ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2025

CLEAR TRAIL CPAS
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ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

2024-2025 FINANCIAL REPORT

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

2024-2025 FINANCIAL REPORT

BOARD OF EDUCATION	TERM EXPIRES
Bill Amos	June 30, 2027
Mathieu Douglass, Chair	June 30, 2025
Melody Killens	June 30, 2027
Trinity Monahan, Vice-Chair	June 30, 2025
Kellie Smith	June 30, 2025

Board members receive mail at the District Office address listed below

ADMINISTRATION

Dr. Koreen Barreras-Brown, Superintendent
Christy Woodard, Chief Financial Officer
474 North 16th Street
St. Helens, Oregon 97051

ST. HELENS SCHOOL DISTRICT
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March 19, 2026

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
St. Helens School District
Columbia County, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of St. Helens School 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 St. Helens School District, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of St. Helens 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.

Change in Accounting Principle

The District adopted new accounting guidance, *GASB Statement No. 101 – Compensated Absences* during the fiscal year under audit. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplementary information, as listed in the table of contents, and the schedule of expenditures of federal awards, as

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the other information, as listed in the table of contents, and the 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 report dated March 19, 2026 on our consideration of the internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated March 19, 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 that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



Tara M. Kamp, CPA
CLEAR TRAIL CPAS, LLC

ST. HELENS SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025

As management of St. Helens School District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2025.

FINANCIAL HIGHLIGHTS

- In the government-wide statements, the net position of the District at June 30, 2025, was -$986 thousand. Of this amount, $27.2 million represents the District's net investment in capital assets, $1.13 million was restricted for debt service, and -$29.3 million was unrestricted.
- The District's total net position decreased by $8.3 million.
- The District's total liabilities increased by $9.9 million (6.6 percent) during the 2024-25 fiscal year.
- The District's governmental funds report a combined ending fund balance of $7.8 million at June 30, 2025, a decrease of $27.4 million from the prior year due primarily to expenditures pertaining to the St. Helens High School renovation project.
- At the end of the fiscal year ended June 30, 2025, fund balance for the General Fund was $1.16 million, which represents approximately 3.1 percent of total General Fund revenues.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. These statements include:

The S*tatement of Net Position*. The *statement of net position* presents information on all of the assets and liabilities of the District as of the date on the statement. Net position is what remains after the liabilities have been paid off or otherwise satisfied. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Activities*. The *statement of activities* presents information showing how the net position of the District changed over the most recent fiscal 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, unused vacation leave).

In the government-wide financial statements, the District's activities are shown as governmental activities. All basic District functions are shown here, such as regular and special education, child nutrition services, transportation, administration, and facilities acquisition and construction. These activities are primarily financed through property taxes, Oregon's State School Fund and other intergovernmental revenues.

The government-wide financial statements can be found on pages 11 – 12 of this report.

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

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

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

The District maintains four individual governmental funds. Information is presented separately in the governmental funds balance sheet and the governmental fund's statement of revenues, expenditures and changes in fund balances for the General Fund, the Special Revenue Fund, the Debt Service Fund, and the Capital Projects Fund, which are all considered to be major funds.

The basic governmental fund financial statements can be found on pages 13 – 16.

Notes to the 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. The notes to the basic financial statements can be found on pages 17 – 53 of this report

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* related to PERS and other postemployment benefit obligations and schedules of revenues, expenditures and changes in fund balance - budget and actual for the General Fund and the Special Revenue Fund. This information can be found on pages 54 -59 of this report. The budgetary information for the Debt Service Fund and the Capital Projects Fund, as well as budgetary information on all funds and other schedules required by the Department of Education and the Secretary of State, are presented on pages 60 – 67, as *other supplementary information*.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position. 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, net position was -$986 thousand as of June 30, 2025. Capital assets, which consist of the District's land, buildings, building improvements, vehicles, and equipment, represent 84.3 percent of total assets and deferred outflows. The remaining assets consist mainly of investments, cash, and grants and property taxes receivable.

The District's largest liability (75.1 percent) is for the repayment of long-term liabilities (general obligation bonds, pension bonds, and other postemployment benefit obligations). Current liabilities, representing 6.4 percent of the District's total liabilities, are made up of payables on accounts, salaries and benefits, and interest on long-term liabilities.

A large portion of the District's fund balance reflects general obligation bond proceeds on hand restricted for facility construction projects as approved by voters in May 2020 which are offset by the District's investment in capital assets (e.g. land, buildings, vehicles and equipment), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to students and other District residents; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources (generally property taxes), since the capital assets themselves cannot be used to liquidate these liabilities.

St. Helens School District Statements of Net Position June 30,			
	2024	**2025**	**Change**
Current and other assets	$ 38,315,130	$ 12,466,968	$ 25,848,162
Net OPEB asset for RHIA	754,942	632,720	122,222
Capital assets, net	119,510,443	138,542,646	(19,032,203)
Total assets	158,580,515	151,642,334	6,938,181
Stipend deferred outflows	39	$ 17	22
PERS deferred outflows	3,885,482	12,296,028	(8,410,546)
RHIA OPEB deferred outflows	2,972	109,742	(106,770)
Medical OPEB deferred outflows	173,740	141,517	32,223
Total assets and deferred outflows	162,642,748	164,189,638	(1,546,890)
Current liabilities	7,077,671	10,147,155	(3,069,484)
Accrued Compensated Absences	0	660,938	(660,938)
Long-term debt	124,402,942	118,904,565	5,498,377
Total pension liability for stipends	5,078	5,077	1
PERS net pension liability	15,945,924	27,677,423	(11,731,499)
Total OPEB liability for medical subsidy	1,008,133	912,902	95,231
Total liabilities	148,439,748	158,308,060	(9,868,312)
Stipend deferred inflows	663	313	350
PERS deferred inflows	6,609,899	6,745,870	(135,971)
RHIA OPEB deferred inflows	94,620	34,973	59,647
Medical OPEB deferred inflows	96,719	86,292	10,427
Total liabilities and deferred inflows	155,241,649	165,175,508	(9,933,859)
Net position			
Net investment in capital assets	27,939,413	27,216,836	722,577
Restricted	462,970	1,133,245	(670,275)
Unrestricted	(21,001,284)	(29,335,951)	8,334,667
Total net position	$ 7,401,099	$ (985,870)	$ 8,386,969

Statement of Activities. During the current fiscal year, the District's net position decreased by $8.4 million, compared to an increase of $4.5million in the prior year. The key elements of the decrease in the District's net position for the year ended June 30, 2025, are as follows:

St. Helens School District Statements of Activities Years ended June 30,			
	2025	**2024**	**Change**
Revenues			
Program revenues			
Charges for services	$ 355,486	$ 620,980	$ (265,494)
Operating grants and contributions	9,187,150	9,066,330	120,820
Capital grants and contributions	4,273	25,000	(20,727)
General revenues			
Property taxes	15,503,032	15,690,459	(187,427)
Construction excise tax	90,354	38,778	51,576
State school fund	24,386,737	23,275,675	1,111,062
Common school fund	384,517	370,881	13,636
Intergovernmental	440,175	437,697	2,478
Unrestricted state and local funds	939,600	1,170,049	(230,449)
Earnings on investments	1,282,898	2,505,913	(1,223,015)
Miscellaneous	-	-	-
Gain on sale of capital assets	-	-	-
Total revenues	52,574,222	53,201,762	(627,540)
Expenses			
Instructional programs	31,149,717	25,830,856	5,318,861
Support services	22,263,963	17,038,117	5,225,846
Community services	2,232,035	1,740,125	491,910
Interest on long-term liabilities	3,862,940	4,082,412	(219,472)
Total expenses	59,508,655	48,691,510	10,817,145
Change in net position	(6,934,433)	4,510,252	(11,444,685)
Net position, beginning of year	7,401,099	2,890,847	4,510,252
Prior Period Adjustment	(1,452,536)	0	(1,452,536)
Net position, end of year	$ (985,870)	$ 7,401,099	$ (8,386,969)

- Revenues decreased $627K This is due to a decrease in Earnings on investments of $1.2 million, $187K decrease in Property Taxes, a $265K decrease in Charges for services offset by increases in the State School Fund of $1.1 million and $120K in Operating Grants and Contributions.

- Total expenses increased $10.8 million (22.2 percent). This increase is comprised of $5.3 million increase in Instructional Program Expenses, $5.2 million increase in Support Services Expenses and $219K decrease in Interest on Long Term Liabilities.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

Governmental funds. The focus of the District's governmental funds is to provide information on relatively short-term cash flow and funding for future basic services. Such information is useful in assessing the District's financing requirements. In particular, *fund balance* may serve as a useful measure of a government's net resources available for spending at the end of a fiscal year. At June 30, 2025, the District's governmental funds reported combined ending fund balances of $7.8 million, a decrease of $27.4 million in comparison with the prior year.

General Fund. The General Fund is the primary operating fund of the District. As of June 30, 2025, the fund balance was $1.2 million. The fund balance decreased by $5.4 million during the current fiscal year. Revenues increased a total of $409K primarily from the increase to the State School Fund of $1.1M that was offset by a decrease in earnings on investments of $1.1m. Expenditures increased by $10.8M made up of an increase to Instruction of $5.3M and $5.2K in Support Services.

The budget for the General Fund was adopted by the Board on June 26, 2024. There was one appropriation transfer change to the general fund.

Special Revenue Fund. The Special Revenue Fund has a total fund balance of $1.5 million, a decrease of $90 thousand from the prior year. Of this balance, all funds are committed by the Board, except for food service inventories and prepaid expenses, which are non-spendable.

Debt Service Fund. The Debt Service Fund has a total fund balance of $501 thousand, all of which is restricted and committed to the payment of debt service. During the year ending June 30, 2025, this fund contains the activity of two debt service functions which account for the general obligation bond debt service and the PERS bond debt service. The net increase in fund balance during the current year was $233 thousand.

Capital Projects Fund. The ending fund balance for the Capital Projects Fund decreased $21.8 million from $26.5 million at the end of the prior year to $4.6 million for the year ended June 30, 2025. The decrease was primarily due to construction projects at St. Helens High School made possible by voters approving the general obligation measure held in May 2020. Nearly all of the fund balance is restricted for facility improvements.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The District's investment in capital assets includes land, buildings and improvements, vehicles and equipment. As of June 30, 2025, the District had invested $138.5 million in capital assets, net of depreciation, as shown in the following table:

	2025	2024	Change
Land	$ 3,400,752	$ 3,400,752	$ -
Construction in progress	363,096	51,803,355	(51,440,259)
Building and improvements	130,425,818	61,524,530	68,901,288
Vehicles and equipment	3,754,552	2,147,842	1,606,710
Leased right to use equipment	261,834	420,791	(158,957)
Subscriptions intangible right to use	336,594	213,173	123,421
Total	$ 138,542,646	$ 119,510,443	$ 19,032,203

During the 2024-2025 fiscal year, the District's investment in capital assets increased by $19 million. The major capital asset events for the year ended June 30, 2025 includes increases in building and improvements totaling $68.9 million offset by a decrease in construction in progress of $51.4 million.

Additional information regarding the District's capital assets can be found in the Note 5 on page 27 of this report.

Long-term obligations. At the end of the current fiscal year, the District had total long-term debt outstanding of $123.9 million, consisting of general obligation bonded debt of $104.1 million, pension bonds of $8 million, tax exempt financing of $178 thousand, obligations related to leased equipment totaling $343 thousand, and obligations related to software subscriptions totaling $185 thousand.

Current year principal payments totaled $4.4 million.

State statutes limit the amount of general obligation debt a governmental entity may issue to 7.95 percent of its total real market valuation. The current debt limitation for the District is $339.1 million, which is significantly in excess of the District's outstanding general obligation debt.

Additional information on the District's long-term debt can be found in Note 6 on page 28 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The most significant economic factor for the District is the State of Oregon's State School Fund. Oregon school funding is based on the numbers and classifications of students served during the course of a school year and is referred to as ADMw. The Fund includes local resources (primarily property taxes) and state sources (primarily personal and business income taxes). Approximately 96.6 percent of the District's General Fund revenue came from the State School Fund formula revenue during the year ended June 30, 2025.
The District's 2025–26 General Fund budget reflects a decrease of $3 million over the prior year. This decrease is limited by reduced revenue as the Beginning Fund Balance continues to decline. Debt service obligations continue to be met through local property tax collections, which have remained consistent with prior years and budget projections. PERS bond payments are fulfilled through intercept payments made by the State of Oregon from the District's State School Fund allocation.

