

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**  
**ANNUAL FINANCIAL REPORT**  
**YEAR ENDED JUNE 30, 2022**

**SCHOOL DISTRICT NO. 509J  
Jefferson County, Oregon**

**SCHOOL OFFICIALS**

**JUNE 30, 2022**

Board Chair

Kevin Richards  
Madras, Oregon

Board Members

Courtney Snead  
Vice Chair  
Madras, Oregon

Laurie Danzuka  
Warm Springs, Oregon

Board Members

Jamie Hurd  
Madras, Oregon

Jacob Struck  
Madras, Oregon

School Superintendent

Jay Mathisen  
Madras, Oregon

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**ANNUAL FINANCIAL REPORT**

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**INDEPENDENT AUDITORS' REPORT**

*Independent Auditor's Report*

To the Board of Directors  
Jefferson County School District 509J  
Jefferson County, Oregon

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the financial statements of the governmental activities and each major fund of Jefferson County School District 509J (District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Jefferson County School District 509J, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

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

***Responsibilities of Management for the Financial Statements***

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

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

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of the proportionate share of net pension liability and contributions – PERS, schedule of the proportionate share of net OPEB liability and contributions – Retiree Health Insurance Account, schedule of changes in total OPEB liability and related ratios – medical benefit, and the schedules of revenues, expenditures, and changes in fund balance, budget and actual for the general and special revenue funds be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the management's discussion and analysis, schedule of the proportionate share of net pension liability and contributions – PERS, schedule of the proportionate share of net OPEB liability and contributions – RHIA, and the schedule of changes in total OPEB liability and related ratios – medical benefit, 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 schedules of revenues, expenditures, and changes in fund balance, budget and actual for the general and special revenue funds have 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 schedules of revenues, expenditures, and changes in fund balance, budget and actual for the general and special funds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise District's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is 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 financial schedules as identified in the table of contents; the sub-fund combining schedules; the budgetary schedules for the debt service and capital project funds; and the schedules required by Oregon Department of Education as identified in the table of contents, but does not include the basic financial statements and our auditor's 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.



### **Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated January 25, 2023 on our consideration of District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering District's internal control over financial reporting and compliance.

### **Other Reporting Required by Oregon Minimum Standards for Audits of Oregon Municipal Corporations**

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated January 25, 2023 on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe our testing of compliance and the results of that testing and not to provide an opinion on compliance.

*Brenda Bawlett*

Sensiba San Filippo, LLP  
Bend, Oregon

January 25, 2023

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2022**

As management of Jefferson County School District 509J, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with the balance of information presented in this report.

**FINANCIAL HIGHLIGHTS**

- In the government-wide statements, the assets of the District exceeded its liabilities at June 30, 2022 by \$6,710,078. Of this amount, \$15,921,637 represents the District's investment in capital assets net of debt service, \$103,280 is restricted for debt service, \$27,255,750 is reserved for capital projects, and \$83,389 is restricted with donor requirements leaving a deficit of \$36,653,979 in unrestricted net position.
- The District's total net position increased by \$5,189,948 from prior year ended June 30, 2021.
- The District's governmental funds reported combined ending fund balance of \$50,670,763 of which \$11,375,924 is unassigned and available for spending at the District's discretion.
- At the end of the fiscal year, unassigned fund balance for the general fund on a budget basis was \$11,435,340 or about 33.5% of total general fund expenditures and transfers.
- The District's total bonded debt increased by \$53,949,452 during the 2021-22 fiscal year. The increase was attributed to the addition of \$24,000,000 in General Obligation Bonds, \$31,905,000 in new PERS Pension Bonds, and \$2,671,500 in General Obligation Bond premiums. This was offset by \$4,627,048 in bond payments.
- GASB Statement 87 was adopted resulting in right of use assets and lease liabilities for new and existing leases.

**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 basic financial statements. This report also contains 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:

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2022**

*The Statement of Net Position.* The statement of net position presents information on all of the assets and liabilities of the District at year end. Net position is what remains after the liabilities have been paid 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 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 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. Examples are uncollected property taxes and earned but unused vacation leave.

In the government-wide financial statements the District's activities are shown in one category:

- *Governmental activities.* Most of the District's basic functions are shown here, such as regular and special education, child nutrition services, transportation, administration, and facilities acquisition and construction. These activities are primarily financed through property taxes, Oregon State School Fund and other intergovernmental revenues.

The government-wide financial statements can be found on pages 13 and 14 of this report.

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

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of 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.

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**MANAGEMENT’S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2022**

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

The District maintains 49 individual governmental funds for administrative purposes. These funds are combined into the following major funds:

- General Fund - includes various sub-funds.
- Special Revenue Fund – includes special revenue funds related to federal, state and local grants, food service and student activities.
- Debt Service Fund - includes General Obligation Bonds, Oregon School Boards Association (OSBA) State of Oregon Public Employees Retirement System (PERS) Bonds, and a debt payable to US Bank for an Energy Savings Project.
- Capital Project Fund – includes construction for General Obligation Bond, ESCO and Seismic projects.

**Notes to the basic financial statements.** These 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 page 18 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the District’s compliance with the Oregon Minimum Standards for Audits of Oregon Municipal Corporations. The supplementary information is included in this report.

Oregon Department of Education requires certain schedules which are listed in the table of contents.

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**MANAGEMENT’S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2022**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Statement of Net Position.** The following table reflects the condensed Statement of Net Position compared to the prior year.

	June 30,	
	2022	2021
Assets		
Current and other assets	\$ 56,763,525	\$ 25,673,402
Capital assets (net)	44,520,860	44,597,881
Total assets	101,284,385	70,271,283
Deferred Outflows	42,099,615	14,648,434
Liabilities		
Other liabilities	8,561,667	7,670,851
Long-term liabilities	108,351,628	70,600,336
Total liabilities	116,913,295	78,271,187
Deferred Inflows	19,760,627	5,128,402
Net Position		
Investment in capital assets, net of related debt	15,921,637	17,434,151
Restricted	27,442,419	115,323
Unrestricted	(36,653,979)	(16,029,345)
Total net position	\$ 6,710,077	\$ 1,520,129

Capital assets, which consist of the District’s land, buildings, building improvement, vehicles, and equipment, represent 44% of total assets. The remaining assets consist primarily of cash, investments, receivables and other assets.

The District’s largest liabilities (45.4%) are for repayment of general obligation bonds and pension bonds for PERS liability (47.2%).

A large portion of the District’s net position reflects its investment in capital assets 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.

Resources needed to repay general obligation debt must be provided from property taxes since the capital assets cannot be used to liquidate the general obligation liabilities.

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2022**

**Statement of Activities.** The following schedule compares the revenues and expenditures for the current and previous year.

	Governmental Activities	
	2022	2021
<b>REVENUES</b>		
Program revenues		
Charges for services	\$ 760,478	\$ 583,579
Capital grants and contributions	47,918	1,422,216
Operating grants and contributions	14,948,379	11,446,453
Total program revenues	<u>\$ 15,756,775</u>	<u>\$ 13,452,248</u>
General revenues		
Property taxes levied for general purposes	\$ 5,180,988	\$ 5,080,096
Property taxes levied for debt service	3,168,232	3,173,171
County School Fund	50,397	127,386
State school fund general support	28,887,524	28,470,282
Other Intermediate Sources	5,558	14,080
Common school fund	303,425	240,116
Unrestricted federal sources	2,804,252	3,149,730
Gain (loss) on sale of Capital Assets	4,227	16,196
Earnings on investments	(270,135)	212,176
Miscellaneous	553,213	404,637
Total general revenues	<u>40,687,681</u>	<u>40,887,870</u>
Total revenues	<u>\$ 56,444,456</u>	<u>\$ 54,340,118</u>
<b>EXPENSES</b>		
Instruction	\$ 26,119,714	\$ 26,478,458
Support services	19,760,476	19,725,007
Community services	3,027,136	2,521,096
Facilities acquisition and construction	51,182	
Bond Issuance Cost	518,117	-
Interest on long-term debt	1,777,882	998,526
Total expenses	<u>51,254,507</u>	<u>49,723,087</u>
Change in net assets	5,189,949	4,617,031
Net position - beginning (as restated)	1,520,129	(3,096,902)
Net position – ending	<u>\$ 6,710,078</u>	<u>\$ 1,520,129</u>

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**MANAGEMENT’S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2022**

**FINANCIAL ANALYSIS OF THE DISTRICT’S FUNDS**

As noted above, the District uses Fund accounting to ensure and demonstrate compliance with finance-related legal requirement.

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

At June 30, 2022 the District’s governmental funds reported combined ending fund balances of \$50,670,762. Approximately \$11,375,924 constitutes unassigned ending fund balance, which is available for spending at the District’s discretion.

Summary of ending fund balances for the governmental funds for 2022 and 2021 are as follows:

	<u>2022</u>	<u>2021</u>	<u>Change</u>
General Fund	\$ 22,852,791	\$ 19,546,460	\$ 3,305,331
Special Revenue Fund	458,942	325,335	133,607
Debt Service Fund	103,280	138,965	(35,685)
Capital Projects Fund	<u>27,255,750</u>	<u>-</u>	<u>27,255,750</u>
	<u>\$ 50,670,763</u>	<u>\$ 20,010,760</u>	<u>\$ 30,660,003</u>

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The School Board approved changes to the adopted budget for fiscal year ended June 30, 2022. The approved changes to the adopted budget are reflected in the fund financial statements. The budget is adopted by the Board at the functional level.

The final budget for General Fund expenditures exceeded actual expenditures by \$5,522,906 of which \$2,751,549 is for instruction, \$1,610,512 is for support and community services and \$860,845 is for building acquisition and construction (page 56).



