIAL REVENUE FUNDS

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:				
From Local Sources				
Earnings from Investments	\$ 14,172	\$ 14,172	\$ 14,345	\$ 173
Undesignated	936,463	936,463	615,558	(320,905)
Extracurricular Activities	2,117,483	2,117,483	2,945,416	827,933
Miscellaneous Local Sources	1,251,570	1,251,570	568,412	(683,158)
From Intermediate Sources	1,821,570	1,821,570	257,253	(1,564,317)
From State Sources	14,233,118	14,233,118	14,673,340	440,222
From Federal Sources	5,837,583	5,837,583	7,301,090	1,463,507
Total Revenues	26,211,959	26,211,959	26,375,414	163,455
EXPENDITURES:				
Instruction	16,635,928	16,635,928 (1)	13,381,501	3,254,427
Support Services	8,123,940	8,123,940 (1)	5,535,421	2,588,519
Enterprise and Community Services	3,659,571	3,659,571 (1)	3,928,351	(268,780)
Total Expenditures	28,419,439	28,419,439	22,845,273	5,574,166
Excess of Revenues Over, (Under) Expenditures	(2,207,480)	(2,207,480)	3,530,141	5,737,621
Other Financing Sources				
Transfers In	1,104,107	1,104,107	20,273 (2)	(1,083,834)
Transfers Out	(1,260,000)	(1,260,000) (1)	(115,035)	1,144,965
Total Other Financing Sources	(155,893)	(155,893)	(94,762)	61,131
Net Change in Fund Balance	(2,363,373)	(2,363,373)	3,435,379	5,798,752
Beginning Fund Balance	3,096,729	3,096,729	85,802	(3,010,927)
Ending Fund Balance	\$ 733,356	\$ 733,356	\$ 3,521,181	\$ 2,787,825

(1) Appropriation Level

(2) This amount represents the required match for National School Lunch Support.

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT
CLACKAMAS COUNTY, OREGON

SUPPLEMENTARY INFORMATION

This Page Intentionally Left Blank

WEST LINN - WILSONVILLE SCHOOL DISTRICT 3JT
CLACKAMAS COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2025

DEBT SERVICE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:				
From Local Sources:				
Taxes	\$ 31,231,270	\$ 31,231,270	\$ 30,543,546	\$ (687,724)
Penalties and Interest on Taxes	88,881	88,881	67,847	(21,034)
Interest on Investments	35,483	35,483	746,324	710,841
Services to Other Funds	11,518,832	11,518,832	11,831,060	312,228
Total Revenues	42,874,466	42,874,466	43,188,777	314,311
EXPENDITURES:				
Debt Service				
Principal	30,264,106	30,264,106	30,770,000	(505,894)
Interest	12,610,360	12,610,360	11,164,175	1,446,185
Total Expenditures	42,874,466	42,874,466 (1)	41,934,175	940,291
Other Financing Sources (Uses)				
Proceeds from Bonds Issued	-	-	2,488	2,488
Total Other Financing Sources	-	-	2,488	2,488
Net Change in Fund Balance	-	-	1,257,090	1,257,090
Beginning Fund Balance	-	-	2,575,844	2,575,844
Ending Fund Balance	\$ -	\$ -	\$ 3,832,934	\$ 3,832,934

(1) Appropriation Level

WEST LINN - WILSONVILLE SCHOOL DISTRICT 3JT
CLACKAMAS COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2025

CAPITAL PROJECTS FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:				
From Local Sources:				
Construction Excise Tax	\$ 250,000	\$ 250,000	\$ 730,974	\$ 480,974
Earnings on Investments	1,745,613	1,745,613	1,154,895	(590,718)
Rentals	-	-	31,630	31,630
Miscellaneous	-	-	996,526	996,526
Total Revenues	1,995,613	1,995,613	2,914,025	918,412
EXPENDITURES:				
Support Services	2,115,000	2,115,000 (1)	1,217,081	897,919
Facilities Acquisition and Construction	42,134,416	42,034,416 (1)	13,159,166	28,875,250
Debt Services	-	100,000 (1)	57,550	42,450
Total Expenditures	44,249,416	44,249,416	14,433,797	29,815,619
Other Financing Sources, -Uses:				
Bond Proceeds	36,417,011	36,417,011	52,000	(36,365,011)
Transfers In	-	-	115,035	115,035
Gain (Loss) on Sale of Investments	-	-	247,810	247,810
Total Other Financing Sources	36,417,011	36,417,011	414,845	(36,002,166)
Net Change in Fund Balance	(5,836,792)	(5,836,792)	(11,104,927)	(5,268,135)
Beginning Fund Balance	5,836,792	5,836,792	34,709,237	28,872,445
Ending Fund Balance	\$ -	\$ -	\$ 23,604,310	\$ 23,604,310

(1) Appropriation Level

WEST LINN - WILSONVILLE SCHOOL DISTRICT 3JT
CLACKAMAS COUNTY, OREGON

SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES
OF TAXES UNCOLLECTED - GENERAL FUND
For the Year Ended June 30, 2025

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/2024	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED 6/30/2025
<u>GENERAL FUND:</u>						
Current:						
2024-25	\$ 65,017,398	\$ 1,695,357	\$ (97,185)	\$ 19,588	\$ 62,008,978	\$ 1,235,466
Prior Years:						
2023-24	1,154,336	(447)	(30,543)	34,819	528,756	630,303
2022-23	370,979	(73)	1,523	23,900	144,912	251,563
2021-22	192,161	(36)	3,242	33,455	137,356	91,538
2020-21	76,645	(7)	1,567	19,206	69,198	28,227
Prior Years	100,922	(1)	2,478	3,429	16,375	90,455
Total Prior	1,895,043	(564)	(21,733)	114,809	896,597	1,092,086
Total General Fund	\$ 66,912,441	\$ 1,694,793	\$ (118,918)	\$ 134,397	\$ 62,905,575	\$ 2,327,552

RECONCILIATION TO REVENUE:						GENERAL FUND
Cash Collections by County Treasurer Above						\$ 62,905,575
Accrual of Receivables:						
June 30, 2024						(209,916)
June 30, 2025						163,107
Change from Prior Years Unearned Revenue, see page 6						474,129
Taxes in lieu						287,063
Total Revenue						\$ 63,619,958

WEST LINN - WILSONVILLE SCHOOL DISTRICT 3JT
CLACKAMAS COUNTY, OREGON

SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES
OF TAXES UNCOLLECTED - DEBT SERVICE FUND
For the Year Ended June 30, 2025

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/2024	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED 6/30/2025
<u>DEBT SERVICE FUND:</u>						
Current:						
2024-25	\$ 31,513,852	\$ 821,748	\$ (47,110)	\$ 9,499	\$ 30,055,771	\$ 598,722
Prior Years:						
2023-24	561,345	(217)	(16,760)	16,871	256,248	305,425
2022-23	180,397	(35)	110	11,581	70,222	121,901
2021-22	93,442	(18)	1,247	16,209	66,558	44,358
2020-21	37,271	(3)	629	9,306	33,531	13,678
Prior Years	49,075	-	1,032	1,661	7,935	43,833
Total Prior	921,530	(273)	(13,742)	55,628	434,494	529,195
Total Debt Service Fund	\$ 32,435,382	\$ 821,475	\$ (60,852)	\$ 65,127	\$ 30,490,265	\$ 1,127,917