Declining enrollment over the years and reduced Average Daily Membership (ADMw), coupled with rising Public Employee Retirement System (PERS) costs, present significant challenges for the district in maintaining stable funding for schools. Additionally, while state school fund support has increased, it has not kept pace with the rising costs associated with labor negotiations, student needs, and inflation. As a result, there is growing concern about our ability to sustain current service levels and retain staff. The District is committed to a conservative spending approach, working diligently to ensure financial sustainability while meeting the needs of our students.

As of June 30, 2025, the District's had contracts in effect with the St. Helens Education Association (SHEA) and the Oregon School Employees Association Chapter No. 31 (OSEA). The agreement with SHEA is a three-year agreement that started on July 1, 2024, and will end on June 30, 2027. The agreement with OSEA started on July 1, 2024 and is in effect through June 30, 2027.

REQUESTS FOR INFORMATION

This financial report is designed to present the user (citizens, taxpayers, investors, and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Financial Services, 474 North 16th Street, St. Helens, Oregon 97051.

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

STATEMENT OF NET POSITION
June 30, 2025

ASSETS:		
Cash and Cash Equivalents	$	8,699,504
Property Taxes Receivable		726,508
Accounts Receivable		2,994,066
Inventories		25,876
Prepaid Expenses		21,014
Capital Assets Not Being Depreciated		
Land		3,400,752
Construction in Progress		363,096
Capital Assets - Net of Depreciation		
Buildings and Land Improvements		130,425,818
Equipment and Vehicles		3,754,552
Subscriptions Right to Use Assets		261,834
Leased Right to Use Assets		336,594
Total OPEB Asset for RHIA		632,720
Total Assets		151,642,334
DEFERRED OUTFLOWS OF RESOURCES:		
Stipend Deferred Outflows		17
PERS Deferred Outflows		12,296,028
RHIA OPEB Deferred Outflows		109,742
Medical OPEB Deferred Outflows		141,517
Total Deferred Outflows of Resources		12,547,304
LIABILITIES:		
Accounts Payable		3,596,359
Accrued Payroll, Taxes, and Employee Withholdings		417,602
Interest Payable		154,342
Current Portion of Accrued Compensated Absences		958,853
Current Portion of Long-Term Debt		5,019,999
Non-current Liabilities		
Accrued Compensated Absences, due within more than one year		660,938
Long-Term Debt, due within more than one year		118,904,565
Total Pension Liability For Stipends		5,077
PERS Net Pension Liability		27,677,423
Total OPEB Liability For Medical Subsidy		912,902
Total Liabilities		158,308,060
DEFERRED INFLOWS OF RESOURCES:		
Stipend Deferred Inflows		313
PERS Deferred Inflows		6,745,870
RHIA OPEB Deferred Inflows		34,973
Medical OPEB Deferred Inflows		86,292
Total Deferred Inflows of Resources		6,867,448
NET POSITION:		
Net Investment in Capital Assets		27,216,836
Restricted for Debt Service		500,525
Restricted for RHIA Asset		632,720
Unrestricted		(29,335,951)
Total Net Position	$	(985,870)

See accompanying notes to basic financial statements

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	PROGRAM REVENUES: CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE CHANGES IN NET POSITION
Instruction	$ 31,149,718	$ -	$ 7,181,808	$ 4,273	$ (23,963,637)
Support Services	22,263,963	258,323	149,669	-	(21,855,971)
Community Services	2,232,035	97,163	1,855,673	-	(279,199)
Interest on Long-Term Debt	3,862,940	-	-	-	(3,862,940)
Total Governmental Activities	$ 59,508,655	$ 355,486	$ 9,187,150	$ 4,273	(49,961,746)

General Revenues:	
Property Taxes	15,503,032
Construction Excise Tax	90,354
State School Fund	24,386,737
Common School Fund	384,517
Intergovernmental	440,175
Unrestricted State and Local Funds	939,600
Earnings and Investments	1,282,898
Total General Revenues	43,027,313
Change in Net Position	(6,934,433)
Net Position - Beginning	7,401,099
Prior Period Adjustment	(1,452,536)
Net Position - Ending	$ (985,870)

See accompanying notes to basic financial statements

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2025

	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE	CAPITAL PROJECTS	TOTALS
ASSETS:					
Cash and Investments	$ 1,619,339	$ -	$ 471,188	$ 6,608,977	$ 8,699,504
Property Taxes Receivable	502,295	-	224,213	-	726,508
Due From Other Funds	763,396	-	-	-	763,396
Accounts Receivable	227,339	2,705,125	-	61,602	2,994,066
Inventories	-	25,876	-	-	25,876
Prepaid Expenditures	19,714	1,300	-	-	21,014
TOTAL ASSETS:	$ 3,132,083	$ 2,732,301	$ 695,401	$ 6,670,579	$ 13,230,364
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND EQUITY:					
Liabilities:					
Salaries and Benefits Payable	$ 416,572	$ 1,030	$ -	$ -	$ 417,602
Accounts Payable	1,128,492	426,041	-	2,041,826	3,596,359
Due to Other Funds	-	763,396	-	-	763,396
Total Liabilities	1,545,064	1,190,467	-	2,041,826	4,777,357
Deferred Inflows of Resources:					
Unavailable Revenue - Property Taxes	428,682	-	194,876	-	623,558
Total Deferred Inflows of Resources	428,682	-	194,876	-	623,558
Fund Balances:					
Non-Spendable:					
Inventory	-	25,876	-	-	25,876
Prepaid Expenses	19,714	1,300	-	-	21,014
Restricted For:					
Facility Improvements	-	-	-	4,628,753	4,628,753
Debt Service	-	-	500,525	-	500,525
Committed to:					
Special Revenue Fund Activities	-	1,514,658	-	-	1,514,658
Unassigned	1,138,623	-	-	-	1,138,623
Total Fund Balances	1,158,337	1,541,834	500,525	4,628,753	7,829,449
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND EQUITY:	$ 3,132,083	$ 2,732,301	$ 695,401	$ 6,670,579	$ 13,230,364

See accompanying notes to basic financial statements

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

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

Total Fund Balances - Governmental Funds		$ 7,829,449
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.		
Cost	$ 171,060,683	
Accumulated depreciation	(32,518,037)	138,542,646
A portion of the District's property taxes are collected after year-end, but are not available soon enough to pay for the current year's operations, and therefore are not reported as revenue in the District's governmental activities.		623,558
The Net Pension Liability, RHIA Asset, and OPEB Liability and the related deferred inflows and outflows are not reported in the governmental funds balance sheet.		
PERS Pension Liability	(27,677,423)	
PERS Pension Deferred Outflow	12,296,028	
PERS Pension Deferred Inflow	(6,745,870)	(22,127,265)
District Pension Liability	(5,077)	
District Pension Deferred Outflow	17	
District Pension Deferred Inflow	(313)	(5,373)
RHIA Asset	632,720	
RHIA Deferred Outflow	109,742	
RHIA Deferred Inflow	(34,973)	707,489
OPEB Liability	(912,902)	
OPEB Deferred Outflow	141,517	
OPEB Deferred Inflow	(86,292)	(857,677)
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.		
Long term liabilities		
Accrued interest	(154,342)	
Accrued compensated absences	(1,619,791)	
Long-term debt	(123,924,564)	
		(125,698,697)
Net Position	See accompanying notes to basic financial statements	$ (985,870)

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

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

REVENUES:	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE	CAPITAL CONSTRUCTION FUND	TOTALS
Property Taxes	$ 10,614,485	$ -	$ 4,888,952	$ -	$ 15,503,437
Construction Excise Tax	-	-	-	90,354	90,354
Intergovernmental:					
Intermediate Sources	656,795	112,804	-	-	769,599
State Sources	25,129,647	5,646,762	-	-	30,776,409
Federal Sources	14,649	3,204,965	-	-	3,219,614
Charges for Services	7,362	321,659	-	17,651	346,672
Charges to Other Funds	-	-	3,502,233	-	3,502,233
Contributions	1,558	148,111	-	-	149,669
Investment Earnings	489,749	-	79,675	713,474	1,282,898
Miscellaneous	142,868	249,248	-	43,859	435,975
Total Revenues	37,057,113	9,683,549	8,470,860	865,338	56,076,860
EXPENDITURES:					
Current:					
Instruction	23,771,293	5,217,275	-	-	28,988,568
Support Services	18,013,869	2,609,220	-	-	20,623,089
Community Services	2,563	2,074,613	-	-	2,077,176
Facilities Acquisition and Construction	-	-	-	913,903	913,903
Debt Service					
Principal	372,891	12,270	4,025,746	39,269	4,450,176
Interest	26,098	986	4,407,559	106	4,434,749
Capital Outlay	236,202	95,134	-	21,803,729	22,135,065
Total Expenditures	42,422,916	10,009,498	8,433,305	22,757,007	83,622,726
Excess (deficiency) of Revenues over (under) Expenditures	(5,365,803)	(325,949)	37,555	(21,891,669)	(27,545,866)
Other Financing Sources, (Uses):					
Issuance of Debt	112,045	10,901	-	-	122,946
Transfers In	-	225,745	-	-	225,745
Transfers Out	(225,745)	-	-	-	(225,745)
	-	-	-	-	
Sale of Capital Asset	-	-	-	22,353	22,353
Total Other Financing Sources, (Uses)	(113,700)	236,646	-	22,353	145,299
Net Change in Fund Balance	(5,479,503)	(89,303)	37,555	(21,869,316)	(27,400,567)
Beginning Fund Balance	6,637,840	1,631,137	462,970	26,498,069	35,230,016
Ending Fund Balance	$ 1,158,337	$ 1,541,834	$ 500,525	$ 4,628,753	$ 7,829,449

See accompanying notes to basic financial statements

ST. HELENS SCHOOL DISTRICT
COLUMBIA 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

Total Net Changes in Fund Balances - Governmental Funds		$ (27,400,567)
Capital asset additions are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives as depreciation and amortization expense. This is the amount by which capital assets additions exceeds depreciation and amortization.		
Capital Asset Additions, Net	$ 23,023,981	
Depreciation and Amortization Expense	(3,991,778)	19,032,203
Long-term lease and 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 repayments exceeded proceeds:		
Subscription and Lease Proceeds	(190,348)	
Amortization of Bond Premium	558,806	
Debt Principal Paid	4,461,078	4,829,536
In the Statement of Activities interest is accrued on long-term debt, whereas in the governmental funds it is recorded as an interest expense when due.		2,101
Property taxes that do not meet the measurable and available criteria are not recognized as revenue in the current year in the governmental funds. In the Statement of Activities property taxes are recognized as revenue when levied.		(405)
In the Statement of Activities, pension expense is adjusted based on actuarially determined contribution changes:		
Net change in stipend net pension liability	329	
Net change in PERS net pension liability	(3,456,924)	(3,456,595)
In the Statement of Activities, OPEB expense is adjusted based on actuarially determined contribution changes:		
Net change in RHIA net OPEB liability/asset and deferred outflows/inflows of resources	44,195	
Net change in medical net OPEB liability	73,435	117,630
In the Statement of Activities compensated absences are recognized as expenditures when earned.		(58,336)
Change in Net Position of Governmental Activities		$ (6,934,433)

See accompanying notes to basic financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

St. Helens School District (the District), also known as Columbia County School District No. 502, is a municipal corporation governed by a separately elected five-member Board of Directors. Administrative officials are approved by the Board. The daily functioning of the District is under the supervision of the Superintendent-Clerk. As required by accounting principles generally accepted in the United States of America, all activities of the District have been included in the basic financial statements.

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

The District has granted charter to a public charter school, The Mastery Learning Institute – Arthur Academy. This public charter school is a legally separate, tax-exempt organization governed by its own board of directors and its financial statements may be obtained at its administrative office.

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

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

The Statement of Activities presents a comparison between direct expenses and program revenues for each of its functions/programs. Direct expenses are those that are specifically associated with a function and, therefore, are clearly identifiable to that function. Eliminations have been made to minimize the double counting of internal activities in the Statement of Activities. Program revenues include: (1) charges to students or others for tuition, fees, rentals, material, supplies or services provided and (2) operating grants and contributions and (3) capital grants and contributions. Revenues that are not classified as program revenues, including property taxes and state support, are presented as general revenues. Net position is reported as restricted when constraints placed on the use of resources are either externally restricted, imposed by creditors (such as through grantors, contributors or laws) or through constitutional provisions or enabling resolutions.