**SCHOOL DISTRICT NO. 509J**  
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**MANAGEMENT’S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2022**

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital assets.** The District’s investment in capital assets includes land, buildings and improvements, vehicles and equipment. During the year the District’s net investment in capital assets decreased by \$77,021. The decrease is attributed to expected depreciation/amortization. The summary of net investment in capital assets is as follows:

	Net Value	
	2022	2021
Land	\$ 2,604,701	\$ 2,604,701
Construction in progress	1,300,288	162,931
Buildings and improvements	37,941,345	39,411,223
Vehicles and equipment	2,547,130	2,419,026
Leased Assets	127,396	-
Total capital assets	\$ 44,520,860	\$ 44,597,881

Additional information on the District’s capital assets can be found in the footnotes to the basic financial statements.

**Long-term liabilities.** At the end of the fiscal year the District had \$108,351,628 in long-term liabilities, consisting of \$87,236,794 of long-term debt for the initial construction of a K-8 school in Warm Springs and the performing arts center, additional classrooms at Warm Springs K-8, and various improvements to District properties and pension obligation bonds to satisfy unfunded liability for employee retirement obligations, PERS net pension liability of \$19,541,868, compensated absences and early retirement benefits of \$156,233, post-employment benefits of \$1,368,306, and leases payable of \$48,427.

During the current fiscal year, the District’s total debt increased by \$60,126,455. This was the result of a PERS pension bond issuance of \$31,950,000, a General Obligation Bond and bond premium of \$26,671,500 and a loan for Energy Savings projects.

Additional information on the District’s long-term debt can be found in the footnotes to the basic financial statements.

**Leases Payable.** During the year ended June 30, 2022, the District implemented GASB 87, the new accounting standard for leases. The implementation of this pronouncement had no effect on Net Assets. There was a Lease Liability and Right-of-Use Asset recorded in the amount of \$127,396

Additional information on the District’s leases payable can be found in the notes to the basic financial statements of this report.

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2022**

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

- The most significant economic factor for the District is the Oregon State School Fund. For the year ended June 30, 2022 the State School Fund provided 51.4% of the revenue for the governmental funds and 71% of the funding for the general fund.
- Salaries and benefits costs are expected to increase in fiscal year 2022-2023 based on contractual obligations.
- The District's enrollment is expected to increase slightly for fiscal year 2022-2023, in anticipation of students returning to school after COVID.
- The District received the following significant grants in fiscal year 2021-2022:
  - Elementary and Secondary Relief Funds (ESSER III) in the amount of \$8,359,079.63 to be spent by September 2024, in addition to the ESSER II funds that were awarded in 20-21 of which we carried over all of the \$3,719,390 that must be spent by September 2023.
  - The Student Investment Act fund increased again in this year from the \$2,141,766 awarded in 20-21 to \$2,412,299.72 for 21-22.

All of these factors were considered by the District Board and Budget Committee in preparing the Jefferson County School District 509-J budget for the 2022-2023 fiscal year.

**REQUESTS FOR INFORMATION**

This financial report is designed to present the user with a general overview of the District's finances and to demonstrate the District's accountability. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the District's Chief Financial Officer at 445 S.E. Buff Street, Madras, Oregon 97741.

## **BASIC FINANCIAL STATEMENTS**

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**STATEMENT OF NET POSITION**

**JUNE 30, 2022**

	Governmental Activities
	2022
<b>ASSETS</b>	
Cash and investments	\$ 51,309,202
Receivables	4,925,295
Inventory	81,746
Prepaid expense	32,680
Capital assets, net of accumulated depreciation/amortization	
Land	2,604,701
Construction in progress	1,300,288
Buildings and improvements	37,941,345
Vehicles and equipment	2,547,130
Right of Use Assets (intangibles)	127,396
Other postemployment benefit obligation - RHIA	414,604
<b>TOTAL ASSETS</b>	<b>101,284,387</b>
<b>DEFERRED OUTFLOWS</b>	
Debt refunding proceeds	1,168,038
Pension related	40,541,917
Other postemployment benefit obligation - RHIA	238,296
Other postemployment benefit obligation - implicit rate subsidy	151,364
<b>TOTAL DEFERRED OUTFLOWS</b>	<b>42,099,615</b>
<b>LIABILITIES</b>	
Accounts payable	1,380,884
Accrued salaries and benefits	2,873,172
Accrued interest payable	325,174
Deposits	7,825
Noncurrent liabilities due within one year	
Early retirement benefits payable	30,609
Leases payable	80,845
Bonds payable	3,863,158
Noncurrent liabilities due within more than one year	
Early retirement benefits payable	56,666
Accrued compensated absences payable	99,567
Leases payable	48,427
Other postemployment benefit obligation - implicit rate subsidy	1,368,306
Bonds payable, net of unamortized premium/discount	87,236,797
Net pension liability	19,541,868
<b>TOTAL LIABILITIES</b>	<b>116,913,298</b>
<b>DEFERRED INFLOWS</b>	
Pension related	18,187,399
Other postemployment benefit obligation - implicit rate subsidy	507,422
Other postemployment benefit obligation - RHIA	181,660
Unearned revenue	884,146
<b>TOTAL DEFERRED INFLOWS</b>	<b>19,760,627</b>
<b>NET POSITION</b>	
Net investment in capital assets	15,921,636
Restricted for:	
Debt service	103,280
Federal and state grants	83,390
Capital projects	27,255,750
Unrestricted	(36,653,979)
<b>TOTAL NET POSITION</b>	<b>\$ 6,710,077</b>

See notes to financial statements

**SCHOOL DISTRICT 509J**  
**Jefferson County, Oregon**

**STATEMENT OF ACTIVITIES**

**YEAR ENDED JUNE 30, 2022**

<b>FUNCTIONS/PROGRAMS</b>	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	2022
Governmental activities:					
Instruction					
Regular programs	\$ 16,384,011	\$ 484,530	\$ 2,200,067	\$ 12,107	\$ (13,687,307)
Special programs	9,404,041	-	3,580,936	233,343	(5,589,762)
Summer school programs	331,662	-	222,829	296,823	187,990
Support Services					
Student support services	2,636,547	2,350	1,485,955	219,064	(929,178)
Instructional staff support	2,886,107	-	2,243,937	-	(642,170)
General administration	631,100	-	14,652	-	(616,448)
School administration	2,862,345	-	208,505	-	(2,653,840)
Business support services	8,075,247	191,324	256,980	-	(7,626,943)
Central activities	2,654,118	54,037	1,404,132	-	(1,195,949)
Supplemental retirement program	15,012	-	-	-	(15,012)
Enterprise and Community Services					
Food service	2,758,019	8,084	2,504,241	-	(245,694)
Community services	173,249	-	57,921	-	(115,328)
Children and family services	95,868	20,153	54,805	-	(20,910)
Facilities Acquisition and Construction					
Building construction	51,182	-	-	-	(51,182)
Bond Issuance Costs	518,117	-	-	-	(518,117)
Interest on long-term debt	1,777,882	-	-	-	(1,777,882)
<b>Total governmental activities</b>	<b>\$ 51,254,507</b>	<b>\$ 760,478</b>	<b>\$ 14,234,960</b>	<b>\$ 761,337</b>	<b>(35,497,732)</b>

Property taxes levied for general purposes	5,180,988
Property taxes levied for debt service	3,168,232
County school fund	50,397
State school fund - general support	28,887,524
Other Intermediate Sources	5,558
Common school fund	303,425
Impact Aid	2,804,252
Gain (loss) on sale of capital assets	4,227
Earnings on investments	(270,136)
Miscellaneous	553,213
<b>Total general revenues</b>	<b>40,687,680</b>
<b>CHANGE IN NET POSITION</b>	<b>5,189,948</b>
Net Position - beginning	1,520,129
Net Position - ending	<b>\$ 6,710,077</b>

See notes to financial statements

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**

**JUNE 30, 2022**

<u>ASSETS</u>	General	Special Revenues	Debt Service	Capital	<u>Totals 2022</u>
Cash and investments	\$ 23,638,465	\$ -	\$ 81,540	\$ 27,589,197	\$ 51,309,202
Receivables					
Property taxes	217,150	-	133,588	-	350,738
Other	405,232	-	-	114,769	520,001
Reimbursement claims	-	4,054,556	-	-	4,054,556
Prepaid expenditures	3,137	-	-	-	3,137
Due from other funds	1,850,672	-	-	-	1,850,672
Inventory	-	81,746	-	-	81,746
<b>Total assets</b>	<b><u>\$ 26,114,656</u></b>	<b><u>\$ 4,136,302</u></b>	<b><u>\$ 215,128</u></b>	<b><u>\$ 27,703,966</u></b>	<b><u>\$ 58,170,052</u></b>
<b><u>LIABILITIES</u></b>					
Accounts payable	\$ 795,767	\$ 136,899	\$ -	\$ 448,216	\$ 1,380,882
Accrued payroll liability	2,057,211	815,964	-	-	2,873,175
Deposits	7,825	-	-	-	7,825
Due to other funds	-	1,850,672	-	-	1,850,672
<b>Total liabilities</b>	<b><u>2,860,803</u></b>	<b><u>2,803,535</u></b>	<b><u>-</u></b>	<b><u>448,216</u></b>	<b><u>6,112,554</u></b>
<b><u>DEFERRED INFLOWS</u></b>					
Unavailable property taxes	181,580	-	111,848	-	293,428
Unearned revenue	219,480	873,825	-	-	1,093,305
<b>Total deferred inflows</b>	<b><u>401,060</u></b>	<b><u>873,825</u></b>	<b><u>111,848</u></b>	<b><u>-</u></b>	<b><u>1,386,733</u></b>
<b><u>FUND BALANCES</u></b>					
Nonspendable	-	81,746	-		81,746
Restricted	-	83,390	103,280	27,255,750	27,442,420
Committed					
Bus replacement	2,152,688				2,152,688
Classroom furniture replacement	72,043				72,043
Equipment replacement	541,971				541,971
Employee Wellness	28,606				28,606
Maintenance projects	2,329,578				2,329,578
Performing arts center fund	19,453				19,453
PERS reserve fund	255,100				255,100
Stabilization of general fund	2,619,432				2,619,432
Technology replacement plan fund	1,095,551				1,095,551
Textbook replacement plan fund	1,800,275				1,800,275
Warm Springs housing	76,420				76,420
Warm Springs school construction	426,334				426,334
Student Activities		317,225			317,225
Assigned	-	35,997	-	-	35,997
Unassigned	11,435,340	(59,416)	-	-	11,375,924
<b>Total fund balances</b>	<b><u>22,852,791</u></b>	<b><u>458,942</u></b>	<b><u>103,280</u></b>	<b><u>27,255,750</u></b>	<b><u>50,670,763</u></b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b><u>\$ 26,114,654</u></b>	<b><u>\$ 2,285,630</u></b>	<b><u>\$ 215,128</u></b>	<b><u>\$ 27,703,966</u></b>	<b><u>\$ 56,319,378</u></b>