RECONCILIATION TO REVENUE:						DEBT SERVICE FUND
Cash Collections by County Treasurer Above						\$ 30,490,265
Accrual of Receivables:						
June 30, 2024						(99,886)
June 30, 2025						79,073
Change from Prior Years Unearned Revenue, see page 6						226,876
Taxes in lieu						141,941
Total Revenue						\$ 30,838,269

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT

CLACKAMAS COUNTY, OREGON

OTHER INFORMATION

This Page Intentionally Left Blank

WEST LINN - WILSONVILLE SCHOOL DISTRICT 3JT
CLACKAMAS COUNTY, OREGON

SUPPLEMENTAL INFORMATION
As Required by The Oregon Department of Education
For the Year Ended June 30, 2025

A. Energy bills for heating - all funds:				<u>Objects 325 and 326 and 327</u>	
			Function 2542	\$	2,962,946
			Function 2550		-
B. Replacement of equipment - General Fund:					
Include all General Fund expenditures in Object 542, except for the following exclusions:				<u>Amount</u>	
Exclude these functions:					
1113, 1122 & 1132	Co-curricular activities	2550	Pupil transportation	\$	20,806
1140	Pre-kindergarten	3100	Food service		
1300	Continuing education	3300	Community services		
1400	Summer school	4150	Construction		

This Page Intentionally Left Blank

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT
CLACKAMAS COUNTY, OREGON

STATISTICAL SECTION

This Page Intentionally Left Blank

STATISTICAL SECTION

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

Contents

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT
Condensed Statement of Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Governmental Activities

	2015-16	2016-17	2017-18	2018-19
Assets				
Current and other assets	\$ 110,924,720	\$ 67,781,215	\$ 49,782,679	\$ 39,361,258
Net capital assets	230,189,932	269,960,004	279,926,767	274,487,819
Net Position	341,114,652	337,741,219	329,709,446	313,849,077
Deferred Outflows of Resources				
PERS Escrow Account	-	-	-	-
Pension Related Deferrals	10,401,107	46,431,392	25,324,945	33,919,194
Other Postemployment Benefits	-	-	-	3,509,625
Loss on Bond Refunding Expenses	331,404	2,180,708	2,044,414	1,908,120
Total Deferred Outflows	10,732,511	48,612,100	27,369,359	39,336,939
Liabilities				
Long-term debt outstanding	277,526,728	344,595,901	331,643,880	336,970,903
Prepaid PERS unfunded actuarial liability outstanding	28,137,018	-	-	-
Other liabilities	18,195,535	31,563,562	17,937,074	18,038,127
Total liabilities	323,859,281	376,159,463	349,580,954	355,009,030
Deferred Inflows of Resources				
Lease Deferred Inflows	-	-	-	-
Pension and OPEB Related Deferrals	6,326,130	888,604	2,462,016	6,091,755
Net Positions				
Net Investments in Capital Assets	81,383,510	90,476,909	87,597,471	82,421,522
Restricted for Net OPEB Asset-RHIA	-	-	-	-
Restricted for: Grants and Other Purposes	1,117,589	1,894,306	2,025,126	2,825,551
Restricted for: Debt Service	-	-	-	-
Restricted for Capital Projects	1,423,511	4,547,243	606,336	1,611,673
Restricted for Instruction	82,903,599	34,769,771	-	-
Unrestricted	(145,166,336)	(122,382,977)	(85,193,098)	(94,773,515)
Total Net Position	21,661,873	9,305,252	5,035,835	(7,914,769)

2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$ 203,320,968	\$ 200,205,804	\$ 155,642,706	\$ 152,769,293	\$ 88,688,316	\$ 81,303,862
267,550,694	264,003,186	331,419,230	397,155,340	420,505,170	419,041,013
470,871,662	464,208,990	487,061,936	549,924,633	509,193,486	500,344,875
-	-	109,630,000	105,985,000	-	-
35,360,767	52,874,215	45,568,954	107,425,127	82,258,208	90,577,469
2,973,493	4,431,084	3,979,004	3,514,737	3,827,901	5,825,605
13,693,831	13,237,370	12,780,909	12,324,448	11,867,987	11,411,526
52,028,091	70,542,669	171,958,867	229,249,312	97,954,096	107,814,600
511,100,340	520,039,746	443,135,209	559,252,778	507,042,192	455,380,554
-	-	-	-	-	-
20,737,677	38,540,249	40,423,905	55,011,721	51,860,201	121,879,411
531,838,017	558,579,995	483,559,114	614,264,499	558,902,393	577,259,965
-	-	-	629,302	614,818	600,334
6,563,044	4,663,487	58,154,940	57,078,116	58,321,361	45,787,525
77,390,134	64,182,452	331,419,230	111,407,345	102,555,516	255,195,215
-	1,106,735	1,583,618	1,511,332	1,676,439	2,032,053
789,207	5,303,189	6,290,982	1,949,294	2,575,844	3,296,809
-	137,377,636	80,568,952	-	34,709,237	3,832,934
8,188,987	6,654,869	4,626,827	3,251,475	-	23,555,560
-	-	-	-	-	-
(101,869,636)	(243,116,704)	(416,812,860)	(10,911,418)	(152,208,026)	(303,308,056)
(15,501,308)	(28,491,823)	7,676,749	107,208,028	(10,690,990)	(15,395,485)

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Governmental Activities

	2015-16	2016-17	2017-18	2018-19
Expenses				
Instruction	\$ 77,474,978	\$ 60,564,628	\$ 82,330,132	\$ 85,805,880
Support services	40,427,152	30,298,623	38,320,273	40,258,819
Enterprise and Community Services	2,074,007	1,683,649	2,284,644	2,401,435
Non-capital facilities maintenance & replacement	-	-	1,013,531	9,232,284
Interest and fees on long-term debt	12,424,772	12,748,141	13,611,839	13,985,118
Total expenditures	132,400,909	105,295,041	137,560,419	151,683,536

Program Revenues

Charges for services				
Instruction	754,580	2,539,929	1,191,477	1,018,115
Support services	-	-	-	-
Enterprise and Community Services	770,826	792,521	1,050,169	1,145,093
Operating grants and contributions				
Instruction	2,052,698	2,217,694	2,968,721	4,426,307
Support services	894,928	921,763	1,109,017	1,584,504
Enterprise and Community Services	1,054,603	889,795	1,419,805	1,172,458
Total program revenues	5,527,635	7,361,702	7,739,189	9,346,477

Net (Expenses)	(126,873,274)	(97,933,339)	(129,821,230)	(142,337,059)
-----------------------	---------------	--------------	---------------	---------------

General Revenues

Property taxes	51,133,867	53,715,955	56,182,652	58,505,092
Local Option Tax	5,087,515	6,791,972	7,793,250	8,954,255
State School Fund	48,614,895	49,411,772	58,230,043	57,543,858
Investment earnings	724,913	767,737	940,691	1,284,017
Other	8,276,826	7,783,102	6,431,713	2,883,525
Gain on disposal of capital assets	665,084	-	(4,026,536)	215,708
Total general revenues	114,503,100	118,470,538	125,551,813	129,386,455

Change in Net Position	<u><u>\$ (12,370,174)</u></u>	<u><u>\$ 20,537,199</u></u>	<u><u>\$ (4,269,417)</u></u>	<u><u>\$ (12,950,604)</u></u>
-------------------------------	-------------------------------	-----------------------------	------------------------------	-------------------------------