FUND FINANCIAL STATEMENTS

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUND FINANCIAL STATEMENTS (CONTINUED)

aggregated and reported as other governmental funds. For the current year, all of the District's funds are reported as major funds.

The District reports the following major governmental funds:

GENERAL FUND

This is the District's primary operating fund and accounts for all revenues and expenditures except those required to be accounted for in another fund. Principal revenue sources are an apportionment from the State of Oregon and property taxes.

SPECIAL REVENUE FUNDS

This is a combined fund to account for special revenues intended for grants, food service, and student activities. The revenue sources vary from local food service receipts to receipts from state and federal sources.

DEBT SERVICE FUNDS

This fund accounts for the payment of principal and interest on general obligation bonded debt, where the principal revenue sources are property taxes. It also accounts for payments of principal and interest on bonded debt issued to fund a portion of the District's unfunded actuarial liability to Oregon Public Employees Retirement System (PERS). Principal revenue sources for PERS bond payments are charges to other funds.

CAPITAL PROJECTS FUND

This fund accounts for funds intended to be used for capital outlay.

USE OF ESTIMATES

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

CASH, CASH EQUIVALENTS AND INVESTMENTS

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.

The District's investments consist of State of Oregon Treasurer's Local Government Investment Pool (LGIP). The District's investments are reported at fair value based upon quoted market rates.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Changes in the fair value of investments are recorded as investment earnings. The LGIP investment is stated at cost which approximates fair value. Fair value of the LGIP is the same as the District's value in pool shares.

The Oregon State Treasury administers the LGIP. It is an open-ended no-load diversified portfolio offered to any agency, political subdivision or public corporation of the State that by law is made the custodian of, or has control of, any fund. The LGIP is commingled with the State's short-term funds. In seeking to best serve local governments of Oregon, the Oregon legislature established the Oregon Short Term Fund Board. The purpose of the Board is to advise the Oregon State Treasury in the management and investment options of the LGIP.

FAIR VALUE INPUTS METHODOLOGIES AND HIERARCHY

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based up on the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 boundaries. 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.

ACCOUNTS AND OTHER RECEIVABES

Accounts and other receivables are comprised primarily of State school support and claims for reimbursement of costs under various federal and state grants. Amounts are periodically reviewed for collectability. At June 30, 2025, no allowance for doubtful accounts is considered necessary.

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.

SUPPLIES INVENTORIES

Inventories of supplies and materials in the governmental funds are stated at cost. Inventories of food and supplies are valued at invoice cost (first-in, first-out). Inventoried items are charged to expenditures of the user department at the time of withdrawal from inventory (consumption method). Commodity inventories are not recorded as title to them is not considered to pass to the District until they are consumed.

CAPITAL ASSETS

Capital assets are recorded at original or estimated original cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at their acquisition value on the date donated. The District defines capital assets as individual assets with an initial cost of more than $5,000 and an estimated life in excess of one year.

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

Land improvements	12 to 20 years
Buildings and improvements	20 to 50 years
Equipment and vehicles	3 to 20 years

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

LEASES PAYABLE

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

SUBSCRIPTION ASSETS

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

SUBSCRIPTIONS LIABILITY

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

RETIREMENT PLANS

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

EARLY RETIREMENT HEALTHCARE BENEFITS

The Board of Directors, through contract negotiation, previously authorized the District to offer early retirement health insurance benefits to all non-temporary employees. Expenditures are recorded in the

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

governmental funds as insurance premiums are incurred. The actuarially determined total pension and OPEB liabilities are recorded in the Statement of Net Position.

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 qualify for liability recognition for compensated absences – vacation and sick leave. The liability for compensated absences is reported as incurred in the government-wide and proprietary fund 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.

Vacation
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.

Sick Leave
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 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 is reported as a liability in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred.

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

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In addition to liabilities, the statement of net position and balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) so will not be recognized as an inflow of resources (revenue) until that time. The District has four items that qualify for reporting in this category. The District's deferred inflows are clearly labeled on the face of the financial statements.

NET POSITION

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

- Net investment in capital assets – consists of all capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted – consists of external constraints placed on asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted net position – consists of all other net position items that are not included in the other categories previously mentioned.

The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

FUND EQUITY

In March 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*. 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 of reserved, designated, and unreserved/undesignated were replaced with five new classifications – nonspendable, restricted, committed, assigned, and unassigned.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Unassigned fund balance is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the District's policy is to first apply the expense toward restricted resources and then toward unrestricted resources. In governmental funds, the District's policy is to first apply the expenditure toward restricted fund balance and then to other, less-restrictive classifications committed and then assigned fund balances before using unassigned fund balances.

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. Financial position, results of operations, and changes in fund balance/net position are reported on the basis of accounting principles generally accepted in the United States of America (GAAP). 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 exception that capital outlay expenditures are expensed when purchased, depreciation is not calculated, inventories of supplies are budgeted as expenditures when purchased, debt, compensated absences, OPEB liabilities are expensed when paid and debt borrowed is recorded as revenue when received, and tax revenues are not recorded as revenue until received.

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 budget amounts, plus appropriation transfers and appropriation increases. Appropriations lapse at the end of each fiscal year. Expenditures of the various funds were within authorized appropriations, except for General Fund – Instruction by $43,331, Support Services by $717,847, and Enterprise and Community Services by $485; and the Special Revenue Fund - Enterprise and Community Services by $58,365.

3. CASH AND INVESTMENTS

The District maintains an internal cash and investments pool that is available for use by all funds. Each fund's portion of the pool is displayed in the basic financial statements as "Cash and investments."

Cash and investments are comprised of the following as of June 30, 2025:

Local Government Investment Pool	$	8,167,156
Demand deposits		530,474
Petty cash		1,874
Total cash and investments	$	8,699,504

DEPOSITS

The bank balance of the District's bank deposit account with Bank of the West was $1,791,497, of which $271,526 is covered by federal depository insurance. The District also has $26,907 in deposits at In Roads Credit Union, all of which is covered by NCUA. Bank deposits are secured to legal limits by federal deposit insurance. The remaining amount is secured in accordance with ORS 295 under a collateral program administered by the Oregon State Treasurer.

CREDIT RISK - DEPOSITS

This is the risk that in the event of a bank failure, the District's deposits may not be returned. The Federal Depository Insurance Corporation (FDIC) provides insurance for the District's deposits with financial institutions for up to $250,000 each for the aggregate of all demand accounts and the aggregate of all time and savings deposits accounts at each institution. Deposits in excess of FDIC coverage are with institutions participating in the Oregon Public Funds Collateralization Program (PFCP).

The PFCP is a shared liability structure for participating bank depositories, better protecting public funds though still not guaranteeing that all funds are 100 percent protected. Barring any exceptions, a bank depository is required to pledge collateral valued at least 10 percent of their quarter-end public fund deposits if they are well capitalized, 25 percent of their quarter-end public fund deposits if they are adequately capitalized or 110 percent of their quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110 percent by the Office of the State Treasurer. In the event of a bank failure, the entire pool of collateral pledged by all qualified Oregon public funds bank depositories is available to repay deposits of public funds of government entities. The District's bank balances with Bank of the West exceeded FDIC limits by $1,519,970, as of June 30, 2025, but were covered by PFCP. All of the District's bank balances with In Roads Credit Union were covered under NCUA.

INVESTMENTS

The policy is to follow state statutes governing cash management. Statutes authorize investing in banker's acceptances, time certificates of deposit, repurchase agreements, obligations of the United States and its agencies and instrumentalities, and the Oregon State Treasurer's Local Government Investment Pool. Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of

3. CASH AND INVESTMENTS (CONTINUED)

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. 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. 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. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized. The audited financial reports of the Oregon Short Term Fund can be found here: http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-(OSTF).aspx

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

Investments and maturities are as follows:

Investment Type	Fair Value	Less than 3 months	More than 3 Months
State Treasurer's Investment Pool	$ 8,167,156	$ 8,167,156	$ -
Total	$ 8,167,156	$ 8,167,156	$ -

Interest Rate Risk

The District minimizes interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by limiting their investments to U.S. Government Treasury securities and the LGIP in accordance with the District's investment policy.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the value of the investment will not be able to be recovered by collateral securities that are in the possession of an outside party. There is no formal investment policy for custodial credit risk.

Concentration Risk

At June 30, 2025, 100% of total investments were in the State Treasurer's Investment Pool. State statutes do not limit the percentage of investments in this instrument.

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4. GRANTS RECEIVABLE

Special revenue fund grants receivable are comprised of claims for reimbursement of costs under various federal and state grant programs.

5. CAPITAL ASSETS

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

	Governmental Capital Assets 7/1/2024	Additions	Deletions	Governmental Capital Assets 6/30/2025
Capital assets not being depreciated:				
Land	$ 3,400,752	$ -	$ -	$ 3,400,752
Construction in progress	51,803,355	42,184	51,482,443	363,096
Total capital assets not being depreciated	55,204,107	42,184	51,482,443	3,763,848
Capital assets being depreciated:				
Land improvements	3,132,413	4,559,400	-	7,691,813
Buildings & improvements	82,457,339	67,610,916	974,250	149,094,005
Equipment	7,245,606	2,103,575	-	9,349,181
Vehicles	93,941	-	-	93,941
Capital assets being amortized:				
Leases - intangible right to use	717,696	17,938	128,686	606,948
Subscriptions - intangible right to use	319,230	172,411	30,694	460,947
Total capital assets being depreciated	93,966,225	74,464,240	1,133,630	167,296,835
Less: accumulated depreciation				
Land improvements	2,425,040	169,320	-	2,594,360
Buildings & improvments	21,640,182	3,099,708	974,250	23,765,640
Equipment	5,153,326	487,472	-	5,640,798
Vehicles	38,379	9,393	-	47,772
Less: accumulated amortization				
Leases - intangible right to use	296,905	102,135	128,686	270,354
Subscriptions - intangible right to use	106,057	123,750	30,694	199,113
Total accumulated depreciation and amortization	29,659,889	3,991,778	1,133,630	32,518,037
Total capital assets being depreciated and amortized	64,306,336	70,472,462	-	134,778,798
Total capital assets, net	$ 119,510,443			$ 138,542,646

Depreciation is allocated as a direct expense to the governmental programs as follows:

Instruction	$ 2,238,703
Support Services	1,592,661
Food Services	160,414
Total	$ 3,991,778

6. LONG-TERM OBLIGATIONS

The following is a summary of long-term obligations transactions during the year ended June 30, 2025:

	Original Issue	Outstanding 7/1/2024	Issued	Matured/ Redeemed During Year	Outstanding 6/30/2025	Due Within One Year
Governmental Activities:						
General Obligation Bonds						
Pension Bonds - Series 2002	$ 10,722,217	$ 4,510,001	$ -	$ 1,145,000	$ 3,365,001	$ 1,280,000
Pension Bonds - Series 2003	14,312,440	6,170,000	-	1,565,000	4,605,000	1,745,000
General Obligation Bonds -						-
Series 2017	46,910,000	44,940,000	-	700,000	44,240,000	815,000
Series 2020A	32,190,427	32,095,852	-	-	32,095,852	-
Series 2020 B	25,531,401	24,872,643	-	443,746	24,428,897	516,941
Series 2023		3,555,000	-	170,000	3,385,000	330,000
Total General Obligation Bonds		116,143,496	-	4,023,746	112,119,750	4,686,941
Issuance Premium - Series 2017		11,655,148		558,806	11,096,342	-
Total General Obligation Bonds with Premium		127,798,644	-	4,582,552	123,216,092	4,686,941
Direct Placements						
QZAB Bond - 2015	1,377,000	354,000	-	176,000	178,000	178,000
Other Debt						
Leased Equipment		434,977	17,938	107,523	345,392	70,058
Subscriptions		166,479	172,410	153,809	185,080	85,000
Total Liabilities		$ 128,754,100	$ 190,348	$ 5,019,884	$ 123,924,564	$ 5,019,999

General obligation bonds and tax-exempt financing agreements are direct obligations and pledge the full faith and credit of the District. The District issues general obligation bonds to provide funds for the acquisition and construction of District school facilities. The general obligation bonds will be paid from general property tax revenues from the Debt Service Fund.