See notes to financial statements

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**RECONCILIATION OF GOVERNMENTAL FUNDS**  
**BALANCE SHEET TO STATEMENT OF NET POSITION**

**JUNE 30, 2022**

<b>TOTAL FUND BALANCES</b>		<b>\$ 50,670,763</b>
Capital assets are not financial resources and therefore are not reported in the governmental funds:		
Capital assets	\$ 80,522,003	
Construction in progress	1,300,288	
Accumulated depreciation/amortization	<u>(37,301,432)</u>	44,520,859
The unamortized portion of prepaid expense not reported under the purchase method in the governmental funds		
		29,543
Other postemployment benefit obligation - RHIA is not a financial resource and therefore is not reported in the governmental funds		
		414,604
A portion of the District's revenues are collected after year-end, but are not available soon enough to pay for the current years' operations, and therefore are not reported as revenue in the governmental funds:		
Property taxes		293,429
Unavailable grant revenue		209,158
Net pension liability is not a financial resource and therefore is not reported in the governmental funds.		
		(19,541,868)
Deferred inflows and outflows of resources do not provide or use current financial resources and therefore are not included in the governmental funds:		
Pension related inflows/outflows	22,354,518	
OPEB implicit rate subsidy inflows/outflows	(356,058)	
OPEB RHIA inflows/outflows	<u>56,636</u>	22,055,096
Long-term liabilities not payable in the current year are not reported as governmental fund liabilities. Interest in long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. These liabilities consisted of:		
Accrued interest payable	(325,174)	
Leases payable	(129,272)	
Bonds payable	(88,289,955)	
Unamortized portion of bond issuance premium	(2,809,996)	
Debt refunding proceeds	1,168,038	
Compensated absences payable	(99,567)	
Early retirement benefits payable	(87,275)	
Other postemployment benefits obligation	<u>(1,368,306)</u>	<u>(91,941,507)</u>
<b>TOTAL NET POSITION</b>		<b>\$ <u>6,710,077</u></b>

See notes to financial statements

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**

**YEAR ENDED JUNE 30, 2022**

	General	Special Revenue	Debt Service	Capital	Totals 2022
<u>Revenues</u>					
Property taxes	\$ 5,183,236	\$ -	\$ 3,170,208	\$ -	\$ 8,353,444
Intergovernmental revenues	32,213,826	14,454,921	2,106	83,497	46,754,350
Charges for services	19,171	-	-	-	19,171
Miscellaneous	773,588	570,022	2,779,895	(207,093)	3,916,412
Total revenues	<u>38,189,821</u>	<u>15,024,943</u>	<u>5,952,209</u>	<u>(123,596)</u>	<u>59,043,377</u>
<u>Expenditures</u>					
Current					
Instruction	18,956,926	6,318,653	-	-	25,275,579
Support services	14,510,568	5,345,846	-	14,661	19,871,075
Enterprise and community services	131,567	2,910,163	-	-	3,041,730
Building acq and const	3,854	-	-	47,918	51,772
Capital outlay	926,459	761,337	-	554,623	2,242,419
Debt service					
Principal	-	-	4,296,250	-	4,296,250
Interest	-	-	1,695,728	-	1,695,728
Total expenditures	<u>34,529,374</u>	<u>15,335,999</u>	<u>5,991,978</u>	<u>617,202</u>	<u>56,474,553</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,660,447</u>	<u>(311,056)</u>	<u>(39,769)</u>	<u>(740,798)</u>	<u>2,568,824</u>
<u>Other financing sources (uses)</u>					
Operating transfers in		354,116	-	-	354,116
Operating transfers out	(354,116)	-	-	-	(354,116)
Bond Issuance Costs	-	-	(293,210)	(224,907)	(518,117)
Bonds proceeds	-	-	31,905,000	25,549,955	57,454,955
Premium on bond proceeds	-	-	-	2,671,500	2,671,500
Lump Sum Payment to PERS	-	-	(31,607,706)	-	(31,607,706)
Proceeds from sale of assets	-	-	-	-	-
Total other financing sources and (uses)	<u>(354,116)</u>	<u>354,116</u>	<u>4,084</u>	<u>27,996,548</u>	<u>28,000,632</u>
Net change in fund balances	3,306,331	43,060	(35,685)	27,255,750	30,569,456
Fund balances - beginning of year	<u>19,546,460</u>	<u>415,882</u>	<u>138,965</u>	<u>-</u>	<u>20,101,307</u>
Fund balances - end of year	<u>\$ 22,852,791</u>	<u>\$ 458,942</u>	<u>\$ 103,280</u>	<u>\$ 27,255,750</u>	<u>\$ 50,670,763</u>

See notes to financial statements



**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES**

**YEAR ENDED JUNE 30, 2022**

<b>NET CHANGE IN FUND BALANCES</b>		<b>\$ 30,569,456</b>
Amounts reported for governmental activities in the <i>Statement of Activities</i> are different because:		
Governmental funds report prepayment of expenses under the purchase method		(275,515)
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current year.		
Expenditures for capital assets and construction in progress	\$ 2,242,420	
Expenditures for right of use assets	\$ 83,338	
Disposal of capital assets, net of accumulated depreciation	(37,918)	
Less current year depreciation/amortization	<u>(2,488,797)</u>	(200,957)
Long-term debt proceeds are reported as other financing sources in governmental funds. In the Statement of Net Assets, however, issuing long-term debt increases liabilities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the in the liability Statement of Net Assets. This is the amount by which repayments exceeded proceeds:		
Debt proceeds	(60,126,455)	
Debt principal repaid	<u>4,296,250</u>	(55,830,205)
Early retirement benefits, compensated absences and other postemployment benefits are recognized as expenditures in the governmental funds when they are paid. In the Statement of Activities they are recognized as an expenditure when incurred.		
Early retirement benefits	36,626	
Accrued compensated absences	(18,483)	
Other postemployment benefits	5,464	
PERS UAL payment	31,607,706	
Net Pension Expense	<u>(809,516)</u>	30,821,797
Governmental funds report the effect of issuance costs, premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences:		
Amortization of premium/(discount)	252,049	
Amortization of debt refunding	<u>(106,185)</u>	145,864
In the Statement of Activities interest is accrued on long-term debt, whereas in the governmental funds it is recorded as an expense when due.		(228,018)
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.		(4,224)
Grant revenues 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 grant revenues are recognized as revenue when earned.		191,750
<b>CHANGE IN NET POSITION</b>		<b><u>\$ 5,189,948</u></b>

See notes to financial statements

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2022**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Jefferson County School District No. 509J (the District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting financial reporting principles. The District's significant accounting policies are described below.

**Reporting Entity**

Jefferson County School District No. 509J, a political subdivision of the State of Oregon, was organized under provisions of Oregon Statutes pursuant to ORS Chapter 332 in 1962, and provides education services to children from grades K - 12 located in Madras and surrounding areas including Metolius, the Warm Springs Indian Reservation and Big Muddy Ranch. The District has two high schools, one middle school, two K-8 schools and three elementary schools with an approximate total enrollment of 2,800 students. The District is governed by a separately elected five-member Board of Directors who approve administrative officials. The daily functioning of the District is under the supervision of the Superintendent. As required by generally accepted accounting principles, all activities of the District have been included in the financial statements.

The accompanying financial statements present the governmental unit, Jefferson County School District No. 509J, Jefferson County, Oregon. The District qualifies as a primary government because it has a separately elected governing body, is a legally separate entity, and is fiscally independent. There are various governmental agencies and 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 financial statements.

**Government-wide and Fund 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. Governmental activities are financed primarily through property taxes and intergovernmental revenues. The District has neither business-type activities nor fiduciary-type activities.

The Statement of Activities presents a comparison between direct expenses and the 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, rental, material, supplies or services provided, (2) operating grants and contributions and (3) capital grants and contributions. Revenues that are not classified as program revenues, including property taxes and state support, are presented as general revenues.

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2022**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

Net position is reported as restricted when constraints placed on net position use are either externally restricted, imposed by creditors (such as through grantors, contributors, or laws) or through constitutional provisions or enabling resolutions. The government-wide statement of net position reports \$27, 711,709 of restricted net position, of which \$103,280 is restricted by enabling legislation.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time a liability is incurred, regardless of the timing of related cash flows. Non-exchange transactions, in which the District receives value without giving equal value in exchange, include property taxes, grants, entitlements and donations. On the accrual basis of accounting, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Under terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted funds available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs and then general revenues.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. The District considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year end. Property taxes and interest are considered to be susceptible to accrual. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded as expenditures only to the extent they have matured. Capital asset acquisitions are reported as expenditures in the governmental funds and proceeds from general long-term debt or capital leases are reported as other financing sources.