2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$ 94,660,559	\$ 92,271,255	\$ 34,330,303	\$ 40,800,927	\$ 106,236,561	\$ 113,863,694
41,251,709	44,831,382	20,115,093	24,268,921	64,008,812	64,699,422
2,563,549	2,293,511	1,163,257	1,167,053	3,374,844	4,679,595
10,218,396	25,345,928	68,121,997	-	-	-
14,363,105	17,199,391	17,884,497	17,300,602	15,246,552	16,244,160
163,057,318	181,941,467	141,615,147	83,537,503	188,866,769	199,486,871
3,882,862	509,858	3,344,467	4,011,431	1,718,123	3,086,474
-	-	-	-	-	-
786,770	3,717	4,726	762,884	979,432	615,559
4,217,985	7,071,754	3,947,040	2,965,098	1,403,053	4,666,845
1,967,133	3,255,306	1,915,675	1,511,371	411,549	2,651,786
875,066	-	-	-	1,109,598	-
11,729,816	10,840,635	9,211,908	9,250,784	5,621,755	11,020,664
(151,327,502)	(171,100,832)	(132,403,239)	(74,286,719)	(183,245,014)	(188,466,207)
63,066,951	78,097,546	76,289,005	83,892,797	60,435,629	63,619,958
9,395,737	6,192,550	10,788,464	13,047,273	29,375,891	30,838,269
59,997,081	70,612,739	78,960,049	74,720,020	77,563,979	82,253,468
2,356,445	1,606,062	1,479,589	5,675,276	7,074,667	3,959,304
3,071,026	2,611,005	2,630,713	3,430,809	14,769,279	19,828,758
4,753,313	(1,569,098)	(1,576,009)	-	1,102,310	(150,711)
142,640,553	157,550,804	168,571,811	180,766,175	190,321,755	200,349,046
\$ (8,686,949)	\$ (13,550,028)	\$ 36,168,572	\$ 106,479,456	\$ 7,076,741	\$ 11,882,839

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT**Fund Balances of Governmental Funds****Last Ten Fiscal Years***(modified accrual basis of accounting)*

	2015-16	2016-17	2017-18	2018-19
Fund Balances (Deficit)				
General Fund:				
Nonspendable	\$ 43,137	\$ 297,467	\$ 341,906	\$ 355,181
Restricted for:				
Special Grants & Services	-	-	-	-
Debt Service Funds	-	-	-	-
Future Capital Projects	-	-	-	-
Unassigned	6,153,770	6,546,394	9,227,907	9,311,491
Total fund balances	6,196,907	6,843,861	9,569,813	9,666,672
Other Governmental Funds:				
Nonspendable	41,893	-	70,371	51,357
Restricted for:				
Special Grants & Services	1,423,511	4,517,747	1,954,755	1,560,316
Debt Service Funds	1,117,468	1,894,306	1,170,821	2,825,551
Future Capital Projects	82,903,599	34,769,771	15,962,081	5,470,268
Unassigned	-	-	-	-
Total fund balances	85,486,471	41,181,824	19,158,028	9,907,492
TOTAL:				
Nonspendable	85,030	297,467	412,277	406,538
Restricted for:				
Special Grants & Services	1,423,511	4,517,747	1,954,755	1,560,316
Debt Service Funds	1,117,468	1,894,306	1,170,821	2,825,551
Future Capital Projects	82,903,599	34,769,771	15,962,081	5,470,268
Unassigned	6,153,770	6,546,394	9,227,907	9,311,491
Total fund balances	<u>\$ 91,683,378</u>	<u>\$ 48,025,685</u>	<u>\$ 28,727,841</u>	<u>\$ 19,574,164</u>

2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$ 55,261	\$ 78,122	\$ 28,969	\$ 34,205	\$ 10,636	\$ 48,010
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
11,847,743	23,911,697	34,622,697	35,053,981	24,664,755	19,318,494
11,903,004	23,989,819	34,651,666	35,088,186	24,675,391	19,366,504
51,357	62,047	132,529	156,567	95,089	273,122
8,161,331	6,654,869	4,494,298	3,251,475	-	3,296,809
2,016,914	5,303,189	1,478,426	1,949,294	2,575,844	3,832,934
158,815,257	137,377,636	79,375,493	79,239,819	34,709,237	23,555,560
-	-	-	-	(9,287)	-
169,044,859	149,397,741	85,480,746	84,597,155	37,370,883	30,958,425
106,618	140,169	161,498	190,772	105,725	321,132
8,161,331	6,654,869	4,494,298	3,251,475	-	3,296,809
2,016,914	5,303,189	1,478,426	1,949,294	2,575,844	3,832,934
158,815,257	137,377,636	79,375,493	79,239,819	34,709,237	23,555,560
11,847,743	23,911,697	34,622,697	35,053,981	24,655,468	19,318,494
\$ 180,947,863	\$ 173,387,560	\$ 120,132,412	\$ 119,685,341	\$ 62,046,274	\$ 50,324,929

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT
Changes in Fund Balance of All Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2015-16	2016-17	2017-18	2018-19
REVENUES:				
Local Sources:	\$ 65,042,468	\$ 70,819,518	\$ 71,720,791	\$ 78,535,265
Intermediate Sources:	2,045,644	2,160,902	3,619,061	354,264
State Sources:	48,631,895	49,429,672	62,335,990	63,000,468
Federal Sources	3,418,297	3,396,978	3,183,166	3,232,950
TOTAL REVENUES	119,138,304	125,807,070	140,859,008	145,122,947
EXPENDITURES:				
Current:				
Instruction	59,822,353	64,230,670	70,561,727	75,403,636
Support Services	30,771,343	31,030,670	35,735,951	38,051,321
Enterprise and Community Services	1,953,835	1,992,591	2,171,560	2,317,551
Facilities Acquisition and Construction	17,184,455	-	-	-
Debt Service				
Principal	11,221,288	11,877,387	10,701,504	15,630,287
Interest	12,542,237	12,756,883	15,198,409	11,146,753
Other	-	-	-	-
Capital Outlay	-	49,940,770	22,557,745	12,066,221
TOTAL EXPENDITURES	133,495,511	171,828,971	156,926,896	154,615,769
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(14,357,207)	(46,021,901)	(16,067,888)	(9,492,822)
OTHER FINANCING SOURCES, (USES):				
Gain (Loss) on Sale of Investment	-	-	-	-
Sale of Capital Assets	665,084	-	-	339,145
Bond Sale Proceeds	-	-	-	-
Premium on Bond Insurance	-	-	-	-
Payment to Bond Escrow Agent	-	-	-	-
Loan Receipts	-	-	-	-
Transfers In	250,000	5,194	-	-
Transfers Out	(250,000)	(5,194)	-	-
TOTAL OTHER FINANCING SOURCES	665,084	-	-	339,145
NET CHANGE IN FUND BALANCE	(13,692,123)	(46,021,901)	(16,067,888)	(9,153,677)
BEGINNING FUND BALANCE	105,394,326	94,047,946	44,795,729	28,727,841
Adjustment for Inventories reported under the purchase method	(18,825)	-	-	-
Prior Period Adjustment	-	(3,229,956)	-	1,100,410
ENDING FUND BALANCE	<u>\$ 91,683,378</u>	<u>\$ 44,795,729</u>	<u>\$ 28,727,841</u>	<u>\$ 20,674,574</u>
Ratio of total debt service to total non-capital expenditures	21.00%	23.90%	16.50%	17.64%