Pension obligation bonds will be paid from revenues in the Debt Service Fund generated by charges to other funds.

In October 2002, St. Helens School District participated as one of forty-one Oregon school districts and education service districts in issuing limited tax pension bonds, the proceeds of which were used to finance a portion of the estimated unfunded actuarial liability of each participating school district in the Oregon Public Employees Retirement Systems (PERS). The Oregon School Boards Association (OSBA) sponsored this pooled limited tax pension bond program. OSBA does not have a financial obligation in connection with the bonds issued under the program. Except for the payment of its pension bond payments and additional charges when due, each participating school district has no obligation or liability to any other participating school district's pension bonds or liabilities to PERS. In April 2003, OSBA sponsored another pooled limited tax pension bond program with thirty school districts and education service districts. The District anticipates that the total costs of financing the District's actuarial obligation in this way will result in a significant savings to the District when compared to paying for such costs in additional contributions to PERS. These prepayments are contemplated in the actuarially determined net pension asset or liability as reported on the Statement of Net Position.

6. LONG-TERM OBLIGATIONS (CONTINUED)

DIRECT BORROWINGS AND PLACEMENTS

QZAB Bond 2015: The District entered into this loan on April 22, 2015 for improvements to construction, rehabilitation or repair of school facilities. The loan is payable at a rate of 0.90%. The loan is secured by the full faith and credit of the District. The District's ad valorem property taxes, subject to the limitations of Sections 11 and 11b, Article XI of the Oregon Constitution, and the full faith and credit of the District, including all unobligated revenues in the District's general fund and any other funds which may be available for that purpose, shall be irrevocably pledged to the punctual payment of all principal and interest on the Agreement and the Note and amounts due upon prepayment and/or a Loss of QZAB Status and/or Change in Law Affecting QZAB Status on the Agreement or Note. Interest is payable on a semiannual schedule on each July and January 16th following issuance through the closing date of July 16, 2025.

Future debt service requirements for direct borrowings and placements are as follows:

By Fiscal Year:	Principal	Interest	Total
2025-26	$ 178,000	$ 801	$ 178,394
	$ 178,000	$ 801	$ 178,394

BONDS

Pension Bond 2002: The District issued $10,722,217 Limited Tax Pension Obligations, Series 2002 (federally taxable), of which $2,747,217 are Series 2002A (deferred interest obligations) and $7,975,000 are Series 2002B (current interest obligations). The 2002 series Limited Tax Pension Obligations were issued on October 31, 2002, and are payable annually through June of 2028. Interest on the deferred interest bonds is accreted semiannually at yields ranging from 2.06 percent to 6.10 percent. Interest on the current coupon bonds is payable semiannually at rates ranging from 5.48 percent to 5.55 percent. The 2021 maturity was refunded in 2011 according to the early prepayment provisions of the bonds. The remaining bonds are federally taxable and are not subject to optional prepayment prior to their stated maturities. The Trustee may waive any Event of Default under a Pension Bond and its consequences, except a failure to pay principal, interest or premium, when due. If an Event of Default occurs and is continuing, the Trustee may exercise any remedy available at law or in equity; however, the Pension Bond Payments will not be subject to acceleration, and each Issuer is responsible solely for its Pension Bond Payments and any fees and other charges of the Trustee (" Additional Charges") reasonably allocated to it.

Pension Bond 2003: The District issued $14,312,440 Limited Tax Pension Obligations, Series 2003 (federally taxable), of which $6,742,440 are Series 2003A (deferred interest obligations) and $7,570,000 are Series 2003B (current interest obligations). The Series 2003 Limited Tax Pension Obligations were issued on April 30, 2003, and are payable annually through June of 2028. Interest on the deferred interest bonds is accreted semiannually at yields ranging from 1.50 percent to 6.27 percent. Interest on the current coupon bonds is payable semiannually at rates ranging from 5.63 percent to 5.68 percent. The bonds are federally taxable and are not subject to optional prepayment prior to their stated maturities. The Trustee may waive any Event of Default under a Pension Bond and its consequences, except a failure to pay principal, interest

6. LONG-TERM OBLIGATIONS (CONTINUED)

BONDS (CONTINUED)

or premium, when due. If an Event of Default occurs and is continuing, the Trustee may exercise any remedy available at law or in equity; however, the Pension Bond Payments will not be subject to acceleration, and each Issuer is responsible solely for its Pension Bond Payments and any fees and other charges of the Trustee (" Additional Charges") reasonably allocated to it.

General Obligation Bond 2017: In March 2017, the District issued General Obligation Bonds in the amount of $46.9 million with proceeds totaling $53.8 million. A portion of the bond proceeds (approximately $3 million) was transferred from the Capital Projects Fund to the Debt Service Fund and was used to make the initial debt service payments.

General Obligation Bond 2020: In August 2020, the District issued General Obligation Bonds Series A in the amount of $32,190,427. The entirety of the proceeds were transferred to the Capital Projects Fund reserve fund balance.

In August 2020, the District issued General Obligation Bonds Series B in the amount of $25,531,401 with an associated premium of $7,265,158. The entirety of the proceeds were transferred to the Capital Projects Fund reserve fund balance.

The Bond is payable annually through June 2053. Coupon rates vary from .35% to 5%. The State Treasurer may, by issuing a certificate of qualification to a school district, pledge the full faith and credit and power of the state to guarantee full and timely payment of the principal of, either at the stated maturity or by advancement of maturity pursuant to a mandatory sinking fund payment, and interest on school bond as such payments shall become due, except that in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration.

General Obligation Bond 2023: In August 2023, the District issued General Obligation Bonds in the amount of $4,000,000 with a premium of $439,432. The entirety of the proceeds were transferred to the Capital Projects Fund reserve fund balance.

The State Treasurer may, by issuing a certificate of qualification to a school district, pledge the full faith and credit and taxing power of the state to guarantee full and timely payment of the principal of, either at the stated maturity or by advancement of maturity pursuant to a mandatory sinking fund payment, and interest on school bonds as such payments shall become due, except that in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration.

6. LONG-TERM OBLIGATIONS (CONTINUED)

Future debt service requirements are as follows:

Fiscal Year:	Principal	Interest	Total
2025-2026	$ 4,686,941	$ 4,203,181	$ 8,890,122
2026-2027	5,259,711	3,954,755	9,214,466
2027-2028	3,732,057	3,685,108	7,417,165
2028-2029	2,423,975	3,493,525	5,917,500
2029-2030	2,700,044	3,377,706	6,077,750
2030-2035	16,028,551	15,808,449	31,837,000
2035-2040	21,044,878	14,049,376	35,094,254
2040-2045	33,345,909	7,311,840	40,657,749
2045-2050	22,897,684	24,226,463	47,124,147
	$ 112,119,750	$ 80,110,403	$ 192,230,153

OTHER DEBT – LEASES

As of June 30, 2025, the District had 6 active leases. The lease payments range from $541 to $71,928 and interest that ranges from 0.498% to 3.049%. As of June 30, 2025 the total lease liability is $345,392. The combined value of the right to use asset and accumulated depreciation is presented in the capital asset note.

Future payments are as follows:

Fiscal Year:	Principal	Interest	Total
2025-2026	$ 70,058	$ 5,117	$ 75,175
2026-2027	72,371	3,885	76,256
2027-2028	73,546	2,711	76,257
2028-2029	74,740	1,517	76,257
2029-2030	54,677	350	55,027
	$ 345,392	$ 13,580	$ 358,972

OTHER DEBT – SUBSCRIPTIONS

As of June 30, 2025, the District had 14 active subscriptions. The subscriptions have payments that range from $0 to $48,510 and interest rates that range from 0.0% to 5.0%. As of June 30, 2025, the total combined value of the subscription liability is $185,080. The combined value of the right to use asset and related accumulated depreciation is presented in the capital asset schedule.

6. LONG-TERM OBLIGATIONS (CONTINUED)

Future payments are as follows:

Fiscal Year:	Principal	Interest	Total
2025-2026	$ 85,000	$ 5,411	$ 90,411
2026-2027	58,003	2,796	60,799
2027-2028	42,077	1,010	43,087
	$ 185,080	$ 9,217	$ 194,297

7. INTER-FUND ACTIVITY

The District completed the following inter-fund transactions during the year ended June 30, 2025:

	Transfers In	Transfers Out
General Fund	$ -	$ 225,745
Special Revenue Funds	225,745	-
	$ 225,745	$ 225,745

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

8. DEFINED BENEFIT PENSION PLAN

Plan Description – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employer defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Annual Comprehensive Financial Report which can be found at:
https://www.oregon.gov/pers/Documents/Financials/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 had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.
   ii. **Death Benefits**. Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following contributions are met:
      - member was employed by PERS employer at the time of death,
      - member died within 120 days after termination of PERS covered employment,
      - member died as a result of injury sustained while employed in a PERS-covered job, or
      - member was on an official leave of absence from a PERS-covered job at the time of death.
   iii. **Disability Benefits**. A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
   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.

8. 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.

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

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

ii. **Death Benefits**. Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member. The surviving spouse may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.

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

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2022 actuarial valuation, which became effective July 1, 2023. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2025 were $536,246, excluding amounts to fund employer specific liabilities. In addition approximately $1,459,448 in employee contributions were paid or picked up by the Government in fiscal 2025. At June 30, 2025, the Government reported a net pension liability of $27,677,423 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 Government's proportion of the net pension liability was based on a projection of the Government's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement date of June 30, 2024 and 2023, the Government's proportion was .125 percent and .085 percent, respectively. Pension expense for the year ended June 30, 2025 was $3,456,924.

The rates in effect for the year ended June 30, 2025 were:
(1) Tier 1/Tier 2 – 3.97%
(2) OPSRP general services – 1.13%

8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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.

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ 1,639,631	$ 66,057
Changes in assumptions	2,782,697	3,565
Net difference between projected and actual earnings on pension plan investments	1,758,290	-
Net changes in proportionate share	5,579,164	1,772,381
Differences between contributions and proportionate share of contributions	-	4,903,867
Subtotal - Amortized Deferrals (below)	11,759,782	6,745,870
Contributions subsequent to measuring date	536,246	-
Deferred outflow (inflow) of resources	$ 12,296,028	$ 6,745,870

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

Year ending June 30,	Amount
2026	$ (527,645)
2027	2,628,774
2028	1,340,992
2029	1,196,600
2030	375,191
Thereafter	-
Total	$ 5,013,912

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

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.

8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Methods and Assumptions:

Valuation date	December 31, 2022
Experience Study Report	2022, Published July 24, 2023
Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll
Asset valuation method	Fair value
Inflation rate	2.40 percent
Investment rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increase	3.40 percent
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/0.15%) in accordance with *Moro* decision; blend based on service
Mortality	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

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

Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Debt Securities	20.0%	30.0%	25.0%
Public Equity	22.5%	32.5%	27.5%
Real Estate	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)

8. DEFINED BENEFIT PENSION PLAN (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)

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

Sensitivity of the Government's proportionate share of the net pension liability to changes in the discount rate – the following presents the Government's proportionate share of the net pension liability calculated using the discount rate of 6.90 percent, as well as what the Government's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percent lower (5.90 percent) or one percent higher (7.90 percent) than the current rate.

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Proportionate share of the net pension liability	$ 43,660,010	$ 27,677,423	$ 14,291,225

8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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.

Deferred Compensation Plan

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

OPSRP Individual Account Program (OPSRP IAP)

Plan Description:
Employees of the Government 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.

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.

8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

Contributions:
Employees of the Government 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

9. SINGLE EMPLOYER PENSION PLAN (GASB NO. 73)

Description
The District maintains a single-employer early retirement supplement plan for teachers or administrators who retire with 15 years of regular service to the District. The program provides a stipend that, depending on age and years of service at retirement, ranges from $250 to $450 per month for a full-time employee until age 65, when the employee becomes eligible for Medicare. This pension-type benefit is required to be valued under GASB No. 73. The District does not issue a standalone report for this plan.

Funding Policy
The District provides payments in accordance with current contracts on a pay-as-you-go basis. At June 30, 2025, the District was providing early retirement benefits to 9 former teachers or administrators.

Total Pension Liability for Stipends
The District's total pension liability of $5,077 was measured as of June 30, 2025, and was determined by an actuarial valuation as of that date using the Entry Age Normal Level Percent of Pay Cost Method.