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

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. The fund accounts for all financial resources of the District, except those required to be accounted for in another fund. Principal revenue sources are property taxes and state school support.

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2022**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

The Special Revenue Fund accounts for revenues derived from federal, state, and local grants and student activity funds which are restricted, committed or assigned for various grants, student activities and programs.

The Debt Service Fund provides for the payment of principal and interest on general obligation bonds and limited tax pension obligation bonds. Principal resources are property taxes and transfers from the General Fund.

As a general rule the effect of inter-fund activity has been eliminated from the government-wide financial statements. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

**Deposits and Investments**

The District's 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 and monies invested with the Office of the State Treasurer (OST). Short-term investments are stated at cost which approximates fair value.

State statutes authorize the District to invest in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, commercial paper and the Oregon Short Term Fund (OSTF), among others.

The District's investments include the OSTF, including pooled cash balances held with the County Treasurer. Investments are stated at cost which approximates fair value of the pool shares.

The Oregon State Treasury administers the OSTF. The pool 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 OSTF 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 OSTF.

**Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds".

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2022**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

Accounts and other receivables are comprised primarily of claims for reimbursement of costs under various federal and state grants. Grant revenues are recorded at the time eligible expenditures are incurred. Grant monies received prior to the occurrence of qualifying expenditures and those not received within the availability period for modified accrual are recorded as deferred inflows.

**Property Taxes**

Property taxes are assessed on a July 1 - June 30 fiscal year. The taxes are levied and become a lien on July 1. Collection dates are November 15, February 15 and May 15 following the lien date. Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding on May 16 are considered delinquent. The County Assessor is the tax collection agent for all taxing entities within the County.

Tax revenue is considered received when in the hands of the county as the intermediary collecting agency. Taxes not paid timely are subject to interest penalties and the applicable property is subject to lien, thus no allowance for uncollectible property taxes is considered necessary. All property taxes receivable are due from property owners within the District.

**Inventories**

Inventory is stated at cost using the first-in/first-out (FIFO) method except USDA commodities which are stated at fair market value. The cost of inventory is recorded as an expenditure when consumed rather than when purchased.

**Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the government-wide statements. For governmental fund statement purposes, the District uses the purchase method accounting, where the expenditure is recorded when expended, rather than when services are provided.

**Capital Assets**

Capital assets, which include property, buildings, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost greater than \$5,000 and an estimated useful life exceeding one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2022**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

Right-of-Use Assets (Leases) are recorded at their inception as expenditures and other financing sources in the governmental funds and as assets and liabilities on the Statement of Net Position. They are recorded at the present value of the minimum lease payments, using the interest rates stated or implicit in the leases if available. If not the Federal Prime Lending Interest rate for the first year of the lease was used. Lease payments are recorded as expenditures on the due date; the portion of the payments applicable to principal, determined by using interest rates stated or implicit in the leases, is reported as a reduction of the lease liability on the Statement of Net Position.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, buildings, and equipment of the primary government is depreciated using the straight line method over the following estimated useful lives:

Buildings and improvements	10 to 50 years
Equipment	5 to 30 years

**Compensated Absences**

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since sick pay does not vest. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**Retirement Plans**

Substantially all of the District's employees are participants in Oregon PERS. For governmental funds, contributions to Oregon PERS are made on a current basis as required by the plan and are charged to expenses/expenditures. Government-wide statements report the District's estimated proportionate share of the overall unfunded system liability, which is more fully described in Note 12.

The Board adopted a tax-deferred annuity plan established pursuant to Section 403(b) of the Internal Revenue Code. The plan allows the employer to make employer matching contributions. Under the terms of union employment agreements, the District is required to make a maximum monthly matching contribution not to exceed \$10 per month for all participating employees except certified employees eligible for the early retirement benefit described below. Participating employees have the option to make an unmatched contribution in excess of \$10 per month. Total pension expense recognized for the Section 403(b) plan was \$37,740.

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2022**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

**Early Retirement Benefits**

An early retirement plan is available to employees who meet guidelines of a plan adopted by the Board. Employees are eligible to apply for participation in the plan if they are 55 years of age or over and have been employed ten consecutive years with this District. In the case of certified employees, a total of 15 years of employment in a certified position in the Oregon public education system is required of which ten consecutive years are with the District.

Employees who apply and are approved by the Board receive, after they retire, 18% of the average of the highest three of the last five years annual earnings with the benefit not to exceed the computed amount times four years. Employees do not contribute to this plan. The Board may close the program at their discretion, eliminating additional participation and limiting the District's liability to those already participating in the program. Employees accrue no vested benefits prior to their acceptance in the program.

The program is limited to those employees who were hired prior to December 31, 1994.

The District's liability is funded on a pay-as-you-go basis. These benefits are in addition to benefits which may become available under the pension plan administered under the State of Oregon Public Employees Retirement System.

In the government-wide statements, a liability for the estimated present value of the future outflows has been reported.

**Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities 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.

In the fund financial statements, bond premiums and discounts are recognized when incurred and not deferred. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

**Fund Equity**

The District reports fund balance in accordance with GASB No 54, Fund Balance Reporting and Governmental Fund Type Definitions. As a result in the fund financial statements, governmental funds are categorized by the nature of the resources within the fund. The District reports fund balance using the following categories:

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2022**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

Nonspendable fund balance indicates the portion of fund equity that cannot be spent as it is not in a spendable form, such as inventories and prepaid expenditures.

Restricted fund balance indicates the portion of fund equity which is externally restricted by creditors, grantors or law.

Committed fund balance indicates the portion of fund equity which the board of directors has placed formal constraints on through resolution or board policy.

Assigned fund balance indicates the portion of fund equity which the District intends to use for specific purposes imposed by management. The authority for the Superintendent to assign resource for specific purposes is granted by the board of directors.

Unassigned fund balance indicates the portion of general fund equity which is available for budgeting in future periods.

When an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. For the classification of unrestricted ending fund balance, the District first reduces committed and assigned amounts, then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those classifications could be used.

**Use of Estimates**

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

**Budget**

Annual budgets, as required by state statutes, are adopted on the modified accrual method of accounting, a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds.

The budget is prepared by fund and function. The budget document includes information on the past two years, current year budget and actual to date information, as well as requested appropriation and estimated revenues for the ensuing fiscal year.



**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2022**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

The proposed budget is presented by the budget officer to the budget committee. Public meetings are held by the budget committee. The budget committee may make changes to the original document. The budget committee approves the budget document to be submitted to the governing body of the district. Once the budget document is received by the governing body, they hold a public hearing on a date as published. After the public hearing, the governing body considers matters discussed and makes amendments to the budget document prior to adoption. However, state statutes do not allow the governing body to increase estimated expenditures for each fund by more than ten percent. The amount of the total ad valorem taxes to be certified by the county for levy for all funds shall not exceed the amount presented by the budget committee unless the budget document is republished and another public hearing is held.

The governing body is then required by state statutes to adopt the budget, make appropriations, and certify the levy of ad valorem taxes for each fund. Except for the allowance of appropriation transfers, expenditures cannot exceed appropriations. The level of control for appropriations is exercised at the function level.

Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriations ordinance. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control. Such transfers require approval by the governing body. All appropriations lapse at the end of the District's fiscal year.

**NOTE 2 – BUDGETARY ACCOUNT GROUPINGS**

The District has budgeted for administrative purposes, sub-fund account groupings within the General Fund. Intra-fund transfers among the sub-fund account groupings have been eliminated to properly present financial statement balances for the funds. The sub-funds have been employed to allow the administration flexibility in managing fiscal matters while complying with statutory requirements. The sub-fund account groupings used for administrative purposes are as follows:

**General Fund**

General Operations	Performing Arts Center
Bus Purchase	PERS Reserve
Classroom Furniture Replacement	Technology Replacement
Employee Wellness	Textbook Replacement
Equipment Replacement	Warm Springs Housing
Maintenance Projects	Warm Springs Facility
Stabilization Funding	

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2022**

**NOTE 3 - CASH AND INVESTMENTS**

A reconciliation of cash and investments as shown on the financial statements for the District follows:

Petty Cash	\$ 1,200
Deposits with financial institutions	4,512,650
Investments	
Oregon Short Term Fund	41,019,222
PERS UAL Bond	159
Jefferson County Investment Pool	6,106,231
Wasco County Investment Pool	749
Total shown on Statement of Net Position	<u>\$ 51,640,210</u>

**Deposits**

At June 30, 2022 the District held cash of \$4,662,323 with a bank balance of \$4,841,988. Oregon Revised Statute Chapter 295 requires that bank depositories pledge collateral against any public fund deposits in excess of deposit insurance amounts. This provides additional protection for public funds in the event of a bank loss. The Office of the State Treasurer maintains a list of financial institutions in which deposits in excess of deposit insurance limits can be held. As of June 30, 2022 the District's cash balances exceeded FDIC insurance by \$4,341,944.

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require that all bank deposits in excess of the FDIC or FSLIC insurance amounts be collateralized through the Oregon State Treasurer's Public Funds Collateralization Program. This program provides a structure for specified depositories to participate in a shared liability collateral pool.

Securities pledged by individual institutions may range from 10% to 110% of public fund deposits depending on the financial institution's level of capitalization as determined by its federal regulatory authority. The aggregate Oregon public fund collateral pledged at June 30, 2022, was \$2,280,145,984 for reported uninsured public funds of \$3,459,521,324. The custodian, Federal Home Loan Bank of Seattle, is the agent for the depository bank. The securities pledged are designated as subject to the Pledge Agreement between the depository bank, custodian bank and Office of the State Treasurer (OST) and are held for the benefit of OST on behalf of the public depositors. The District's funds were held by financial institutions that participated in the State Treasurer's program and were in compliance with statutory requirements.