2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$ 83,855,247	\$ 86,262,008	\$ 88,605,228	\$ 107,844,470	\$ 111,066,486	\$ 117,392,019
2,738,494	2,982,739	3,308,283	3,554,990	3,549,355	3,847,410
63,050,822	70,612,739	78,960,049	74,720,020	77,601,390	82,253,468
3,195,872	9,955,326	5,185,145	4,052,288	2,166,792	7,318,631
152,840,435	169,812,812	176,058,705	190,171,768	194,384,023	210,811,528
80,198,088	80,370,759	77,045,254	90,165,884	99,157,293	104,198,568
37,773,088	39,049,346	45,143,355	53,631,836	59,743,467	59,207,522
2,397,614	1,997,710	2,610,255	2,579,067	3,149,954	4,282,375
-	-	-	-	-	-
14,320,556	20,284,997	25,095,000	27,444,787	25,688,502	30,770,000
15,028,799	10,298,470	11,297,992	11,173,379	14,759,957	11,164,175
1,307,489	-	-	-	579,905	57,550
11,042,764	25,345,928	68,121,997	70,754,417	50,333,640	13,205,408
162,068,398	177,347,210	229,313,853	255,749,370	253,412,718	222,885,598
(9,227,963)	(7,534,398)	(53,255,148)	(65,577,602)	(59,028,695)	(12,074,070)
-	(585,418)	-	-	-	298,237
5,560,895	-	-	-	1,389,628	-
228,664,082	-	-	65,786,474	-	54,488
11,148,048	-	-	-	-	-
(75,871,773)	-	-	-	-	-
-	-	-	300,000	-	-
-	2,025,456	450,845	38,633	310,569	135,308
-	(2,025,456)	(450,845)	(38,633)	(310,569)	(135,308)
169,501,252	(585,418)	-	66,086,474	1,389,628	352,725
160,273,289	(8,119,816)	(53,255,148)	508,872	(57,639,067)	(11,721,345)
20,674,574	180,947,863	173,387,560	119,176,469	119,685,341	62,046,274
-	-	-	-	-	-
-	559,513	-	-	-	-
\$ 180,947,863	\$ 173,387,560	\$ 120,132,412	\$ 119,685,341	\$ 62,046,274	\$ 50,324,929
18.35%	17.85%	23.80%	21.39%	20.15%	19.63%

West Linn Wilsonville School District
Assessed Values of Taxable Property within School District No. 3JT Boundaries
Last Ten Fiscal Years

Fiscal Year Ending June 30	Assessed Value		Total Assessed Value	Total Direct Tax Rate *	Real Market Value		Total Real Market Value	AV as a % of RMV
	Real Property	Personal Property			Real Property	Personal Property		
2015-16	\$ 6,922,003,063	\$ 380,069,754	\$ 7,302,072,817	8.46	\$ 8,570,270,178	\$ 404,806,749	\$ 8,975,076,927	81.4
2016-17	7,287,685,922	399,786,841	7,687,472,763	8.34	9,617,195,451	402,856,210	10,020,051,661	76.7
2017-18	7,654,272,568	428,067,373	8,082,339,941	8.57	10,538,774,757	431,910,321	10,970,685,078	73.7
2018-19	7,971,617,453	422,815,994	8,394,433,447	8.93	11,245,346,138	423,711,711	11,669,057,849	71.9
2019-20	8,304,651,810	452,993,872	8,757,645,682	8.95	12,178,547,536	454,119,753	12,632,667,289	69.3
2020-21	9,975,183,415	595,157,852	10,570,341,267	8.71	14,606,359,951	595,157,852	15,201,517,803	69.5
2021-22	8,977,867,069	502,899,811	9,480,766,880	9.15	13,638,276,391	504,814,754	14,143,091,145	67.0
2022-23	9,760,635,157	496,180,141	10,256,815,298	9.32	19,914,168,476	512,019,913	20,426,188,389	50.2
2023-24	9,766,134,867	498,466,437	10,264,601,304	9.32	19,945,212,796	514,297,636	20,459,510,432	50.2
2024-25	10,150,538,852	536,803,034	10,687,341,886	9.11	20,223,683,226	553,373,480	20,777,056,706	51.4

Source:

Assessors office of both Clackamas and Washington Counties.

* Per \$1,000 of Assessed Value

**West Linn Wilsonville School District
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years**

District Direct Rates					
Fiscal Year	General Tax Permanent Rate 1	Local Option 2	GAP Bond (PERS)	General Obligation Debt Service Bonds	Total Direct Tax Rate
2015-16	4.87	0.72	-	2.87	8.46
2016-17	4.87	0.91	-	2.86	8.34
2017-18	4.87	0.99	-	2.71	8.57
2018-19	4.87	1.07	-	2.82	8.76
2019-20	4.87	1.10	-	2.96	8.93
2020-21	4.87	1.16	-	2.92	8.95
2021-22	4.87	1.16	-	2.68	8.71
2022-23	4.87	1.33	-	2.95	9.15
2023-24	4.87	1.50	-	2.95	9.32
2024-25	4.87	1.31	-	2.93	9.11

Overlapping Total Property Tax Rates						
Fiscal Year	City of West Linn	City of Wilsonville	Clackamas Community College	Clackamas County Rural	Clackamas County Education Service Dist	Tualatin Valley Fire & Rescue
2015-16	2.54	2.13	0.70	3.18	0.36	1.51
2016-17	2.54	2.10	0.74	3.19	0.37	2.11
2017-18	2.54	1.97	0.74	3.19	0.37	1.98
2018-19	2.54	2.02	0.74	3.20	0.37	2.08
2019-20	2.54	2.52	0.74	3.22	0.37	2.08
2020-21	2.54	2.52	0.73	3.22	0.37	2.07
2021-22	2.12	2.52	0.56	2.50	0.37	2.07
2022-23	2.54	2.52	0.72	3.22	0.37	2.12
2023-24	2.50	2.52	0.81	3.22	0.37	2.11
2024-25	2.49	2.52	0.80	3.34	0.37	2.11

1. Permanent tax rates are determined by the State of Oregon Constitution and State Statutes. Existing districts cannot increase their permanent rate authority. Local option levies are limited to five years for operations and ten years for capital projects. Elections for local option levies must meet the double majority election test, except in the November and May election every year. Rates for debt service are based on each year's requirements.