Actuarial assumptions and other inputs
The total pension liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

9. SINGLE EMPLOYER PENSION PLAN (GASB NO.73) (CONTINUED)

Inflation rate	2.50%
Salary increases, average, including inflation	3.50%
Discount rate	3.93%

- The discount rate assumption is the June 30, 2024 rate in the 20-year General Obligation Municipal Bond Index published by Bond Buyer.
- Employer funding policy is on a pay-as-you-go cash basis.
- Rates of mortality, retirement, and withdrawal are the same rates that were used for school district employees in the December 31, 2022 actuarial valuation of the Oregon Public Employees Retirement System. Once an active employee has satisfied the requirements for early retirement, it is assumed that they do not terminate employment other than for retirement or death.
- The actuarial assumptions used in the June 30, 2025 valuation were based on experience for the period July 1, 2023 to June 30, 2024.

Changes in the Total Pension Liability for Stipends:

Total Pension Liability	2025	2024	2023
Balance at July 1	$ 5,078	$ 11,771	$ 16,629
Changes for the year:			
Service cost	196	261	230
Interest on total pension liability	192	305	490
Experience (Gain)/Loss	-	(1,013)	-
Effect of assumptions changes or inputs	-	61	-
Benefit payments	(389)	(6,307)	(5,578)
Net changes	(1)	(6,693)	(4,858)
Balance at June 30	$ 5,077	$ 5,078	$ 11,771

Sensitivity of the Total Pension Liability to Changes in the Discount Rate –
The following presents the total pension liability of the District, as well as what the District's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.93 percent) or 1-percentage-point higher (4.93 percent) than the current discount rate:

	1% Decrease (2.93%)	Discount Rate (3.93%)	1% Increase (4.93%)
Total pension liability	$ 5,096	$ 5,077	$ 5,039

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Stipends

For the year ended June 30, 2025, the District recognized stipend pension expense of $39,188. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to stipends from the following sources:

9. SINGLE EMPLOYER PENSION PLAN (GASB NO.73) (CONTINUED)

	Deferred Outflow of Resources	Deferred Inflow of Resources
Changes in assumptions (gain)/loss	$ -	$ 313
Experience (gain)/loss	17	-
Total	$ 17	$ 313

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

Year ending June 30,	Amount
2026	(296)
2027	-
2028	-
2029	-
All Subsequent Years	-
Total	$ (296)

10. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75)

The District offers a postemployment health insurance subsidy and contributes to a retirement health insurance account through Oregon Public Employees Retirement System. The breakdown of the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB are:

	Medical Subsidy	RHIA	Net
Total OPEB liability	$ 912,902	$ -	$ 912,902
Total OPEB Asset	-	632,720	632,720
OPEB deferred outflows of resources	141,517	109,742	251,259
OPEB deferred inflows of resources	86,292	34,973	121,265

Post-Employment Healthcare Benefits (Medical Subsidy)

The Post-Employment Healthcare Benefits (Medical Subsidy) for the District combines two separate plans. The District provides an implicit rate subsidy for retiree health insurance premiums, and a contribution toward eligible participants' medical premiums.

Plan Description – Explicit Subsidy – The District maintains a single-employer early retirement supplement program for its employees. This program covers full-time certified, confidential, classified and administrative personnel of the District hired prior to the date on which the program closed to new enrollees. The District does not issue a standalone report for this plan.

10. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75) (CONTINUED)

These programs have generally been established under separate collective bargaining agreements and provide provisions for early retirement after 17 years regular service and 30 years of participation in Oregon PERS (if under age 58). This optional early retirement program provides the employee with the following:

- For eligible certified employees a monthly payment toward group medical, dental and vision insurance of $400 is provided until retiree qualifies for Medicare.
- For eligible classified employees a monthly payment toward group medical, dental and vision insurance of $250 is provided until retiree qualifies for Medicare.
- For eligible administrators a monthly payment toward group medical, dental and vision insurance of $450 is provided until retiree qualifies for Medicare.

Plan Description – Implicit Subsidy – The District operates a single-employer defined benefit plan that provides postemployment health, dental, vision and life insurance benefits to eligible employees and their spouses. Benefits and eligibility for members are established through the collective bargaining agreements and Oregon State law. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB No. 75. The District's post-retirement healthcare plan was established in accordance with Oregon Revised Statutes (ORS) 243.303. ORS stipulate that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees.

Eligible retirees and their dependents under age 65 are allowed to continue to enroll in the same healthcare coverage as offered to active employees. The retiree's coverage selection is available only upon retirement although coverage can continue until the retiree's age 65. The spouse's coverage is available until the spouse's age 65 but also must be selected at the time of retirement. Following the retiree's death or attainment of age 65, the retiree's spouse can continue full coverage until the spouse's age 65. The retiree or surviving spouse is responsible for paying the full premium at the applicable tier. The difference between retiree claims costs, which because of the effect of age is generally higher in comparison to all plan members, and the amount of retiree healthcare premiums represents the District's implicit employer subsidy. Eligibility is determined by:

- For certified members, the employee must retire with an immediate service benefit under OPERS, or be eligible for a benefit under the District's Long Term Disability program.

- For administrators and classified members, the employee must retire with an immediate service or disability retirement benefit under the Oregon Public Employees Retirement System (OPERS).

As of the valuation date of June 30, 2025, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries receiving benefits	19
Active employees	365
	384

Total OPEB Liability for Medical Subsidy

The District's total OPEB liability for Medical Subsidy of $912,902 was measured as of June 30, 2025, and was determined by an actuarial valuation as of that date using the Entry Age Normal Level Percent of Pay Cost Method.

10. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75) (CONTINUED)

Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 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, 2024
Measurement Date	June 30, 2025
Experience	2023-2024 actual experience
Actual Cost Method	Entry Age Normal
Actuarial Assumptions	
Inflation rate	2.50 percent
Discount Rate	3.93
Projected salary increase	3.50 percent overall payroll growth
Cost of Living Adjustment	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with Moro decision; blend based on service.
Mortality	**Healthy retirees and beneficiaries:** RP-2000 Sex-distinct, generational per Scale BB, with collar adjustments and set-backs as described in the valuation. **Active members:** Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation. **Disabled retirees:** Mortality rates are a percentage (70% for males, 95% for females) of the RP-2000 Six-distinct, generational per Scale BB, disabled mortality table.

Discount Rate - Under GASB No. 75, unfunded plans must use a discount rate that reflects a 20-year tax-exempt municipal bond yield or index rate. The discount rate in effect for the June 30, 2025 reporting date is 3.93 percent, reflecting the Bond Buyer 20-Year General Obligation Bond Index.

Healthcare Cost Trend – The actuarial calculations used an assumption that medical costs will increase 3.4 percent over the remainder of the projection period. These trends are based on a model circulated by the Society of Actuaries that considers current trends in health care costs, the potential impacts of certain well-defined aspects of the Affordable Care Act, and long-term constraints on trend such as growth in per capita income. It also assumes that dental costs will increase by 3.50 percent in each future year.

10. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75) (CONTINUED)

Changes in the Total OPEB Liability for Medical Subsidy

	2023	2024	2025
Balance at July 1	$ 1,280,384	$ 1,164,284	$ 1,008,133
Changes for the year:			
Service cost	40,979	35,598	36,844
Interest on total OPEB liability	41,805	38,127	36,311
Experience (Gain)/Loss	-	(23,131)	-
Effect of assumptions changes or inputs	-	(32,234)	-
Benefit payments	(198,884)	(174,511)	(168,386)
Net changes	(116,100)	(156,151)	(95,231)
Balance at June 30	$ 1,164,284	$ 1,008,133	$ 912,902

Sensitivity of the Total OPEB Liability for Medical Subsidy to Changes in the Discount Rate

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.93 percent) or 1-percentage-point higher (4.93 percent) than the current discount rate:

	1% Decrease (2.93%)	Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB liability	$ 963,383	$ 912,902	$ 865,344
Health Care Trend Sensitivity	$ 842,370	$ 912,902	$ 995,171

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Medical Subsidy

For the year ended June 30, 2025, the District recognized OPEB expense/(income) of $168,386. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to the medical benefits plan from the following sources:

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

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ 43,716	$ 26,578
Changes of assumptions and other inputs	97,801	59,714
Total deferred outflow (inflow) of resources	$ 141,517	$ 86,292

10. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75) (CONTINUED)

Year ending June 30,	Amount
2026	21,796
2027	21,796
2028	17,535
2029	17,275
2030	3,894
All Subsequent Years	(30,071)
Total	$ 52,225

11. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75) RETIREMENT HEALTH INSURANCE ACCOUNT (RHIA)

Plan Description:
As a member of Oregon Public Employees Retirement System (OPERS) the Government 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 governments are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the Government currently contributes 0.00% 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 Government's contributions to RHIA for the years ended June 30, 2023, 2024 and 2025 were $4,063, $831 and ($26), which equaled the required contributions each year.

11. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75) RETIREMENT HEALTH INSURANCE ACCOUNT (RHIA) (CONTINUED)

At June 30, 2025, the Government reported a net OPEB liability/(asset) of ($632,720) for its proportionate share of the net OPEB liability/(asset). The OPEB liability/(asset) was measured as of June 30, 2024, and the total OPEB liability/(asset) used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of December 31, 2022. Consistent with GASB Statement No. 75, paragraph 59(a), the Government's proportion of the net OPEB liability/(asset) is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement date of June 30, 2024 and 2023, the Government's proportion was .157 percent and .206 percent, respectively. OPEB expense for the year ended June 30, 2025 was ($44,195).

Components of OPEB Expense/(Income):

Employer's proportionate share of collective system OPEB Expense/(Income)	$ (75,224)
Net amortization of employer-specific deferred amounts from:	
- Changes in proportionate share (per paragraph 64 of GASB 75)	30,569
- Differences between employer contributions and employer's proportionate share of system contributions (per paragraph 65 of GASB 75)	-
Employer's Total OPEB Expense/(Income)	$ (44,655)

Components of Deferred Outflows/Inflows of Resources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ -	$ 12,375
Changes in assumptions	-	8,003
Net difference between projected and actual earnings on pension plan investments	17,865	-
Net changes in proportionate share	91,851	14,595
Differences between contributions and proportionate share of contributions	-	-
Subtotal - Amortized Deferrals (below)	109,716	34,973
Contributions subsequent to measuring date	(26)	-
Deferred outflow (inflow) of resources	$ 109,690	$ 34,973

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.

11. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75) RETIREMENT HEALTH INSURANCE ACCOUNT (RHIA) (CONTINUED)

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

Year ending June 30,	Amount
2026	$ 33,041
2027	29,975
2028	9,665
2029	2,062
2030	-
Thereafter	-
Total	$ 74,743

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS Retirement Health Insurance Account Cost-Sharing Multiple-Employer Other Postemployment Benefit (OPEB) Plan Schedules of Employer Allocations and OPEB Amounts by Employer report, as of and for the Year Ended June 30, 2024. That independently audited report was dated January 31, 2025 and can be found at:

https://www.oregon.gov/pers/emp/Documents/GASB/2024/Oregon-Public-Employees-Retirement-System-RHIA-Schedule-Plan-FY06302024.pdf

Actuarial Methods and Assumptions:

Valuation Date	December 31, 2022
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	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

11. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75) RETIREMENT HEALTH INSURANCE ACCOUNT (RHIA) (CONTINUED)

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

Long-Term Expected Rate of Return:

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

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)

11. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75) RETIREMENT HEALTH INSURANCE ACCOUNT (RHIA) (CONTINUED)

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

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Proportionate share of the net OPEB liability (asset)	$ (585,706)	$ (632,720)	$ (673,200)

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.

12. DEFERRED COMPENSATION

The District has made available to its employees a deferred compensation plan under Internal Revenue Code 403(b) where they may defer amounts earned until either termination by reason of death, resignation, disability, or retirement. This plan also has a Roth provision allowing for these deferrals to be currently taxed so that the distributions of the contributions and earnings thereon will be tax exempt. These deposits are not subject to the collateral requirements of Oregon law and are excluded from resources for budgetary purposes. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All amounts deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are held in trust for the exclusive benefit of the participants and their beneficiaries.

13. RISK MANAGEMENT

The District purchases commercial insurance to cover all commonly insurable risks, including property, liability, vehicles, fidelity bond, worker's compensation and unemployment. All policies carry a small deductible amount. No insurance claims settled in each of the prior three years have exceeded policy coverage.