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2022**

**NOTE 3 - CASH AND INVESTMENTS - continued**

**Investments**

As of June 30, 2022 the District held the following investments:

Investment Type	Fair Value	% of investment portfolio
Oregon Short Term Fund	\$ 41,019,222	87.04%
PERS UAL Bond	159	0.00%
Jefferson and Wasco Counties Investment Pool	6,106,980	12.96%
	\$ 47,126,360	100.00%

As a means of limiting its exposure to fair value losses arising from rising interest rates, the District's investment policy limits investments as follows:

Investment Type	Maximum % of portfolio	Maximum length to maturity
US Treasury securities	100%	18 months
US Agency securities	100%	18 months
Banker's acceptance	25%	18 months
Repurchase agreements	25%	18 months
Certificates of deposit	25%	18 months
Oregon Short Term Fund	100%	One day
State and local government securities	50%	18 months

Maturities over 18 months will be allowed following review and approval of the District's Investment Policy by the Oregon Short Term Funds Board.

Custodial credit risk is the risk that, in the event of failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. None of the investments above are held in safekeeping by a financial institution counterparty.

The District's policy, which adheres to State of Oregon law, is to limit its investments to the following: Issuers within Oregon must be rated "A" or better by Standard and Poor's or Moody's Investors Service, issuers not in Oregon must be rated AA/Aa or better. Investments in the Oregon Short Term Fund and the Jefferson and Wasco County Investment Pools are not required to be rated.

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2022**

**NOTE 3 - CASH AND INVESTMENTS – continued**

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

**Investment in the Oregon Short Term Fund (OSTF)**

The OSTF is one of five asset classes approved for the investment of State of Oregon funds. Local governments in Oregon as well as all State agencies participate in the OSTF, which is an external investment pool as defined in Statement No. 31 of the Government Accounting Standards Board, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

The OSTF is not registered with the U.S. Securities and Exchange Commission as an investment company. The State's investment policies are governed by the Oregon Revised Statutes and the Oregon Investment Council. The State Treasurer is the investment officer for the Council and is responsible for all funds in the State Treasury. These funds must be invested, and the investments managed, as a prudent investor would, exercising reasonable care, skill, and caution.

Investments in the OSTF are further governed by 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 OSTF was in compliance with all portfolio guidelines at June 30, 2022. The reported value of the OSTF approximates the fair value of the OSTF shares and is calculated on a daily basis.

**Investment in Jefferson County Treasurer Investment Pool (JCIP)**

The District voluntarily participates in an external investment pool through the Jefferson County Treasurer. Participants' equity in the JCIP is determined by the amount of participant deposits, adjusted for withdrawals and distributed income. Amortized discounts and premiums, accrued interest and realized gains and losses, net of expenses, are distributed on a monthly basis to participant account balances based on the average monthly cash balance in relation to total monthly average pool investments.

The JCIP is not registered with the U.S. Securities and Exchange Commission as an investment company. The County's investment policies follow investment guidance of Oregon Revised Statutes and more specifically provides that the JCIP are limited to:

- US Government agency securities and instruments
- Municipal bonds
- Corporate bonds
- Oregon Short Term Fund

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2022**

**NOTE 3 - CASH AND INVESTMENTS – continued**

- Bankers acceptances
- Certificates of deposits / bank deposits

The Jefferson County annual financial report, which includes information for the JCIP, may be found at [www.jeffco.net](http://www.jeffco.net).

**NOTE 4 –TAX COLLECTIONS**

The levy for general operations is based on a permanent rate of \$4.5871 per \$1,000 of taxable assessed value. The levy for debt service is based on voter approved measures and assessed values of property within the district.

The levy, as extended on the tax rolls, is summarized as follows:

	General Fund		
	Jefferson	Wasco	Total
Levy per notice of levy	\$ 5,337,672	\$ 134,454	\$5,472,126
Truncation gain (loss)/roll corrections	2,672		2,672
Compression loss	(143,694)	(4,457)	(148,151)
Levy as extended on tax rolls	\$ 5,196,650	\$ 129,997	\$5,326,647
	Debt Service Fund		
	Jefferson	Wasco	Total
Levy as extended on tax rolls	\$ 3,179,875	\$ 76,603	\$3,256,478

Unpaid property taxes become subject to foreclosure four years after they become a lien on the property. Tax collections and foreclosure are the responsibility of the county tax collector/assessor.

**NOTE 5 - RECEIVABLES**

The reimbursement claims receivable in the special revenue fund represent balances due from state and federal governments for special program grants.

Receivables in the Statement of Net Position are comprised of the following as of June 30, 2022:

Property taxes	\$ 350,738
Grants	4,169,325
Other	405,232
	\$4,925,295

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2022**

**NOTE 6 – INTERFUND RECEIVABLES AND PAYABLES**

The District uses common cash and cash investment accounts for the various funds. These pooled depository accounts may be over-drafted among the funds resulting in interfund receivables or payables. The General Fund reports \$1,850,671 as receivable from other funds at the end of the year.

**NOTE 7 - CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2022 was as follows:

	Balance July 1, 2021	Increases	Decreases	Balance June 30, 2022
Capital assets not being depreciated				
Land	\$ 2,604,701	\$	\$	\$ 2,604,701
Construction in progress	162,931	1,137,357		1,300,288
Total capital assets not being depreciated	<u>2,767,632</u>	<u>1,137,357</u>		<u>3,904,989</u>
Capital assets being depreciated				
Building and improvements	69,275,340	497,220		69,772,560
Vehicles and equipment	7,401,431	607,843	71,805	7,937,469
Total capital assets being depreciated	<u>76,676,771</u>	<u>1,105,063</u>	<u>71,805</u>	<u>77,710,029</u>
Less accumulated depreciation for				
Buildings and improvements	29,864,118	1,967,099		31,831,217
Vehicles and equipment	4,982,404	441,820	33,887	5,390,338
Total accumulated depreciation	<u>34,846,522</u>	<u>2,408,919</u>	<u>33,887</u>	<u>37,221,555</u>
Total capital assets being depreciated, net	<u>41,830,249</u>	<u>(1,303,856)</u>	<u>37,918</u>	<u>40,488,474</u>
Total capital assets, net	<u>\$ 44,597,882</u>	<u>\$ (166,500)</u>	<u>\$ 37,918</u>	<u>\$ 44,393,464</u>

Depreciation/amortization expense for the year was charged to the following programs:

Special programs	3,634
Business services	390,044
Enterprise and community services	31,675
	<u>\$ 2,408,919</u>

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2022**

**NOTE 7 - CAPITAL ASSETS - continued**

Right-of-Use Assets

The following is a summary of the right-of-use intangible assets:

Description	Gross Asset Balance	Accumulated Amortization	Net Asset Balance	Current Amortization Expense
Postage Meter Lease - JCMS	\$ 8,402	\$ 1,680	\$ 6,722	\$ 1,680
Postage Meter Lease - SSB	15,270	3,054	12,216	3,054
Solutions Yes Copier Lease	144,737	72,368	72,369	72,368
Warm Springs Land Lease	38,865	2,776	36,089	2,776
<b>Total</b>	<b>\$ 207,274</b>	<b>\$ 79,878</b>	<b>\$ 127,396</b>	<b>\$ 79,878</b>

**NOTE 8 - LONG-TERM LIABILITIES**

A summary of Long-term liability activity for the year ended is as follows. Additional detailed information is available on the following pages.

	Beginning Balance	Additions	Adjustments/ Payments	Ending Balance	Due in One Year
<b>Bonds Payable</b>					
General obligation bonds	\$ 26,745,000	\$ 24,000,000	\$ 2,635,000	\$ 48,110,000	\$ 1,730,000
Limited tax pension obligation bonds	8,465,000	31,905,000	1,740,000	38,630,000	2,100,000
Unamortized premium/discount	390,545	2,671,500	252,048	2,809,997	-
	35,600,545	58,576,500	4,627,048	89,549,997	3,830,000
<b>Other Liabilities</b>					
Ameresco/US Bank Loan	-	1,549,955	-	1,549,955	33,158
Leases payable	-	207,274	78,002	129,272	80,845
Early retirement benefits	123,901	-	36,626	87,275	30,609
Other post employment benefits	1,431,141	-	62,835	1,368,306	-
Accrued compensated absences	81,083	256,896	238,411	99,567	-
<b>Total</b>	<b>\$ 37,236,670</b>	<b>\$ 60,590,625</b>	<b>\$ 5,042,922</b>	<b>\$ 92,784,372</b>	<b>\$ 3,974,612</b>

**Bonds Payable**

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. These bonds are general issued as 20-year serial bonds with equal amounts of principal maturing each year.

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2022**

**NOTE 8 - LONG-TERM LIABILITIES – continued**

General Obligation Bonds

On March 15, 2002, the District issued \$15,800,000 in general obligation bonds to finance additions, improvements, capital renovation and reconstruction at District school sites. On May 23, 2013 the outstanding par amount of \$9,780,000 was refunded with a true interest cost of 1.63% and an average coupon rate of 3.65%. The net proceeds after payment of underwriting fees and other issuance costs were used to purchase U.S. Government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments of the May 15, 2002 general obligation bonds. As a result, the 2002 general obligation bonds are considered to be defeased and the escrowed assets and liability for the bonds have been removed from the government-wide financial statements.

The refunding reduced total debt service by \$1,642,027 and obtained an economic gain defined as the difference between the present values of the debt service payments on the old and new debt of 16.62%.