2. Local Option taxes are assessed at \$1.50 per thousand AV.

Source: Clackamas County Assessors Office

Overlapping Total Property Tax Rates					
Metropolitan Service District	Port of Portland	Tri-Met	City of Tualatin	Washington County	City of Lake Oswego
0.45	0.07	-	2.53	2.82	4.99
0.37	0.07	-	2.52	2.84	4.82
0.40	0.07	-	2.51	2.96	4.77
0.41	0.07	-	2.50	2.96	5.91
-	0.07	-	2.89	2.96	5.24
0.66	0.07	-	2.87	2.96	5.21
0.66	0.07	0.57	1.97	2.96	5.86
0.57	0.07	-	2.86	3.01	5.20
0.57	0.07	-	3.11	3.00	5.18
0.57	0.07	-	3.10	3.00	5.19

West Linn Wilsonville School District
Principal Property Taxpayers Clackamas County as a Whole

		2024-25	
<u>Taxpayer</u>	<u>Type of Business</u>	<u>Taxable Assessed Value</u>	<u>Percentage of Total Taxable Assessed Value</u>
Portland Gen Elec Co	Electrical Utility	\$ 1,301,131,000	12.17%
General Growth Properties Inc	Town Center Mall	313,648,398	2.93%
PCC Structurals Inc	Manufacturing/Aerospace	307,793,793	2.88%
Northwest Natural Gas Co	Natural Gas Utility	296,231,000	2.77%
Fred Meyer Stores Inc	Retail	292,429,308	2.74%
Shorenstein Properties LLC	Kruse Way Office Buildings	226,892,482	2.12%
Comcast Corporation	Telecommunications	141,617,979	1.33%
ROIC Oregon LLC	Real Estate Investment Trust	99,909,731	0.93%
Meadows Road LLC	Meadows Road Office Buildings	85,687,536	0.80%
Twist Bioscience	Biochemical Engineering	82,807,167	0.77%
Subtotal - ten of County's largest taxpayers		3,148,148,394	29.44%
All other County taxpayers		7,539,193,492	70.54%
Total County		\$ 10,687,341,886	100.00%

		2015-16	
<u>Employer</u>	<u>Type of Business</u>	<u>Taxable Assessed Value</u>	<u>Percentage of Total Taxable Assessed Value</u>
Portland Gen Elec Co	Utilities	\$ 693,695,000	9.50%
Shorenstein Properties LLC	Real Estate	276,494,593	3.79%
General Growth Properties Inc	Real Estate	240,171,889	3.29%
Comcast Corporation	Television and Internet	202,848,600	2.78%
Northwest Natural Gas Co	Utilities	189,266,600	2.59%
Fred Meyer Stores Inc	Retail	183,670,340	2.52%
PCC Structurals Inc	Manufacturing	128,910,620	1.77%
Xerox Corporation	Document Imaging	85,764,760	1.17%
Marvin F Poer & Company	Tax Services	72,296,670	0.99%
Blount Inc	Manufacturing	68,966,058	0.94%
Subtotal - ten of County's largest taxpayers		2,142,085,130	29.34%
All other County taxpayers		5,159,987,687	70.66%
Total County		\$ 7,302,072,817	100.00%

Source: Clackamas County Department of Assessment and Taxation.

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ending June 30	Net Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collected in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2015-16	\$ 50,903,512	\$ 49,927,677	98.08%	\$ 965,948	\$ 50,893,625	99.98%
2016-17	53,531,086	52,990,663	98.99%	528,545	53,519,208	99.98%
2017-18	55,814,432	54,994,181	98.53%	805,308	55,799,489	99.97%
2018-19	58,600,797	58,258,562	99.42%	322,189	58,580,751	99.97%
2019-20	62,497,224	62,299,114	99.68%	171,410	62,470,524	99.96%
2020-21	68,446,369	68,107,443	99.50%	297,021	68,404,464	99.94%
2021-22	65,366,073	64,560,714	98.77%	669,462	65,230,176	99.79%
2022-23	71,642,441	70,401,994	98.27%	866,983	71,268,977	99.48%
2023-24	89,845,514	88,129,151	98.09%	780,635	88,909,786	98.96%
2024-25	93,870,542	92,036,354	98.05%	-	92,036,354	98.05%

Note:

Net taxes levied are combined for Clackamas and Washington counties, less discounts. Responsibility for the collection of all property taxes rests within the County's Department of Assessment and Taxation. Current taxes are assessed as of July, become due as of November 15 and become delinquent as of May 15. Assessed taxes become a lien upon real property in the fourth year of delinquency. Proceeds of tax sales are applied to delinquent taxes, interest and other costs attributable to the property sold.

West Linn Wilsonville School District
Outstanding Debt by Type
Last Ten Fiscal Years
(dollars in thousands, except per capita)

Fiscal Year	Governmental Activities			Outstanding Debt Per Capita	Outstanding Debt as a Percentage of Personal Income (2)
	General Obligation Bonds (1)	Pension Obligation Bonds	Total Primary Government		
2015-16	\$ 234,630	\$ 37,390	\$ 272,021	\$ 4,907	1.29
2016-17	221,012	35,900	257,131	4,536	1.15
2017-18	210,365	34,155	218,967	4,314	1.04
2018-19	199,445	32,125	231,570	4,048	1.34
2019-20	361,879	29,790	391,669	7,470	2.26
2020-21	352,273	27,125	379,398	7,075	1.87
2021-22	341,671	133,730	475,401	8,881	2.35
2022-23	396,410	126,670	523,080	9,772	2.58
2023-24	336,832	119,015	455,847	8,605	2.10
2024-25	313,487	110,675	424,162	7,784	3.77

Note: See Demographic and Economic Statistics for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

(1) This is general bonded debt net of original issue discounts, premiums, and accretion.

(2) Personal Income data is for all of Clackamas County.

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT
Direct and Overlapping Governmental Activities Debt
As of June 30, 2025

Overlapping Issuer	Net Property-tax Backed Debt ¹	Percent Overlapping	Net Overlapping Debt
City Of Lake Oswego	\$ 78,360,000	0.00%	\$ 157
City Of Tualatin	25,979,954	1.93%	506,791
City Of West Linn	24,420,000	99.21%	24,223,663
City Of Wilsonville	14,978,600	82.48%	12,326,399
Clackamas Community College	232,085,031	20.34%	47,272,240
Clackamas County	88,689,500	14.88%	13,176,776
Clackamas Cty ESD	26,816,648	15.73%	4,207,076
Clackamas Soil & Water Conservation	4,643,000	14.88%	689,820
Metro	904,080,000	3.86%	35,545,008
Portland Community College	652,810,000	0.08%	439,895
Tualatin Valley Fire & Rescue District	53,760,000	12.55%	5,283,635
Washington County	134,636,465	0.19%	194,978
Subtotal, overlapping debt	2,241,259,198		143,866,438
Direct District net property-tax backed debt	424,162,321	100%	424,162,321
Total direct and overlapping debt	<u>\$ 2,665,421,519</u>		<u>\$ 568,028,759</u>

¹ Net Property-tax Backed Debt includes all General Obligation (GO) bonds and Limited-tax GO bonds, less Self-supporting Unlimited-tax (GO) and Self-supporting Limited-tax GO debt.

Source:

Overlapping Debt compiled from records published by the Oregon State Treasury, Debt Management Division using NET overlapping property tax debt as a percentage of NET property tax debt.