14. COMMITMENTS AND CONTINGENCIES

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

14. COMMITMENTS AND CONTINGENCIES (CONTINUED)

There are no uninsured contingent liabilities that require disclosure or recognition in accordance with Accounting Standards Codification (ASC) 450-20. Such contingent liabilities would include, but would not be confined to: notes or accounts receivable which have been discounted; pending suits; proceedings, hearings, or negotiations possibly involving retroactive adjustments; unsatisfied judgments or claims; taxes in dispute; endorsements or guarantees; and options.

The District is committed under various accepted bid agreements and contracts for approximately $3,000,000.

15. TAX ABATEMENTS

As of June 30, 2025, St. Helens School District potentially had tax abatements through one program in Columbia County: Enterprise Zone that impacted their levied taxes.

Enterprise Zone (ORS 285C.175):

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

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

For the fiscal year ended June 30, 2025, the St. Helens School District abated property taxes totaling $9,969 under these programs.

Tax Abatement Program	Amount of Taxes Abated during the Fiscal Year
Enterprise Zone	$10,420
	$10,420

16. FUND BALANCE CONSTRAINTS

The specific purposes for each of the categories of fund balance as of June 30, 2025 are as follows:

Fund Balances:	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Fund	Total
Nonspendable:					
Inventory	$ -	$ 25,876	$ -	$ -	$ 25,876
Prepaid Expenses	19,714	1,300	-	-	21,014
Restricted:					
Facility Improvements	-	-	-	4,628,753	4,628,753
Debt Service	-	-	500,525	-	500,525
Committed to:					
Special Revenue	-	1,514,658	-	-	1,514,658
Unassigned	1,138,623	-	-	-	1,138,623
Total Fund Balances	$ 1,158,337	$ 1,541,834	$ 500,525	$ 4,628,753	$ 7,829,449

17. PRIOR PERIOD ADJUSTMENT

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.

	Net position/fund balance 6/30/24 as previously reported	Restatement - GASB 101 implementation	Net position/fund balance 6/30/24 as restated/adjusted
Government-wide			
Governmental activities	$ 7,401,099	$ (1,452,536)	$ 5,948,563
Total government-wide	$ 7,401,099	$ (1,452,536)	$ 5,948,563

18. CONCENTRATION AND CONSTRAINTS

A) State and Federal Funding

The School District operates as a subdivision of the state, and as such, its funding is heavily reliant on appropriations from the state legislature to the School Support Fund (SSF). For the year ended June 30, 2025, approximately 43% of the District's total governmental fund revenues were derived from SSF grants. This concentration of funding exposes the District to significant financial risk should state funding levels decrease. Although the legislature approved the next biennial funding cycle, effective beginning July 1, 2025, the District's future funding remains uncertain, particularly given the state's dependence on federal aid for various programs, including education. Federal funding, as noted in subsequent sections, is currently experiencing reductions and is expected to face further reductions in the foreseeable future.

The District also receives a notable portion of its governmental resources through a Student Investment Account (SIA) grant, which accounted for 5% of total governmental fund revenue for the fiscal year ending June 30, 2025. The SIA grant is primarily funded through the state's Corporate Activity Tax (CAT), which is subject to fluctuation based on economic conditions at both the federal and state levels. The funding cycle aligns with the state's biennial budget process, with the next cycle commencing on July 1, 2025. This concentration presents additional risk, as the volatility of the underlying tax revenue increases the potential for future reductions. The District's management continues to monitor economic trends and their potential impact on SIA funding levels.

The District also receives federal grants, which totaled 6% of its governmental fund revenues for the year ending June 30, 2025. Most of these federal grants are scheduled to begin in the upcoming fiscal year starting October 1, 2025. As of the financial statement date, federal budget negotiations for 2025-26 are ongoing, and the District's reliance on federal funding introduces exposure to the broader implications of national debt levels and potential federal spending adjustments. Management actively monitors economic and legislative developments to assess potential impacts on future federal funding.

The District's long-term financial strategies are reviewed periodically to address the risks associated with these funding concentrations.

B) Payroll costs and Collective Bargaining

The School District's operating expenses are predominantly driven by employee salaries and benefits, with approximately 88% of staff compensation covered by two separate collective bargaining agreements. This heavy reliance on a limited number of agreements exposes the District to financial and operational risks, especially as future contract negotiations could significantly impact the District's resources. Negotiations with the licensed and classified staff unions for new contracts, which also expire on June 30, 2027, are scheduled to begin during the 2027 fiscal year. The District's management is actively involved in these discussions to ensure operational continuity and to mitigate potential adverse effects on the District's budget and long-term fiscal health.

The District is also a mandatory participant in the Oregon Educators Benefit Board (OEBB), which provides group health benefits to staff. This participation involves resource concentration, as the District depends on a single provider for a substantial portion of its employee benefit costs. While the District's financial contributions are negotiated through collective bargaining, the rates and plan structures are set solely by OEBB. As a result, the District remains vulnerable to significant financial impacts from potential rate increases. The rates for the plan year beginning October 1, 2025, were approved on August 15, 2025—prior to the issuance of these financial statements. These new rates could influence future financial commitments and bargaining negotiations. Additionally, OEBB is currently considering rate increases exceeding the Oregon Legislature's cap of 3.4%. If legislation permitting higher increases is enacted, it could substantially affect the District's future costs.

18. CONCENTRATION AND CONSTRAINTS (CONTINUED)

Management continues to monitor the rate-setting process and evaluates the possible financial implications for upcoming budgets and negotiations.

The District is also a required participant in the Public Employees Retirement System (PERS). Pension costs are determined on a biennial basis through an actuary and are significantly impacted by the investment performance of the PERS fund. For the fiscal year ending June 30, 2025, pension expenses accounted for roughly 13% of the District's General Fund expenditures. The District's pension obligations pose a concentration risk, as unfavorable investment performance or an unfunded actuarial liability could lead to substantial financial impacts. On May 30, 2025, the PERS Board approved new employer contribution rates for the upcoming biennium starting July 1, 2025. These rate adjustments substantially increased the District's pension costs, further amplifying the financial risk related to payroll cost increases. Although the known PERS increases are factored into the budget and would typically not be disclosed alone, their substantial nature, when combined with potential unknown increases as noted above, presents a considerable financial risk to the District in the upcoming year.

19. NEGATIVE NET POSITION

The District reports a negative net position at June 30, 2025 of ($985,870) primarily due to the pension liability and related deferred inflows and outflows.

ST. HELENS SCHOOL DISTRICT

COLUMBIA COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2025

SCHEDULE OF THE PROPORTIONATE SHARE OF 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) District'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	0.12 %	$ 27,677,423	$ 23,550,487	117.5 %	79.3 %
2024	0.09	15,945,924	23,742,333	67.2	81.7
2023	0.10	15,783,500	21,458,622	73.6	84.5
2022	0.10	11,680,879	18,183,325	64.2	87.6
2021	0.09	21,670,510	17,729,086	122.2	75.8
2020	0.09	15,447,192	17,481,623	88.4	80.2
2019	0.10	15,807,758	15,650,307	101.0	82.1
2018	0.09	12,517,377	15,374,390	81.4	83.1
2017	0.08	11,541,722	14,581,783	79.2	80.5
2016	0.04	2,521,377	14,322,035	17.6	91.9

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

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	$ 536246	$ 536,246	$ -	$ 27,723,766	1.9 %
2024	464,983	464,983	-	23,550,487	2.0
2023	715,144	715,144	-	23,742,333	3.0
2022	652,063	652,063	-	21,458,622	3.0
2021	1,083,068	1,083,068	-	18,183,325	6.0
2020	1,019,563	1,019,563	-	17,729,086	5.8
2019	473,525	473,525	-	17,481,623	2.7
2018	230,101	230,101	-	15,650,307	1.5
2017	76,283	76,283	-	15,374,390	0.5
2016	72,907	72,907	-	14,581,783	0.5

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

SCHEDULE OF CHANGES IN THE TOTAL PENSION LIABILITY FOR STIPENDS

Year Ended June 30,	Service costs	Interest on total pension liability	Difference between expected and actual results	Changes of assumptions or other inputs	Benefit payments	Net changes in total pension liability
2025	$ 196	$ 192	$ -	$ -	$ (389)	$ (1)
2024	261	305	(1,013)	61	(6,307)	(6,693)
2023	230	490	-	-	(5,578)	(4,858)
2022	300	1,453	(16,847)	(616)	(17,400)	(33,110)
2021	321	1,240	-	-	(15,898)	(14,337)
2020	310	1,315	7,741	(3,565)	(15,502)	(3,159)
2019	500	2,815	736	(6,523)	(16,543)	(13,228)
2018	483	3,687	1,372	(12,147)	(14,953)	(21,558)

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

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

SCHEDULE OF TOTAL PENSION LIABILITY AND RELATED RATIOS FOR STIPENDS

Year Ended June 30,	Total pension liability beginning	Net change in total pension liability	Total pension liability ending	Employer's covered payroll	Total pension liability as percentage of covered payrol	Discount rate
2025	$ 5,078	$ (1)	$ 5,077	$ 322,148	1.58 %	3.93 %
2024	11,771	(6,693)	5,078	464,556	1.09	3.93
2023	16,629	(4,858)	11,771	346,791	3.39	3.54
2022	49,739	(33,110)	16,629	487,259	3.41	3.54
2021	64,076	(14,337)	49,739	785,124	6.34	2.21
2020	67,235	(3,159)	64,076	758,574	8.45	2.21
2019	80,463	(13,228)	67,235	1,186,045	5.70	3.90
2018	102,021	(21,558)	80,463	1,145,937	7.02	3.90

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

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

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2025

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

Year Ended June 30,	District's proportion of net OPEB liability (asset)	District's proportionate share of the net OPEB liability (asset)	District's covered payroll	NOL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2025	0.16 %	$ (632,720)	$ 23,550,487	(2.69) %	220.6 %
2024	0.21	(754,942)	23,742,333	(3.18)	201.6
2023	0.17	(604,160)	21,458,622	(2.82)	194.6
2022	0.16	(554,923)	18,183,325	(3.05)	183.9
2021	0.06	(116,632)	17,729,086	(0.66)	150.1
2020	0.16	(301,340)	17,481,623	(1.72)	144.4
2019	0.15	(167,825)	15,650,307	(1.07)	124.0
2018	0.15	(63,550)	15,374,390	(0.41)	108.9
2017	0.16	42,223	14,581,783	0.29	94.2

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

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

SCHEDULE OF CONTRIBUTIONS FOR RHIA

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2025	$ (26)	$ (26)	$ -	$ 27,723,766	(0.00) %
2024	831	831	-	23,550,487	0.00
2023	4,063	4,063	-	23,742,333	0.02
2022	4,191	4,191	-	21,458,622	0.02
2021	4,323	4,323	-	18,183,325	0.02
2020	4,087	4,087	-	17,729,086	0.02
2019	77,289	77,289	-	17,481,623	0.44
2018	72,797	72,797	-	15,650,307	0.47
2017	87,321	87,321	-	15,374,390	0.57

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

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

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

SCHEDULE OF CHANGES IN OTHER POST EMPLOYMENT BENEFITS (OPEB) LIABILITY
For the Year Ended June 30, 2025

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability beginning of year	$ 1,008,133	$ 1,164,284	$ 1,280,384	$ 1,422,759	$ 1,621,925	$ 1,595,581	$ 1,775,600	$ 1,921,756
Changes for the year:								
Service Cost	36,844	35,598	40,979	39,593	36,728	35,486	29,107	28,122
Interest	36,311	38,127	41,805	47,070	32,875	31,774	63,924	69,312
Changes of Benefit Terms	-	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	-	(32,234)	-	20,097	-	55,973	-	31,512
Changes of Assumptions or Other Input	-	(23,131)	-	(62,919)	-	218,799	-	13,958
Benefit Payments	(168,386)	(174,511)	(198,884)	(186,216)	(268,769)	(315,688)	(273,050)	(289,060)
Net Changes for the Year	(95,231)	(156,151)	(116,100)	(142,375)	(199,166)	26,344	(180,019)	(146,156)
Total OPEB Liability end of year	$ 912,902	$ 1,008,133	$ 1,164,284	$ 1,280,384	$ 1,422,759	$ 1,621,925	$ 1,595,581	$ 1,775,600
Covered Payroll	22,101,101	21,353,721	19,110,818	18,464,558	17,237,711	16,654,793	14,513,153	14,022,370
Net Single Employer Pension Plan as a Percentage of Covered Payroll	4.13%	4.72%	6.09%	6.93%	8.25%	9.74%	10.99%	12.66%