In May 2012 voters of the District passed a \$26,700,000 bond issue for improvements to school facilities in Madras and Metolius and to pay for half of the cost of constructing a K-8 school in Warm Springs. On May 23, 2013, the District issued \$24,835,000 in general obligation and refunding bonds (General Obligation and Refunding Bonds, Series 2013). Of this issue, \$15,960,000 was issued to finance the improvements to school facilities in Madras and Metolius. The remaining funds were used to refund the March 15, 2002 general obligation bonds.

On July 23, 2013, the District issued the remaining \$10,740,000 in general obligations bonds approved by voters in May 2012. The proceeds were used to fund half of the cost of constructing a new Warm Springs K-8 school, in a joint project with the Confederated Tribes of Warm Springs.

On March 10, 2021 the District issued federally taxable general obligation refunding bonds of \$24,680,000 to partially refund outstanding bonds of the Series 2013 General Obligation with a true interest cost of 2.09% and an average coupon rate of 1.97%. The net proceeds after payment of underwriting fees and other issuance costs were used to purchase U.S. Government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for future debt service payments of the May 23, 2013 and July 23, 2013 general obligation bonds. The refunding reduced total debt service by \$2,176,396 and obtained an economic gain defined as the difference between the present values of the debt service payments on the old and new debt of 8.82%.

On February 16, 2022 the District issued \$24,000,000 in general obligation bonds approved by voters in November 2021 to fund various capital improvements in the District. The bonds were issued at a premium of \$2,671,500 and are payable over 20 years including interest at 3% and 4% through June 15, 2042.



**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2022**

**NOTE 8 - LONG-TERM LIABILITIES - continued**

Limited Tax Pension Obligation Bonds

On October 31, 2002, the District participated in the OSBA Pension Bond Pool (Series 2002 OSBA Limited Tax Pension) to finance the District’s estimated PERS unfunded liability. The District issued \$12,506,637 in debt as part of the pooled issuance. Except for the payment of its pension bond payments and additional charges when due, each school district has no obligation or liability to any other participating school district’s pension bonds or liabilities to PERS.

Bond proceeds were paid to the Oregon Public Employees Retirement System. An intercept agreement with the State of Oregon was required as a condition of issuance; therefore a portion of State School Fund support is withheld on a monthly basis to repay debt.

On January 31, 2012 the District participated with six other school districts to issue the OSBA Limited Tax Pension Refunding Obligations Series 2012 to advance refund the 2021 debt service obligation of the Series 2002 OSBA Limited Tax Pension Issuance. The District issued \$835,000 in debt as part of the \$22,000,000 pooled issuance. As a result, the 2021 portion of the Series 2002 OSBA Limited Tax Pension is considered to be defeased and the escrowed assets and the liability for bonds have been removed from the government-wide financial statements.

On July 22, 2021 the District participated with other Oregon school district to issue Full Faith and Credit Pension Obligation Bonds, Series 2021A to finance the District’s estimated PERS unfunded liability. The District issued \$31,905,000 in debt as part of the pooled issuance. Except for the payment of its pension bond payments and additional charges when due, each school district has no obligation or liability to any other participating school district’s pension bonds or liabilities to PERS. Bond proceeds were paid to the Oregon Public Employees Retirement System.

The following is a summary of long-term debt transactions of governmental activity for the year ended June 30, 2022:

Type	Issue Date	Interest Rates	Beginning Balance	Additions	Deletions	Ending Balance	Due in One Year
Pension	October 31, 2002	2.06% to 6.1%	\$ 8,465,000	\$ -	\$ -	\$ 8,465,000	\$ -
Pension	January 31, 2012	2.75%	880,000		880,000		
General	May 23, 2013	1.25% to 5.0%	4,085,000		1,580,000	2,505,000	1,690,000
General	July 23, 2013	1.25% to 5.0%	825,000		90,000	735,000	105,000
General	March 10, 2020	1.33% to 2.23%	24,305,000		800,000	23,505,000	840,000
Total			<u>\$38,560,000</u>	<u>\$ -</u>	<u>\$ 3,350,000</u>	<u>\$ 35,210,000</u>	<u>\$ 2,635,000</u>

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2022**

**NOTE 8 - LONG-TERM LIABILITIES - continued**

Bonds payable on the Statement of Net Position are presented as follows:

	Balance	Bond Premium/ Discount, net	Statement of Net Assets
Current	\$ 3,830,000	\$ 275,245	\$ 4,105,245
Noncurrent	82,910,000	2,534,752	85,444,752
<b>Total Bonds Payable</b>	<b>\$ 86,740,000</b>	<b>\$ 2,809,997</b>	<b>\$ 89,549,997</b>

Payments on the general obligation bonds are made by the debt service fund from property taxes and earnings on investments. Payments on pension bonds are made by the debt service fund from revenue from charges to other funds.

Future bond maturities are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 3,830,000	\$ 2,666,483	\$ 6,496,483
2024	4,455,000	2,269,094	6,724,094
2025	4,900,000	2,155,263	7,055,263
2026	5,280,000	2,020,574	7,300,574
2027	5,690,000	1,867,775	7,557,775
2028-2032	24,055,000	7,158,706	31,213,706
2033-2037	20,145,000	4,285,804	24,430,804
2038-2042	18,385,000	1,292,611	19,677,611
	<b>\$ 86,740,000</b>	<b>\$ 23,716,310</b>	<b>\$ 110,456,310</b>

The District is subject to statutory limitations on indebtedness. Presently the District's net bonded debt is \$109,182,168 less than the statutory debt limit. No interest was capitalized during 2022.

**Other Post-Employment Benefits**

Special termination benefits have been made available to employees who meet guidelines of a plan adopted by the Board, as described in Note 1.

The liability is funded on a pay-as-you-go basis by the general fund. The liability is measured at the discounted present value of expected future benefit payments using a discount rate of 2.21%. These benefits are in addition to benefits which may become available under the pension plan administered under the Oregon PERS.

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2022**

**NOTE 8 - LONG-TERM LIABILITIES - continued**

Future maturities of termination benefits payable are as follows:

Year Ending June 30,	Amount
2023	\$ 30,609
2024	29,363
2025	23,020
2026	4,283
2027	-
	\$ 87,276

In prior years, the general fund has been used to liquidate long-term liabilities other than long-term debt.

**Note Payable – Ameresco / US Bank**

During the fiscal year ended June 30, 2022, the District borrowed \$1,549,955 from Ameresco/US Bank. Payments are semiannual, in December and June, and vary from \$90,265 to \$135,627, through December 17, 2037. Proceeds were used for various capital improvements to District buildings. Future payments are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 33,158	\$ 57,107	\$ 90,265
2024	60,534	36,943	97,477
2025	64,959	35,427	100,386
2026	83,665	33,715	117,380
2027	85,388	31,646	117,034
2028-2032	519,185	123,152	642,337
2033-2037	644,081	50,561	694,642
2038-2042	58,985	725	59,710
	\$ 1,549,955	\$ 369,276	\$ 1,919,231

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2022**

**NOTE 8 - LONG-TERM LIABILITIES – continued**

**Leases Payable**

As of June 30, 2022, the District had the following leases payable:

	Principal Allocated			Principal Allocated	
	Balance at July 01, 2021	Additions	Reductions	Balance at June 30, 2022	Due in one Year
Postage Meter Lease - JCMS	\$ -	\$ 8,402	\$ 1,592	\$ 6,810	\$ 1,620
Postage Meter Lease - SSB	-	15,270	2,893	12,377	3,304
Solutions Yes Copier Lease	-	144,737	71,197	73,540	73,540
Warm Springs Land Lease	-	38,865	2,321	36,544	2,381
<b>Total</b>	<b>\$ 0</b>	<b>\$ 207,274</b>	<b>\$ 78,003</b>	<b>\$ 129,271</b>	<b>\$ 80,845</b>

During the fiscal year ended June 30, 2022, the District entered into a lease agreement for a postage machine with 60 monthly payments of \$152 through June 30, 2026. The implicit interest rate of 3.25% was calculated using the Federal Prime Lending interest rate as of July 1, 2021. During the year the District paid a total of \$1,818 for this lease. As of June 30, 2022, the District had future minimum payments under this lease as follows:

Fiscal Year Ending June 30,	Principal Allocation	Interest Allocation	Total required Payments
2023	\$ 1,620	\$ 197	\$ 1,817
2024	1,674	144	1,818
2025	1,729	89	1,818
2026	1,786	32	1,818
<b>Total</b>	<b>\$ 6,810</b>	<b>\$ 461</b>	<b>\$ 7,271</b>

During the fiscal year ended June 30, 2022, the District entered into a lease agreement for a postage machine with 60 monthly payments of \$275 through June 30, 2026. The implicit interest rate of 3.25% was calculated using the Federal Prime Lending interest rate as of July 1, 2021. During the year the District paid a total of \$3,304 for this lease. As of June 30, 2022, the District had future minimum payments under this lease as follows:

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2022**

**NOTE 8 - LONG-TERM LIABILITIES – continued**

Fiscal Year Ending June 30,	Principal Allocation	Interest Allocation	Total required Payments
2023	\$ 2,945	\$ 359	\$ 3,304
2024	3,042	261	3,304
2025	3,143	161	3,304
2026	3,247	57	3,304
Total	<u>\$ 12,377</u>	<u>\$ 839</u>	<u>\$ 13,216</u>

During the fiscal year ended June 30, 2018, the District entered into a lease agreement for 21 copy machines with 60 monthly payments of \$6,237 through June 30, 2023. The implicit interest rate of 3.25% was calculated using the Federal Prime Lending interest rate as of July 1, 2021. During the year the District paid a total of \$74,841 for this lease. As of June 30, 2022, the District had future minimum payments under this lease as follows:

Fiscal Year Ending June 30,	Principal Allocation	Interest Allocation	Total required Payments
2023	\$ 73,540	\$ 1,301	\$ 74,841
Total	<u>\$ 73,540</u>	<u>\$ 1,301</u>	<u>\$ 74,841</u>

During the fiscal year ended June 30, 2013, the District entered into a lease agreement for use of land with 22 annual payments of \$85 through June 30, 2023. The implicit interest rate of 2.72% was calculated using the long-term applicable Federal interest rate as of July 1, 2021. During the year the District paid \$3,375 for this lease. As of June 30, 2022, the District had future minimum payments under this lease as follows:

Fiscal Year Ending June 30,	Principal Allocation	Interest Allocation	Total required Payments
2023	\$ 2,381	\$ 994	\$ 3,375
2024	2,446	929	3,375
2025	2,512	863	3,375
2026	2,581	794	3,375
2027	2,651	724	3,375
2028-2032	14,376	2,573	16,949
2033-2035	9,598	527	10,125
Total	<u>\$ 36,544</u>	<u>\$ 7,405</u>	<u>\$ 43,949</u>

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**YEAR ENDED JUNE 30, 2022**

**NOTE 9 – INTERFUND TRANSFERS**

Interfund transfers for the year ended June 30, 2022 are as follows:

	Transfer In	Transfer Out
General Fund	\$ -	\$ 354,116
Special Revenue Fund	354,116	
Total	\$ 354,116	\$ 354,116

The District made transfers from the General Fund to the Special Revenue Fund in recognition that expenditures exceeded revenue in the Onsite Childcare Fund, Activity Bus Fund and Food Services Fund. Other transfers in and out of the General Fund are from various General Fund sub-funds.

**NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS – IMPLICIT RATE SUBSIDY**

**Postemployment Healthcare Plan**

The District reports its liability for other postemployment benefits consistent with established generally accepted accounting principles and to reflect an actuarially determined liability for the present value of projected future benefits for retired and active employees on the financial statements.

**Plan Description**

The District sponsors a self-pay early retirement health insurance program for its retirees. The plan provides post-retirement healthcare benefits for eligible retirees and their dependents through the District’s group health insurance plans. The District’s post-retirement plan was established in accordance with Oregon Revised Statutes (ORS) 243.303 which states, in part, that for the purposes of establishing healthcare premiums, the calculated rate must be based on the cost of all plan members, including both active employees and retirees. Because claim costs are generally higher for retiree groups than for active members, the premium amount does not represent the full cost of coverage for retirees. The resulting additional cost, or implicit subsidy, is required to be valued under GASB Statement 75 related to Other Post-Employment Benefits (OPEB). Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations of the OPEB plan reflect a long-term perspective. The plan does not issue a stand-alone financial report.

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**NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS – IMPLICIT RATE SUBSIDY  
(continued)**

**Funding Policy**

The District did not establish an irrevocable trust (or equivalent arrangement) to account for the plan. The benefits from this program are paid by the retired employees on a self-pay basis and the required contribution is based on projected pay-as-you go financing requirements. There is no obligation on the part of the District to fund these benefits in advance.

**Actuarial Methods and Assumptions**

The District engaged an actuary to perform an evaluation as of June 30, 2022 using entry age normal actuarial funding method. The OPEB liability was determined based on a valuation date of July 1, 2021 and using the following actuarial assumptions:

Discount Rate	2.25%
General Inflation	2.00%
Annual Salary Increases	3.00% Plus merit increases/decreases
Health Care Cost Trend	ranging from (.59)% to 4.15%

Medical:

Year	Rate	Year	Rate
2021-22	3.50%	2032-33	5.50%
2022-23	4.00%	2033-34	5.40%
2023-24	4.50%	2034-35	5.30%
2024-25	5.00%	2035-36	5.20%
2025-26	5.50%	2036-37	5.10%
2026-27	6.00%	2037-38	5.00%
2027-28	5.90%	2038-39	4.90%
2028-29	5.80%	2039-40	4.80%
2029-30	5.70%	2040-41	4.70%
2031-32	5.60%	2041-42	4.60%
		2042+	4.50%

Dental and Vision                      No implicit subsidy

Demographic assumptions regarding retirement, turnover, and disability are based on Oregon PERS valuation assumptions as of December 31, 2018 published July 24, 2019. Mortality rates used the Pub-2010 Teachers table, separate Employee and Healthy Annuitant tables, sex distinct, generational, no setback. Mortality rates for active male participants are 125% of the aforementioned rates, and for active female participants are 100% of the aforementioned rates. For beneficiaries mortality rates used the Pub-2010 General Employees table, Healthy Annuitant, sex

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**NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS – IMPLICIT RATE SUBSIDY  
(continued)**

distinct, generational, set back 12 month of males and not setback for females. Unisex Social Security Data Scale (60 year average) with data through 2017 was used for improvement scale.

Future retiree coverage: 60% of active members were assumed to elect coverage upon retirement. Current and future retirees are assumed to remain enrolled in the plans in which they are currently enrolled. Of those enrolling in coverage, 5.0% are assumed to drop coverage each year. Additionally, 70% of future retirees are assumed to cover a spouse. Males are assumed to be three years older than their female spouse. Actual marital status and ages as of the valuation date are used for current retirees, if any.

The discount rate based on Bond Buyer 20-Bond General Obligation Index as of the measurement date.

For the measurement date of July 1, 2021, 422 participants were covered under the plan, including 412 active employees and 10 inactive retirees.

**Changes in OPEB Liability**

Balance as of June 30, 2021	\$ 1,431,141
Changes for the year:	
Service cost	116,183
Interest on total OPEB liability	34,109
Difference between expected and actual experience	(70,866)
Effect of assumptions changes or inputs	(79,523)
Benefit payments	<u>(62,738)</u>
Balance as of June 30, 2022	<u>\$ 1,368,306</u>

The District recognized \$67,284 of OPEB expense related to the implicit rate subsidy for the year ended June 30, 2022.

**Sensitivity Analysis**

The following analysis presents the net OPEBB liability using a discount rate of 2.25%, as well as what the District's net OPEB liability would be if it was calculated using a discount rate that is one percentage point lower and one percentage point higher than the current discount rate. A similar sensitivity analysis is then presented for changes in the healthcare cost trend assumption:



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**NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS – IMPLICIT RATE SUBSIDY  
(continued)**

	1% Decrease 1.25%	Current Discount Rate 2.25%	1% Increase 3.25%
Total OPEB Liability	\$ 1,468,011	\$ 1,368,306	\$ 1,273,858

  

	1% Decrease 2.5% Graded Up to 5% then back Down to 3.5%	Current Trend Rate 3.5% Graded Up to 6% then back Down to 4.5%	1% Increase 4.5% Graded Up to 7% then back Down to 5.5%
Total OPEB Liability	\$ 1,222,060	\$ 1,368,306	\$ 1,540,871

**Deferred Inflow and Outflows**

Under GASB 75, gains and losses which are amortized over future years are referred to as deferred inflows (gains) and deferred outflows (losses). Economic and demographic gains and losses and changes in the Total OPEB Liability due to changes in assumptions are recognized over the closed period equal to the average expected remaining service lives of all covered active and inactive participants. The amortization period of 8.1 years is calculated as the weighted average of expected remaining service lives assuming zero years for all retirees.

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources as follows:

	Deferred Inflows of Resources	Deferred Outflow of Resources
Difference between expected and actual experience	\$ -	\$ 200,758
Changes of assumptions or inputs	97,102	306,664
Benefit payments	54,262	-
Total	\$ 151,364	\$ 507,422

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**YEAR ENDED JUNE 30, 2022**

**NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS – IMPLICIT RATE SUBSIDY (continued)**

Changes of assumptions or inputs reported as deferred outflows of resources will be recognized in OPEB expense as follows:

Year ending June 30,	
2023	\$ (83,008)
2024	(83,008)
2025	(83,008)
2026	(72,643)
2027	(67,233)
Thereafter	(21,419)
	\$ (410,319)

The benefit payments of \$54,262 classified as deferred outflows of resources will be recognized as a reduction of the net OPEB liability in the subsequent year.

**NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS – PERS RETIREE HEALTH INSURANCE PLAN**

**Plan Description**

The District contributes to the Oregon Public Employees Retirement System (PERS) which is a cost sharing multiple employer defined benefit pension plan. Plan assets may be used to pay the benefits of the employees of any employer that provides pensions through the plan. Participation by school districts is mandatory. PERS administers the Retirement Health Insurance Account (RHIA), a cost-sharing, multiple employer defined benefit other postemployment benefit plan (OPEB). RHIA plan assets may be used to pay the benefits of any employer that is a member of PERS. Contributions to RHIA are mandatory for PERS members.

RHIA was established by ORS 238.420. The plan was closed to new entrants hired on or after August 29, 2003. 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 PERS at the time of retirement or receive a disability allowance as if the member had eight year or more of creditable service in PERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a PERS-sponsored health plan.

**Contributions**

PERS sets required contribution rates biannually for members. The RHIA portion of this required contribution is .06% for Tier I/II members. The District’s total contribution to the RHIA plan for the year ended June 30, 2022 was \$3,589.

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**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2022**

**NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS – PERS RETIREE HEALTH INSURANCE PLAN (continued)**

**Net OPEB asset**

At June 30, 2022, the District reported an asset of \$414,604 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2021, and the total liability used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2019. Update procedures were used to roll forward the total OPEB liability to the measurement date.

**Proportionate share allocation methodology**

The basis for the employer’s proportion is actuarially 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.

**Net OPEB income**

For the year ended June 30, 2022, the District recognized net OPEB income of \$4,513. The District’s proportionate share of the collective net OPEB asset was .12073473%, a decrease from its proportionate share of .30835103% of the OPEB liability at the previous measurement date.