West Linn Wilsonville School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	General Bonded Debt			Percentage of Actual Taxable Value of Property (1)	Net G.O. Debt per Student Average Daily Membership (2)	
	General Obligation Bonds (5)	Less Amount Available for Repayment	Net General Obligation Bonds Outstanding			
2015-16	\$ 234,631,133	\$ 465,996	\$ 235,097,129	3.21%	\$	24,802
2016-17	221,012,082	(243,637)	220,768,445	2.87%		22,685
2017-18	210,365,791	(391,993)	209,973,798	2.60%		21,255
2018-19	199,444,685	(2,825,550)	196,619,135	2.38%		19,846
2019-20	361,879,171	(627,571)	361,251,600	4.13%		35,739
2020-21	352,272,972	(3,750,348)	348,522,624	3.49%		37,295
2021-22	341,671,294	(1,196,237)	340,475,057	3.59%		37,386
2022-23	396,409,671	(1,438,444)	394,971,227	3.85%		43,663
2023-24	336,832,321	(1,642,662)	335,189,659	3.27%		37,161
2024-25	313,487,321	(2,423,208)	311,064,113	2.91%		35,125

Fiscal Year	Other Governmental Activities Debt Refunding Special Obligations	Total District (3)	Per Student ADM (2)	Per Capita (4)	ADM	Population
2014-15	\$ 38,640,000	\$ 273,737,129	28,385	5,232	8,905	48,315
2015-16	37,390,000	258,158,445	25,482	4,907	9,479	49,222
2016-17	35,900,000	245,873,798	23,599	4,536	9,732	50,627
2017-18	34,155,000	230,774,135	22,165	4,314	9,879	50,761
2018-19	32,125,000	393,376,600	39,707	7,662	9,907	51,338
2019-20	29,790,000	378,312,624	37,427	7,324	10,108	51,654
2020-21	27,125,000	367,600,057	39,337	6,855	9,345	52,431
2021-22	133,730,000	528,497,009	58,032	9,873	9,107	53,622
2022-23	126,670,000	521,437,009	57,643	9,843	9,046	53,528
2023-24	119,015,000	454,204,659	50,355	8,574	9,020	52,974
2024-25	110,675,000	421,739,113	47,622	7,739	8,856	54,492

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.

¹ See schedule titled "Assessed Values of Taxable Property ..."

² Student enrollment data can be found on the sheet titled "Operating Statistics"

³ Includes net general bonded debt and other governmental activities debt.

⁴ Per capita is calculated using the estimated District population.

⁵ This is general bonded debt net of original issue discounts, premiums, and accretion.

West Linn Wilsonville School District
Legal Debt Margin Information
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2024-25

Real Market Value	\$ 20,223,683,226
Debt Limit (7.95%) ¹	1,607,782,816
Amount of Debt Applicable to Debt Limit:	
General Obligation Bonded Debt	313,487,321
Less: Amount Available in Debt Service Funds	(2,423,208)
Amount of Debt Applicable to Debt Limit	<u>311,064,113</u>
Legal Debt Margin	<u>\$ 1,296,718,703</u>

	2015-16	2016-17	2017-18	2018-19
Debt Limit	\$ 713,518,616	\$ 796,594,107	\$ 837,832,593	\$ 894,005,018
Total net debt applicable to limit	<u>234,631,133</u>	<u>221,012,082</u>	<u>210,365,791</u>	<u>199,444,685</u>
Legal debt margin	<u>\$ 509,363,163</u>	<u>\$ 602,826,041</u>	<u>\$ 653,020,731</u>	<u>\$ 695,229,083</u>
Total net debt applicable to the limit as a percentage of debt limit	28.61%	24.32%	22.06%	22.23%

¹ ORS 328.245 establishes a parameter of bonded indebtedness for school districts.

Aggregates are governed by real market values of all taxable properties within the District as follows:

^A For each grade from kindergarten to eighth for which the District operates schools, fifty-five one-hundredths of one percent (.0055) of the real market value.

^B For each grade from ninth to twelfth for which the District operates schools, seventy-five one-hundredths of one percent (.0075) of the real market value.

Allowable Percentage of Real Market Value:

^A Kindergarten through eighth grade, 9 x .0055	4.95%
^B Ninth through twelfth grade, 4 x .0075	<u>3.00%</u>
Allowable Percentage	<u><u>7.95%</u></u>

Source

Market value per Clackamas and Washington County Assessors Offices.

2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$ 968,194,529	\$ 1,161,205,616	\$ 1,084,242,973	\$ 1,583,176,394	\$ 1,585,644,417	\$ 1,607,782,816
<u>361,879,171</u>	<u>352,272,972</u>	<u>307,532,462</u>	<u>394,971,227</u>	<u>335,189,659</u>	<u>311,064,113</u>
<u>\$ 606,315,358</u>	<u>\$ 808,932,644</u>	<u>\$ 776,710,511</u>	<u>\$ 1,188,205,167</u>	<u>\$ 1,250,454,758</u>	<u>\$ 1,296,718,703</u>
37.38%	30.34%	28.36%	24.95%	21.14%	19.35%

West Linn Wilsonville School District
Demographic and Economic Statistics
Last Ten Calendar Years
Clackamas County

Year	District Population (1) (Estimated)	County Personal Income (2) (thousands of dollars)	County Per Capita Personal Income (2)	Clackamas County Unemployment Rate (3)
2015-16	49,222	\$ 20,965,832	\$ 51,379	4.3%
2016-17	50,627	23,220,274	56,268	3.7%
2017-18	50,761	24,385,155	58,608	3.7%
2018-19	51,338	24,481,580	58,849	3.4%
2019-20	51,654	26,039,459	62,194	3.7%
2020-21	52,431	28,039,367	66,419	3.2%
2021-22	53,622	30,212,946	71,504	3.5%
2022-23	53,528	30,946,445	73,129	3.2%
2023-24	52,974	33,967,827	80,269	3.7%
2024-25	54,492	33,967,827	80,269	4.7%

Sources:

¹ US Census Bureau

² Bureau of Economic Analysis for Clackamas County. No update since Prior Year due to Government Shutdown

³ State of Oregon Unemployment Rate for Clackamas County

West Linn Wilsonville School District
Full-time Equivalent District Employees by Type
Last Ten Fiscal Years

Full-time Equivalent Employees as of June 30 (1)				
	2024-25	2023-24	2022-23	2021-22
<u>Instructional Staff</u>				
Primary, K-5 Instruction	240.40	250.56	252.88	249.98
Middle School Instruction	109.23	117.58	126.73	127.93
High School Instruction	151.08	156.20	135.90	129.25
High School Activities	4.00	4.00	4.00	4.00
Pre-Kindergarten Instruction	4.61	4.08	6.19	3.88
Talented & Gifted	1.60	1.61	1.00	0.90
High Needs Students	76.18	74.30	59.75	47.94
Adult Transition Services	2.00	2.40	0.00	0.00
Resource Rooms	55.00	56.18	45.98	38.26
Treatment & Habilitation	0.00	3.00	3.00	3.00
Alternative Education	0.00	0.00	0.00	0.00
Charter Schools	0.00	0.00	0.00	0.00
English - Second Language	12.60	12.82	12.27	12.45
CREST	3.00	4.00	4.00	3.00
Subtotal Instructional Staff	659.70	686.73	651.70	620.59
<u>Support Services Staff</u>				
Social Work Services	0.00	1.00	0.00	0.00
Counseling	11.76	12.50	13.50	8.57
District Nurse	5.50	6.00	7.95	7.75
Psychological Services	2.00	2.00	3.00	3.00
Speech	8.00	9.00	9.71	8.50
Other Student Treatment	2.80	1.44	1.80	1.00
Special Services-Direction	6.00	6.00	4.00	4.00
Curriculum Development	4.00	6.22	5.35	4.91
Libraries-Media	20.00	24.75	20.13	12.25
Executive Administration	2.00	2.00	2.00	2.00
Office of the Principal	56.05	58.05	52.75	47.11
Business - Direction		0.00	0.00	1.00
Fiscal Office	7.00	8.60	8.00	5.98
Operations & Maintenance Direction	4.90	5.90	6.30	4.30
Care & Upkeep of Buildings	47.00	51.00	49.00	47.00
Maintenance	21.00	21.00	21.00	20.00
Warehouse & Distribution	2.00	2.00	2.00	2.00
Information Services	2.00	2.00	2.00	2.00
Staff Services - Personnel	4.00	5.00	4.00	4.00
Technology Services	11.54	12.15	11.70	10.95
Subtotal Support Services Staff	217.55	236.61	224.18	196.32
Total	877.25	923.34	875.88	816.91

Source:

District Business Office

Notes:

(1) General Fund Employees Only.