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

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

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

GENERAL FUND

	ORIGINAL BUDGET	FINAL BUDGET		ACTUAL	VARIANCE
REVENUES:					
Property Taxes	$ 11,158,526	$ 11,158,526		$ 10,614,485	$ (544,041)
Intergovernmental					
Intermediate Sources	390,000	390,000		656,795	266,795
State Sources	24,864,987	24,864,987		25,129,647	264,660
Federal Sources	5,000	5,000		14,649	9,649
Charge for Services	16,550	16,550		7,362	(9,188)
Contributions	500	500		1,558	1,058
Investment Earnings	309,125	309,125		489,749	180,624
Miscellaneous	183,396	183,396		142,868	(40,528)
Total Revenue	36,928,084	36,928,084		37,057,113	129,029
EXPENDITURES:					
Current					
Instruction	23,849,575	23,949,575	(1)	23,992,906	(43,331)
Support Services	17,207,050	17,407,050	(1)	18,124,897	(717,847)
Enterprise and Community Services	2,078	2,078	(1)	2,563	(485)
Facilities and Acquisition and Construction	161,460	161,460	(1)	124,156	37,304
Debt Service					
Principal	176,000	176,000	(2)	174,000	2,000
Interest	2,394	2,394	(2)	4,394	(2,000)
Contingency	200,000	-	(1)	-	-
Total Expenditures	41,598,557	41,698,557		42,422,916	(724,359)
Excess of Revenues Over, (Under) Expenditures	(4,670,473)	(4,770,473)		(5,365,803)	(595,330)
Other Financing Sources (Uses):					
Issuance of Debt	-	-		112,045	112,045
Transfers Out	(325,745)	(225,745)	(1)	(225,745)	-
Total Other Financing Sources, (Uses)	(325,745)	(225,745)		(113,700)	112,045
Net Change in Fund Balance	(4,996,218)	(4,996,218)		(5,479,503)	(483,285)
Beginning Fund Balance	6,584,133	6,584,133		6,637,840	53,707
Ending Fund Balance	$ 1,587,915	$ 1,587,915		$ 1,158,337	$ (429,578)

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

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

SPECIAL REVENUE FUNDS

	ORIGINAL BUDGET	FINAL BUDGET		ACTUALS	VARIANCE
REVENUES:					
Intergovernmental					
Intermediate Sources	$ 110,079	$ 110,079		$ 112,804	$ 2,725
State Sources	5,708,724	5,708,724		5,646,762	(61,962)
Federal Sources	3,845,052	3,845,052		3,204,965	(640,087)
Charges for Services	395,726	395,726		321,659	(74,067)
Contributions	201,598	201,598		148,111	(53,487)
Miscellaneous	86,685	86,685		249,248	162,563
Total Revenues	10,347,864	10,347,864		9,683,549	664,315
EXPENDITURES:					
Current					
Instruction	5,810,802	5,810,802	(1)	5,231,958	578,844
Support Services	2,635,808	2,635,808	(1)	2,609,220	26,588
Enterprise and Community Services	2,067,771	2,067,771	(1)	2,126,136	(58,365)
Facilities and Construction	718,483	718,483	(1)	42,184	676,299
Total Expenditures	11,232,864	11,232,864		10,009,498	1,223,366
Excess of Revenues Over, (Under) Expenditures	(885,000)	(885,000)		(325,949)	(559,051)
Other Financing Sources (Uses):					
Transfers In	175,745	175,745		225,745	50,000
Issuance of Debt	-	-		10,901	10,901
Sale of Capital Assets	500,000	500,000		-	(500,000)
Total Other Financing Sources, (Uses)	675,745	675,745		236,646	(500,000)
Net Change in Fund Balance	(209,255)	(209,255)		(89,303)	(1,059,051)
Beginning Fund Balance	918,803	918,803		1,631,137	712,334
Ending Fund Balance	$ 709,548	$ 709,548		$ 1,541,834	$ 832,286

(1) Appropriation Level

ST. HELENS SCHOOL DISTRICT

COLUMBIA COUNTY, OREGON

SUPPLEMENTARY INFORMATION

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

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

DEBT SERVICE

	ORIGINAL BUDGET	FINAL BUDGET		ACTUAL	VARIANCE
REVENUES:					
Property Taxes	$ 5,067,950	$ 5,067,950		$ 4,888,952	$ (178,998)
Investment Earnings	-	-		79,675	79,675
Charges to Other Funds	3,310,761	3,310,761		3,502,233	191,472
Total Revenues	8,378,711	8,378,711		8,470,860	92,149
EXPENDITURES:					
Debt Service:					
Redemption of Principal	3,942,621	3,942,621		4,025,746	(83,125)
Interest	4,490,690	4,490,690		4,407,559	83,131
Total Expenditures	8,433,311	8,433,311	(1)	8,433,305	6
Net Change in Fund Balance	(54,600)	(54,600)		37,555	92,155
Beginning Fund Balance	506,000	506,000		462,970	(43,030)
Ending Fund Balance	$ 451,400	$ 451,400		$ 500,525	$ 49,125

(1) Appropriation level

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

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

CAPITAL CONSTRUCTION

	ORIGINAL BUDGET	FINAL BUDGET		ACTUAL	VARIANCE
REVENUES:					
Construction Excise Tax	$ 45,000	$ 45,000		$ 90,354	$ 45,354
Intergovernmental					
State Sources	4,000,000	4,000,000		-	(4,000,000)
Charge for Services	7,500	7,500		17,651	10,151
Miscellaneous	-	-		43,859	43,859
Investment Earnings	207,000	207,000		713,474	506,474
Total Revenues	4,259,500	4,259,500		865,338	(3,394,162)
EXPENDITURES:					
Current					
Support Services					
Facilities Acquisition and Construction	26,613,700	26,613,700	(1)	22,757,007	3,856,693
Contingency	994,000	994,000	(1)	-	994,000
Total Expenditures	27,607,700	27,607,700		22,757,007	4,850,693
Excess of Revenues Over, (Under) Expenditures	(23,348,200)	(23,348,200)		(21,891,669)	1,456,531
Other Financing Sources (Uses):					
Sale of Capital Asset	-	-		22,353	22,353
Transfers In	150,000	150,000		-	(150,000)
Total Other Financing Sources, (Uses)	150,000	150,000		22,353	(127,647)
Net Change in Fund Balance	(23,198,200)	(23,198,200)		(21,869,316)	1,328,884
Beginning Fund Balance	26,443,700	26,443,700		26,498,069	54,369
Ending Fund Balance	$ 3,245,500	$ 3,245,500		$ 4,628,753	$ 1,383,253

(1) Appropriation Level

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2025

FEDERAL GRANTOR / PROGRAM TITLE	FEDERAL AL NUMBER	PASS-THROUGH ORGANIZATION	PASS-THROUGH ENTITY NUMBER	EXPENDITURES		PASS THROUGH
U.S. DEPARTMENT OF EDUCATION						
Title I-A	84.010	ODE	76589	$ 213,810		$ -
Title I-A	84.010	ODE	82272	418,221		-
Total Title I-A				632,031		-
Title IIA - Supporting Effective Instruction	84.367	ODE	76786	6,971		-
Title IIA - Supporting Effective Instruction	84.367	ODE	82535	45,571		-
Total Title IIA				52,542		-
Title IVA - Student Support & Academic Enrichment	84.424	ODE	77204	24,457		-
Title IVA - Student Support & Academic Enrichment	84.424	ODE	82535	20,621		-
Total Title IVA				45,078		-
IDEA Part B:						
IDEA Part B, Section 611	84.027	ODE	78072	80,327		-
IDEA Part B, Section 611	84.027	ODE	83462	473,744		-
IDEA Part B, Section 619	84.173	ODE	77887	1,760		-
Total IDEA Part B				555,831		-
ESF Education Stabilization Fund Under CARES Act						
ESSER Homeless Children and Youth - COVID19	84.425W	ODE	69408	2,797		-
Total				2,797		-
Twenty First Century Community Learning Centers	84.287	ODE	77619	96,650		96,650
Twenty First Century Community Learning Centers	84.287	ODE	83287	152,632		152,632
Total Twenty First Century Community Learning Centers				249,282		249,282
Rehabilitation Services - Vocational Rehabilitation Grant	84.126	OSDHS	160753	82,500		-
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	OSU	ED185C-H	121,147		-
TOTAL U.S. DEPARTMENT OF EDUCATION				1,741,208		249,282
U.S. DEPARTMENT OF AGRICULTURE						
National School Breakfast Program	10.553	ODE	N/A	307,312		-
National School Lunch Program	10.555	ODE	N/A	926,712		-
National School Lunch Commodities - Non-Cash Assistance	10.555	ODE	N/A	91,994		-
National School Lunch Supply Chain Assistance	10.555	ODE	N/A	64,559		-
Summer Food Program	10.559	ODE	N/A	31,320		-
Summer Food Program - Commodities	10.559	ODE	N/A	228		-
Total				1,422,125	(1)	-
National School Lunch Program - Equipment	10.579	ODE	N/A	41,634		-
TOTAL U.S. DEPARTMENT OF AGRICULTURE				1,463,759		-
U.S. DEPARTMENT OF HOMELAND SECURITY						
Disaster Grants - Public Assistance	97.036	ODEM	N/A	14,647		-
TOTAL GRANTS EXPENDED OR PASSED THROUGH TO SUBRECIPIENTS				$ 3,219,614		$ 249,282

(1) Major Program

ST. HELENS SCHOOL DISTRICT

COLUMBIA COUNTY, OREGON

OTHER INFORMATION

FINANCIAL INFORMATION AND OPERATING DATA 2025

Name of Issuer: St. Helens School District No. 502, Columbia County, Oregon

Name of Issue: $46,910,000.00 General Obligation Bonds, Series 2017 (the "Series 2017 Bonds");
$32,190,427.25 General Obligation Bonds, Series 2020A (the Series 2020A Bonds")
$25,531,400.70 General Obligation Bonds, Series 2020B (the Series 2020A Bonds")
$4,000,000 General Obligation Bonds, Series 2023 (the Series 2023 Bonds")

DISTRICT BONDED INDEBTEDNESS

Debt Service Outstanding General Obligation Bonds

Fiscal Year	Outstanding Bonds		Total Debt Service
	Principal	Interest	
2025	1,313,746	3,808,804	5,122,550
2026	1,661,941	3,754,859	5,416,800
2027	1,899,711	3,676,589	5,576,300
2028	2,147,056	3,595,944	5,743,000
2029	2,423,975	3,493,525	5,917,500
2030	2,700,044	3,377,706	6,077,750
2031	3,030,262	3,248,488	6,278,750
2032	3,226,636	3,241,114	6,467,750
2033	3,266,288	3,171,712	6,438,000
2034	3,130,561	3,101,939	6,232,500
2035	3,374,804	3,045,196	6,420,000
2036	3,631,833	2,979,667	6,611,500
2037	3,901,915	2,904,335	6,806,250
2038	4,192,402	2,820,848	7,013,250
2039	4,498,206	2,723,795	7,222,000
2040	4,820,522	2,620,728	7,441,250
2041	5,741,788	1,918,712	7,660,500
2042	6,251,478	1,639,022	7,890,500
2043	6,914,891	1,212,609	8,127,500
2044	6,930,671	1,433,330	8,364,000
2045	7,507,083	1,108,167	8,615,250
2046	4,545,830	4,329,142	8,874,972
2047	4,561,991	4,578,491	9,140,482
2048	4,580,461	4,838,083	9,418,544
2049	4,596,622	5,103,530	9,700,152
2050	4,612,783	5,377,217	9,990,000
	$ 105,463,496	$ 83,103,554	$ 188,567,050

Debt Service Full Faith and Credit Obligations

Fiscal Year	Principal	Interest	Total Debt Service
2025	2,886,000	603,155	3,489,155
2026	3,203,000	449,123	3,652,123
2027	3,360,000	278,166	3,638,166
2028	1,585,000	89,164	1,674,164
	$11,034,000	$1,419,608	$12,453,608