Full-time Equivalent Employees as of June 30 (1)

2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
261.63	274.09	275.66	270.10	265.31	239.27
120.83	119.73	118.08	114.57	114.65	106.16
119.35	123.35	127.75	128.15	126.00	123.70
1.00	2.00	2.00	2.00	2.00	2.00
0.00	6.98	7.03	7.00	6.10	6.55
1.81	1.81	1.81	1.71	1.71	1.71
48.49	66.81	60.84	44.48	39.97	30.88
0.00	0.00	0.00	0.00	0.00	0.00
47.20	61.64	59.46	65.24	57.14	41.22
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.20	7.13	10.30	10.30	10.64
0.00	6.93	0.00	0.00	0.00	0.00
14.05	13.25	11.65	10.34	8.10	5.20
4.23	5.50	5.60	3.60	3.60	3.00
618.59	682.29	677.01	657.49	634.88	570.33
0.00	1.50	1.50	1.50	1.50	0.00
18.50	23.50	24.50	22.60	19.50	18.90
10.90	5.00	4.00	4.00	3.00	3.00
3.00	5.00	5.00	4.00	4.00	4.50
8.50	9.00	9.00	8.80	8.00	7.40
0.00	0.00	0.00	0.00	0.00	0.00
4.20	3.00	4.00	3.00	3.00	3.00
3.05	5.85	5.25	5.65	4.25	3.50
12.50	16.50	16.50	16.37	15.00	13.14
2.00	2.00	2.00	2.00	2.00	3.00
49.31	49.83	49.70	49.70	49.70	44.70
1.00	1.00	2.00	1.00	1.00	1.00
4.80	6.00	6.00	5.00	5.00	5.00
4.50	4.50	4.20	4.20	4.20	3.20
46.50	48.50	48.50	46.50	45.50	40.00
21.00	22.00	21.00	19.00	17.00	16.00
2.00	2.00	2.00	2.00	2.00	2.00
0.90	1.00	1.00	1.00	0.00	0.00
4.00	4.00	4.00	4.00	3.00	3.00
9.95	8.70	11.80	12.50	12.50	11.50
206.61	218.88	221.95	212.82	200.15	182.84
825.20	901.17	898.96	870.31	835.03	753.17

West Linn Wilsonville School District
Operating Statistics
Last Ten Fiscal Years

Fiscal Year Ending June 30	Student Average Daily Membership (1)	Charter Schools Student Average Daily Membership	Operating Expenses (2)	Cost Per ADM (1)	Certified Staff FTE (3)	ADM to Certified Ratio (3)	Ave Tchr Salary	Tchr Salary Range-Low	Tchr Salary Range-High	Percentage Free & Reduced per ADM	
2015-16	9,479	110	\$ 92,547,531	\$ 9,763	553	17.1	\$ 59,663	\$ 37,499	\$ 74,541	22.0%	
2016-17	9,732	110	104,677,615	10,756	542	18.0	62,549	38,346	76,404	21.0%	
2017-18	9,879	110	108,479,238	10,981	552	17.9	63,275	39,685	78,887	25.0%	
2018-19	9,906	110	116,261,906	11,737	566	17.5	63,982	40,980	81,460	19.0%	
2019-20	10,108	110	120,638,790	11,935	569	17.8	64,332	42,210	83,904	15.6%	
2020-21	9,345	110	123,443,271	13,210	543	17.2	69,062	43,477	86,422	15.8%	
2021-22	9,107	110	128,165,994	14,073	550	16.6	70,599	44,781	89,015	14.9%	
2022-23	9,046	110	146,225,645	16,165	582	15.5	75,429	47,468	94,356	20.1%	
2023-24	9,020	110	162,757,956	18,044	592	15.2	81,066	51,340	102,055	37.9%	
2024-25	8,856	109	166,652,936	18,818	558	15.9	87,093	53,394	106,137	21.7%	

(1) Includes charter school students

(2) Operating expenditures are all governmental fund expenditures less debt service and capital outlays.

(3) Excludes charter school staff/teachers

Source:

ODE & Business Office Records

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT

Principal Employers for the West Linn-Wilsonville School District Area

Current Year and Ten Years Ago

		2024-25	
Employer	Type of Business	Number of Employees	Percentage of Total City Employment
Siemens Mentor Graphics Corporation	CAD software systems	1,010	5.8%
West Linn-Wilsonville School District*	Public School District	909	7.6%
Collins Aerospace	Aerospace technology	600	3.4%
Coca Cola Bottling Company	Bottling & distribution center	566	3.2%
Sysco Food Services of Portland Inc.	Warehouse & distribution center	499	2.9%
Columbia Distributing	Warehouse & distribution center	400	2.3%
Costco Wholesale	Wholesale retail	329	1.9%
TE Connectivity	Consumer electronics company	309	1.8%
Twist Bioscience Corporation	Synthetic biology company	300	1.7%
OREPAC Building Products	Warehouse & distribution center	252	1.4%
		5,174	32.0%

		2015-16	
Employer	Type of Business	Number of Employees	Percentage of Total City Employment
Siemens Mentor Graphics Corporation	CAD software systems	997	5.8%
Stream International Inc	Facilities Support Services	798	4.7%
Xerox Corporation	Copiers and printers	706	4.1%
Sysco Food Services of Portland Inc.	Warehouse & distribution center	557	3.3%
Rockwell Collins Head-Up Guidance Systems	Aerospace technology	488	2.9%
Precision Interconnect	Manufacturing	329	1.9%
Costco Wholesale	Wholesale Retail	305	1.8%
Southern Wine & Spirits	Bottling & distribution center	300	1.8%
BCI Coca Cola Bottling Co of Los Angeles	Bottling & distribution center	272	1.6%
Flir Surveillance Inc.	Manufacturing	249	1.5%
		5,001	29.4%

*Total City of West Linn employment, 2024-25 11,900

Total City of Wilsonville employment, 2024-25 17,436

*Total City of West Linn employment, 2015-16 Not Available

Total City of Wilsonville employment, 2015-16 17,054

Number of employees is listed as FTE (full-time equivalent)

Source: Cities of West Linn & Wilsonville

West Linn-Wilsonville School District
Capital Asset Information
Last Ten Fiscal Years

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Average Age of Buildings (in years)
Schools											
Primary											
Buildings	9	9	9	9	9	9	9	9	9	9	41
Square Feet	581,626	581,626	597,833	597,833	597,833	597,833	597,833	597,833	597,833	597,833	
Capacity	4,401	4,401	4,965	4,965	4,965	4,965	4,965	4,925	4,925	4,925	
Membership (ADM)	4,265	4,309	4,292	4,278	4,189	3,701	3,612	3,610	3,569	3,547	
Percent Used	97%	98%	86%	86%	84%	75%	73%	73%	72%	72%	
Middle											
Buildings	3	3	4	4	4	4	4	4	4	4	19
Square Feet	284,519	284,519	375,625	375,625	375,625	375,625	375,625	375,625	387,929	387,929	
Capacity	1,932	1,932	2,623	2,623	2,623	2,623	2,623	2,563	2,744	2,744	
Membership (ADM)	2,307	2,313	2,323	2,429	2,418	2,334	2,203	2,157	2,115	1,982	
Percent Used	119%	120%	89%	93%	92%	89%	84%	84%	77%	72%	
High											
Buildings	2	2	2	2	2	2	2	2	3	3	30
Square Feet	499,943	522,063	522,063	522,063	522,063	522,063	522,063	471,299	595,273	595,273	
Capacity	3,220	3,220	3,155	3,155	3,155	3,155	3,155	3,075	3,744	3,744	
Membership (ADM)	3,082	3,161	3,077	3,101	3,150	3,171	3,139	3,148	3,204	3,192	
Percent Used	96%	98%	98%	98%	100%	101%	99%	102%	86%	85%	
Other											
Buildings	3	3	3	3	3	3	5	4	5	5	47
Square Feet	46,266	46,266	46,266	46,266	46,266	46,266	49,801	11,217	13,180	13,180	
Administration											
Buildings	1	1	1	1	1	1	1	1	1	1	87
Square Feet	17,439	17,439	17,439	17,439	17,439	17,439	17,439	17,439	17,439	17,439	
Maintenance											
Buildings	5	5	5	5	5	6	6	4	4	4	18
Square Feet	54,900	54,900	54,900	54,900	54,900	66,609	66,609	25,142	25,142	25,142	

Source: West Linn-Wilsonville School District Department of Operations

This Page Intentionally Left Blank

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT
CLACKAMAS COUNTY, OREGON

INDEPENDENT AUDITORS' REPORT REQUIRED
BY OREGON STATE REGULATIONS

This Page Intentionally Left Blank



PAULY, ROGERS, AND CO., P.C.
12700 SW 72nd Ave. Tigard, OR 97223
(503) 620-2632
www.paulyrogersandcocpas.com

January 6, 2026

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the West Linn - Wilsonville School District as of and for the year ended June 30, 2025, and have issued our report thereon dated January 6, 2026. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

As part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of 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.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**
- **State school fund factors and calculation.**
- **Programs funded from outside sources.**

In connection with our testing nothing came to our attention that caused us to believe the West Linn - Wilsonville School District was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, except as follows:

1. Expenditures were within authorized appropriations, except as noted on page 17 of the financial report.

OAR 162-10-0230 Internal Control

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

A handwritten signature in black ink that reads "Roy R Rogers". The signature is written in a cursive, flowing style.

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

WEST LINN-WILSONVILLE SCHOOL DISTRICT NO. 3JT
CLACKAMAS COUNTY, OREGON

GRANT COMPLIANCE REVIEW

This Page Intentionally Left Blank

WEST LINN - WILSONVILLE SCHOOL DISTRICT 3JT
CLACKAMAS COUNTY, OREGON

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
As required by Oregon Department of Education
For the Year Ended June 30, 2025

Federal Grantor/Pass Through Grantor/ Program Title	Pass Through Organization	Federal AL Number	Pass Through Number	Grant Period	Expenditures
U.S. Department of Education					
Title I Grants to Local Educational Agencies	ODE	84.010	72641	07/01/2024-09/30/2025	\$ 358,682
Total Title I Grants to Local Education Agencies					<u>358,682</u>
Title IC Grants to Local Education Agencies	ODE	84.010	72641	07/01/2024-09/30/2025	540
Total Title IC Grants to Local Education Agencies					<u>540</u>
Title III - Language Instruction	ODE	84.365	73129	07/01/2024-09/30/2025	52,454
Total Title III - Language Instruction					<u>52,454</u>
Title IIA - Teacher Quality	ODE	84.367	72838	07/01/2024-09/30/2025	152,348
Title IVA - Academic Enrichment	ODE	84.424	73035	07/01/2024-09/30/2025	61,819
Total Title IIA - Teacher Quality					<u>214,167</u>
IDEA Part B, Section 611	ODE	84.027	74148	07/01/2024-09/30/2025	1,337,212
IDEA Part B, Section 619	ODE	84.173	69022	07/01/2024-09/30/2025	9,870
Total Special Education Cluster					<u>1,347,082</u>
Total U.S. Department of Education					<u>1,972,925</u>
U.S. Department of Agriculture:					
Child Nutrition Cluster:					
National School Program Commodities	ODE	10.555	N/A	07/01/2024-06/30/2025	227,395
School Breakfast Program	ODE	10.553	N/A	07/01/2024-06/30/2025	433,294
National School Lunch Program	ODE	10.555	N/A	07/01/2024-06/30/2025	2,300,780
Total Child Nutrition Cluster					<u>2,961,469</u>
Total U.S. Department of Agriculture					<u>2,961,469</u>
Total Grants Expended or Passed Through to Sub Recipients					<u>4,934,394</u>

Reconciliation to the Statement of Revenue, Expenditures, & Changes in Fund Balance

	\$ 4,934,394
Accrued or Deferred as of June 30, 2025	<u>2,384,237</u>
Per Statement of Revenue, Expenditures, & Changes in Fund Balance	\$ 7,318,631



PAULY, ROGERS, AND Co., P.C.
12700 SW 72nd Ave. Tigard, OR 97223
(503) 620-2632
www.paulyrogersandcpcpas.com

January 6, 2026

To the Board of Directors
West Linn - Wilsonville School District No. 3JT
Clackamas County, Oregon

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the West Linn - Wilsonville School District No. 3JT (the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated January 6, 2026.

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 financial statements, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, we do not express an opinion on the effectiveness of internal control.

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's 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.

A handwritten signature in black ink that reads "Roy R Rogers". The signature is written in a cursive, flowing style.

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



PAULY, ROGERS, AND CO., P.C.
12700 SW 72nd Ave. Tigard, OR 97223
(503) 620-2632
www.paulyrogersandcpcpas.com

January 6, 2026

To the Board of Directors
West Linn - Wilsonville School District No. 3JT
Clackamas County, Oregon

INDEPENDENT AUDITOR'S 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 West Linn - Wilsonville School District No. 3JT'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, 2025. 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, 2025.

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

WEST LINN - WILSONVILLE SCHOOL DISTRICT NO. 3JT
CLACKAMAS COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

SECTION I – SUMMARY OF AUDITOR’S RESULTS

FINANCIAL STATEMENTS

Type of auditor’s 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 auditor’s report issued on compliance for major programs:

Unmodified

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

☐ yes ☒ no

IDENTIFICATION OF MAJOR PROGRAMS

CFDA NUMBER

NAME OF FEDERAL PROGRAM CLUSTER

84.027, 84.173
10.553 – 10.559

Special Education Cluster
Child Nutrition Cluster

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

Auditee qualified as low-risk auditee?

☒ yes ☐ no

WEST LINN - WILSONVILLE SCHOOL DISTRICT NO. 3JT
CLACKAMAS COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

SECTION II – FINANCIAL STATEMENT FINDINGS

None Reported

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONS COSTS:

None Reported

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. **BASIS OF PRESENTATION**

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

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported in 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 elected not to use the ten percent de minimis indirect cost rate as allowed under Uniform Guidance, due to the fact that they already have a negotiated indirect cost rate with Oregon Department of Education, and thus are not allowed to use the de minimis rate.