St. Helens School District Property Valuations

Fiscal Year	Total Real Market Value	M5 Real Market Value	Total Assessed Valuation	Urban Renewal Excess	AV Used to Calculate Rates
2025	$ 4,590,930,079	$ 4,265,932,170	$ 2,320,309,469	$ 33,105,670	$ 2,287,203,799
2024	4,601,033,175	4,219,641,331	2,323,037,371	101,079,567	2,221,957,804
2023	4,370,119,688	4,016,603,500	2,230,402,204	88,706,095	2,141,696,109
2022	3,635,292,971	3,363,912,727	2,121,752,162	60,184,407	2,061,567,755
2021	3,319,790,517	3,055,609,182	1,998,460,284	19,763,517	1,978,696,767
2020	2,978,956,254	2,753,076,991	1,891,243,575	13,811	1,891,229,764
2019	2,801,660,585	2,524,135,009	1,837,724,405	5,347,303	1,832,377,102
2018	2,889,508,922	2,487,416,308	1,785,023,282	-	1,785,023,282

Source: Columbia County Assessor's Office

GO Bond Capacity			
Fiscal Year	GO Bond Capacity (7.95% of RMV)	GO Bonds Outstanding	Remaining Capacity
2025	$ 339,141,608	$ 4,612,783	$ 334,528,825

District Tax Collection Record

Fiscal Year	Percent Collected as of Levy Year(2)	Percent Collected as of 6/30/2025(3)
2024	97.80%	97.80%
2023	97.88%	98.85%
2022	97.79%	99.22%
2021	97.79%	99.79%
2020	97.51%	99.95%
2019	97.12%	99.97%

(1) Percentage of total tax levy collection in the County. Pre-payment discounts are considered to be collected when outstanding taxes are calculated. The tax rates are before offsets.
(2) The percentage of taxes collected in the "year of levy" represents taxes collected in a single levy year, beginning July 1 and ending June 30.
(3) The percentage of taxes collected in the column represents taxes collected cumulatively from July 1 in a given levy year through 06/30/2025.

Source: Columbia County Tax Collector.

Major Taxpayers for County 2025

Taxpayer	Business/Service	Assessed Value	Percent of Value	Tax
Cascade Holdings US Inc		$ 37,414,540	0.55%	$ 5,248,827
Portland General Electric	Electrical Utility	$ 402,616,330	5.97%	$ 5,055,048
Northwest Natural Gas Company	Natural Gas Utility	322,484,700	4.78%	3,869,135
United States Gypsum	Wall Board	82,290,840	1.22%	1,327,027
Weyerhaeuser Timber Holdings Inc	Timberland	86,603,827	1.28%	1,144,005
Dyno Nobel, Inc.	Explosive Manufacturing	64,622,296	0.96%	881,108
Columbia River PUD	Electrical Utility	59,780,319	0.89%	805,296
Airpark Development LLC	Commercial	41,299,752	0.61%	727,936
Northwest Aggregates Inc.	Sand and Gravel	34,551,890	0.51%	444,082
Clatskanie PUD	Utility	33,493,718	0.50%	436,662
Subtotal - ten of County's largest taxpayers		1,165,158,212	17.27%	
All other County's taxpayers		5,582,040,198	82.73%	
Total County		$ 6,747,198,410	100.00%	

Source: Columbia County Assessor's Office.

District Levy Rates

Fiscal Year	Permanent Rate	Bond Levy	Local Option	Total
2025	$5.0297	$2.2595	$0.0000	$7.2892
2024	5.0297	2.2153	0.0000	7.2450
2023	5.0297	2.2786	0.0000	7.3083
2022	5.0297	1.3310	0.0000	6.3607

Source: Columbia County Assessor's Office.

AVERAGE DAILY MEMBERSHIP – WEIGHTED

Fiscal Year	ADMw
2025	*3294.69
2024	3,234.1
2023	3,223.4
2022	3,242.7
2021	3,171.4
2020	3,254.8
2019	3,330.5
2018	3,452.3
	* estimated

Source: Oregon Department of Education

ST HELENS SCHOOL DISTRICT

St Helens, Oregon

SUPPLEMENTAL INFORMATION REQUIRED BY THE STATE OF OREGON
DEPARTMENT OF EDUCATION
YEAR ENDED JUNE 30, 2025

School District Business Managers and Auditors:

This page is a required part of your annual audited financial statements. Please make sure it is included.

Parts A is needed for computing Oregon's full allocation for ESEA, Title I & other Federal Funds for Education.

A. Energy Bill for Heating - **All Funds**:
Please enter your expenditures for electricity & heating fuel for these Functions & Objects.

	Objects 325 &326
Function 2540	$ 460,140
Function 2550	$ -

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

Exclude these functions:		Exclude these functions:	
1113, 1122 & 1132	Co - curricular Activities	4150	Construction
1140	Pre - Kindergarten	2550	Pupil Transportation
1300	Continuing Education	3100	Food Services
1400	Summer School	3300	Community Services

ST. HELENS SCHOOL DISTRICT

COLUMBIA COUNTY, OREGON

INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS

CLEAR TRAIL CPAS
Clear Solutions, Clear Results

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March 19, 2026

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the St. Helens School District as of and for the year ended June 30, 2025, and have issued our report thereon dated March 19, 2026. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards.

Compliance

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

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

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

In connection with our testing nothing came to our attention that caused us to believe the St. Helens 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 for the following:

1. Budget over expenditures as noted on page 24 of the notes.

OAR 162-10-0230 Internal Control

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

We noted three matters involving the internal control structure and its operation that we consider to be material weaknesses and two matters we consider to be significant deficiencies under standards established by the American Institute of Certified Public Accountants, which we noted in the Schedule of Findings and Questioned Costs.

This report is intended solely for the information and use of the Board 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.



Tara M. Kamp, CPA
CLEAR TRAIL CPAS, LLC

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

GRANT COMPLIANCE REVIEW

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March 19, 2026

To the Board of Directors
St. Helens School District
Columbia County, Oregon

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of St. Helens School 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 March 19, 2026.

Report on Internal Control over Financial Reporting

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

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

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies and material weaknesses.

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. Material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we identified three deficiencies in internal control that we consider to be material weaknesses, described in the accompanying Schedule of Findings and Questioned Costs as items on FS-2025-001, FS-2025-002, and FS-2025-003 and two deficiencies in internal control that we consider to be significant deficiencies, described in the accompanying Schedule of Findings and Questioned Costs as item FS-2024-004 and FS-2024-005.

Report on Compliance and Other Matters

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

Response to Findings

The District's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. The responses were not subjected to the auditing procedures applied in the audit of financial statements, and accordingly we express no opinion on them.

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.



Tara M. Kamp, CPA
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March 19, 2026

To the Board of Directors
St. Helens School District
Columbia County, Oregon

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited St. Helens School District's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 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, St. Helens School 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 St. Helens School 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.

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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



Tara M. Kamp, CPA
CLEAR TRAIL CPAS, LLC

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2025

SECTION I – SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	☒ yes	☐ no
Significant deficiency(s) identified that are not considered to be material weaknesses?	☒ yes	☐ none reported
Noncompliance material to financial statements noted?	☐ yes	☒ no
Any GAGAS audit findings disclosed that are required to be reporting in accordance with the Uniform Guidance?	☐ yes	☒ no

FEDERAL AWARDS

Internal control over major programs:		
Material weakness(es) identified?	☐ yes	☒ no
Significant deficiency(s) identified that are not considered to be material weaknesses?	☐ yes	☒ none reported
Type of auditors' report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	☐ yes	☒ no

IDENTIFICATION OF MAJOR PROGRAMS

CFDA NUMBER	NAME OF FEDERAL PROGRAM CLUSTER
10.553, 10.555, 10.559	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

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2025

SECTION II – FINANCIAL STATEMENT FINDINGS

FS-2025-01 – MATERIAL WEAKNESS

CONDITION: During our testing of long term debt we noted multiple payments posted to interest expense rather than principle and interest. The District subsequently corrected these items.

CRITERIA: Debt service expenditures should be posted to the correct accounts.

EFFECT: Incorrect account coding for debt service expenditures can lead to material misstatement of the financial statements.

CAUSE: A breakdown in internal controls occurred during the year under audit.

RECOMMENDATION: We recommend the District record principle payments in the principle account codes and all debt service payments are reviewed for accuracy.

VIEWS OF RESPONSIBLE OFFICIALS: The District will create purchase orders for payments of principal and interest for each outstanding bond and code expenses to the correct accounting codes.

FS-2025-02 – MATERIAL WEAKNESS

CONDITION: During our testing of grants, accounts receivable and the schedule of expenditures of federal awards, we noted errors that led to material misstatements in revenue, accounts receivable and the schedule of expenditures of federal awards. The District subsequently corrected these items.

CRITERIA: Revenues and accounts receivable should be recorded in accordance with generally accepted accounting principles.

EFFECT: Incorrect accounting for revenues and accounts receivable can lead to material misstatement of the financial statements.

CAUSE: A breakdown in internal controls occurred during the year under audit.

RECOMMENDATION: We recommend the District record revenue and accounts receivable payments in accordance with generally accepted accounting principles and are reviewed for accuracy.

VIEWS OF RESPONSIBLE OFFICIALS: The District will continue to improve financial reporting by thoroughly reviewing all revenue and expenses to ensure they are recorded in the proper fiscal year.

FS-2025-03 – MATERIAL WEAKNESS

CONDITION: During our testing of capital assets, we noted multiple material errors including the double counting of an asset, not removing construction in process when the project was completed, not including all capital assets, and not removing a large deletion of a capital asset during the year.

CRITERIA: Capital assets should be accounted for and recorded in accordance with generally accepted accounting principles.

EFFECT: Incorrect accounting for capital assets can lead to material misstatement of the financial statements.

CAUSE: A breakdown in internal controls occurred during the year under audit.

RECOMMENDATION: We recommend the District account for capital assets in accordance with generally accepted accounting principles and be reviewed for accuracy.

VIEWS OF RESPONSIBLE OFFICIALS: The District is still improving internal controls around capital asset tracking and will create instructions on how to record assets and when.

FS-2025-01 – SIGNIFICANT DEFICIENCY

CONDITION: During the final audit multiple adjusting journal entries were performed by the District after the audit had commenced due to the books not being closed and finalized as required. This is a repeated finding from the prior year.

CRITERIA: The final audit must be performed on the final financial information from the District for the fiscal year under audit.

EFFECT: Without controls or procedures in place to ensure the books are properly closed and finalized, the possibility exists of a material misstatement to the financial statements.

CAUSE: A breakdown in internal controls occurred during the year under audit.

RECOMMENDATION: We recommend that the books be closed and all final journal entries be posted prior to the final audit beginning.

VIEWS OF RESPONSIBLE OFFICIALS: The District will continue to improve instructions and lists of audit "to do" items which will be reviewed before final financial information is sent to the auditors.

FS-2025-02 – SIGNIFICANT DEFICIENCY

CONDITION: During our testing of payroll, we noted that ACH payroll reports did not have evidence of review and approval.

CRITERIA: Review and approval of payroll and related documentation of that review is a key internal control to ensure accuracy and accountability.

EFFECT: Without key controls account payroll occurring, there exists the possibility of errors and misstatements that will go undetected.

CAUSE: A breakdown in internal controls occurred during the year under audit.

RECOMMENDATION: We recommend ACH payroll reports are reviewed for accuracy and the review is documented with a signature and date.

VIEWS OF RESPONSIBLE OFFICIALS: The District has implemented procedures that include the approval of all payrolls prior to payment.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

NONE

SECTION IV – PRIOR AUDIT FINDINGS

FS-2024-01 – MATERIAL WEAKNESS

CONDITION: During our testing of long term debt we noted that the debt summary information provided by the District was materially misstated.

CURRENT STATUS: Appears to have been corrected.

FS-2024-02 – MATERIAL WEAKNESS

CONDITION: During our testing of grants we noted material errors in the accounting for the student investment act fund. Payments passed through to charter schools were not being accounted for correctly and the amounts unspent at 6/30 were not recorded as deferred revenue.

CURRENT STATUS: Appears to have been corrected.

FS-2024-03 – SIGNIFICANT DEFICIENCY

CONDITION: During the final audit multiple adjusting journal entries were performed by the District after the audit had commenced due to the books not being closed and finalized as is required.

CURRENT STATUS: Finding is repeated in the current audit.

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. BASIS OF PRESENTATION

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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