**Deferred inflows and outflows**

At June 30, 2022, the District reported deferred inflows of resources related to RHIA OPEB from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ -	\$ 11,535
Changes in assumptions	8,158	6,168
Net difference between projected and actual earnings on investments	-	98,532
Changes in proportionate share	230,138	65,425
Total	\$ 238,296	\$ 181,660

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**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2022**

**NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS – PERS RETIREE HEALTH INSURANCE PLAN (continued)**

Deferred inflows of resources will be recognized in pension expense as follows:

<u>Year ending June 30,</u>	
2023	\$ 35,398
2024	74,858
2025	(22,495)
2026	(31,125)
	<u>\$ 56,636</u>

Deferred inflows and outflows of resources are calculated at the Plan level and are allocated to employers based on their proportionate share. For the measurement period ended June 30, 2022, the following deferred items are reported:

- Changes in employer proportion since the prior measurement date, which is being amortized over the remaining service lives of all plan participants, including retirees. The average remaining service life as of the beginning of the June 30, 2022 measurement period was 2.9 years.
- Net difference between projected and actual investment earnings, which is being amortized over a closed five-year period.

**Actuarial Assumptions**

The total OPEB liability in the December 31, 2021 actuarial valuation was determined based on the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	2.40 percent
Projected salary increase	3.40 percent
Discount rate	6.90 percent
Long-term expected rate of return	6.90 percent
Retiree healthcare participation	Healthy retirees: 32%; disabled retirees: 20%

Healthy retirees and beneficiaries' mortality rates were based on the Pub-2010 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Active members' mortality rates are a percentage were based on the Pub-2010 Employees, sex-distinct, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Disabled retirees' mortality rates were based on the

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**YEAR ENDED JUNE 30, 2022**

**NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS – PERS RETIREE HEALTH INSURANCE PLAN (continued)**

Pub-2010 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study for 2018, published July 2019.

*Long-Term Expected Rate of Return*

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and the Oregon Investment Council’s (OIC) investment advisors. 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.

<u>Long-Term Expected Rate of Return</u> <sup>1</sup>				
<u>Asset Class</u>	<u>Target Allocation</u>	<u>Annual Arithmetic Return</u> <sup>2</sup>	<u>20-Year Annualized Geometric Mean</u>	<u>Annual Standard Deviation</u>
Global Equity	30.62 %	7.11 %	5.85 %	17.05 %
Private Equity	25.50	11.35	7.71	30.00
Core Fixed Income	23.75	2.80	2.73	3.85
Real Estate	12.25	6.29	5.66	12.00
Master Limited Partnerships	0.75	7.65	5.71	21.30
Infrastructure	1.50	7.24	6.26	15.00
Commodities	0.63	4.68	3.10	18.85
Hedge Fund of Funds - Multistrategy	1.25	5.42	5.11	8.45
Hedge Fund Equity - Hedge	0.63	5.85	5.31	11.05
Hedge Fund - Macro	5.62	5.33	5.06	7.90
US Cash	-2.50 <sup>3</sup>	1.77	1.76	1.20
Assumed Inflation - Mean			2.40 %	1.65 %

<sup>1</sup> Based on the OIC Statement of Investment Objectives and Policy Framework for the Oregon Public Employees Retirement Fund, including revisions adopted at the OIC meeting on June 2, 2021.

<sup>2</sup> The arithmetic mean is a component that goes into calculating the geometric mean. Expected rates of return are presented using the geometric mean, which the Board uses in setting the discount rate.

<sup>3</sup> Negative allocation to cash represents levered exposure from allocation to Risk Parity strategy.

*Discount Rate*

The discount rate used to measure the total pension liability of the Plan was 6.90 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members.

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**NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS – PERS RETIREE HEALTH INSURANCE PLAN (continued)**

Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*

The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 6.90 percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90 percent) or 1-percentage-point higher (7.90 percent) than the current rate:

	Discount rate	Proportionate share of net OPEB liability (asset)
1% decrease	5.90%	\$ (366,656)
Current discount rate	6.90%	(414,604)
1% increase	7.90%	(455,562)

*Plan Fiduciary Net Position*

GASB 75 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected rate of return on plan investments may be used to discount liabilities to the extent that the plan’s Fiduciary Net Position is projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 75 often requires that the actuary perform complex projections of future benefit payments and pension plan investments. GASB 75 (paragraph 82) does allow for alternative evaluations of projected solvency if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of solvency; it is left to professional judgment.

The following circumstances justify an alternative evaluation of sufficiency for PERS:

- PERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.
- GASB 75 specifies that the projections regarding future solvency assume the plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan’s funded position.

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**NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS – PERS RETIREE HEALTH INSURANCE PLAN (continued)**

Based on these circumstances, it is the PERS' independent actuary's opinion that the detailed depletion date projections outlined in GASB 75 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

**NOTE 12 – PUBLIC PENSION RETIREMENT PLAN**

**Plan Description**

The District contributes to the Oregon Public Employees Retirement System (PERS) which is a cost sharing multiple employer defined benefit pension plan. Plan assets may be used to pay the benefits of the employees of any employer that provides pensions through the plan. Participation

by school districts is mandatory. As of June 30, 2021 there were 900 participating employers and State Agencies. PERS issues a publicly available financial report which can be obtained on their website, [www.oregon.gov/PERS](http://www.oregon.gov/PERS).

PERS is administered in accordance with Oregon Revised Statutes (ORS) Chapter 238, Chapter 238A, and Internal Revenue Code Section 401(a). The Oregon Legislature has delegated authority to the Public Employees Retirement Board (Board) to administer and manage the System. All members of the Board are appointed by the governor and confirmed by the state Senate. The governor designates the chairperson. One member must be a public employer manager or a local elected official, one member must be a union-represented public employee or retiree, and three members must have experience in business management, pension management, or investing.

The 1995 Legislature enacted Chapter 654, Section 3, Oregon Laws 1995, which has been codified into ORS 238.435. This legislation created a second tier of benefits for those who established membership on or after January 1, 1996. The second tier does not have the Tier One assumed earnings rate guarantee and has a higher normal retirement age of 60, compared to 58 for Tier One. As of June 30, 2021, there were 13,991 active plan members, 129,357 retired plan members or their beneficiaries currently receiving benefits, 9,103 inactive plan members entitled to but not yet receiving benefits for a total of 152,451 Tier One members. For Tier Two members, as of June 30, 2021, there were 29,322 active plan members, 18,832 retired plan members or their beneficiaries currently receiving benefits, 13,498 inactive plan members entitled to but not yet receiving benefits, for a total of 61,652 Tier Two members in the System.

The 2003 Legislature enacted HB 2021, codified as ORS 238A, which created the Oregon Public Service Retirement Plan (OPSRP). OPSRP consists of the Pension Program (defined benefit), which is part of the Plan and the Individual Account Program, which is reported as a separate plan in PERS financial statements. Membership includes public employees hired on or after August 29,

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**NOTE 12 – PUBLIC PENSION RETIREMENT PLAN (continued)**

2003. As of June 30, 2021, there were 136,785 active plan members, 8,311 retired plan members or their beneficiaries currently receiving benefits, 7,520 inactive plan members entitled to but not receiving benefits, and 18,263 inactive plan members not eligible for refund or retirement, for a total of 170,879 OPSRP Pension Program members.

Beginning January 1, 2004, PERS active Tier One and Tier Two members became members of the Individual Account Program (IAP) of OPSRP. PERS members retain their existing Plan accounts, but member contributions are now deposited into the member's IAP account, not into the member's Defined Benefit Plan account. Accounts are credited with earnings and losses net of administrative expenses. OPSRP is part of PERS and is administered by the Board. The PERS Board is directed to adopt any rules necessary to administer OPSRP, and such rules are to be considered part of the plan for IRS purposes.

For the year ended June 30, 2022, the District's total payroll for all employees was \$25,611,244. Total covered payroll was \$23,497,147. Covered payroll refers to all compensation paid by the District to active employees covered by PERS.

**Contributions**

PERS members are required to contribute 6% of their salary and the employer makes contributions at an actuarially determined rate as adopted by the PERS Board. The rate for Tier One and Tier Two for the year ended June 30, 2022 was 5.99% of covered annual payroll. The rate for OPSRP for the year ended June 30, 2022 was 2.88%. The contribution requirements of plan members are established by state statute. The employer contribution is set and may be amended by the Retirement Board. The District's contributions to Oregon PERS for the year ended June 30, 2022 was \$964,857. In addition, employee contributions made by the District under employment contracts were \$1,323,737 employee contributions for the year ended June 30, 2022.

Pension Assets, Pension Income, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

At June 30, 2022, the District reported a liability of \$19,541,868 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2019. Update procedures were used to roll forward the total pension liability to the measurement date.

The basis for the employer's proportion is actuarially determined by comparing the employer's projected long-term contribution effort to the Plan with the total projected long-term contribution effort of all employers. The projected long-term contribution effort is equal to the sum of the present value of the future normal costs (PVFNC) and the unfunded actuarial liability (UAL). The contribution rate for every employer has at least two major components; Normal Cost Rate and Unfunded Actuarial Liability (UAL) Rate.



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**NOTE 12 – PUBLIC PENSION RETIREMENT PLAN (continued)**

The projected long-term contribution effort is estimated by projecting the present value of all future normal cost rate contributions. The PVFNC represents the portion of the projected long-term contribution effort related to future service.

An employer's PVFNC depends on both the Normal Cost Rates charged on the employer's payrolls, and on the underlying demographics of the respective payrolls. For PERS funding, employers have three different payrolls, each with a different Normal Cost Rate:

- Tier One/Tier Two payroll
- OPSRP General Service payroll
- OPSRP Police & Fire payroll

A UAL exists when Plan assets are less than the actuarial liability as measured by the Plan's actuarial funding valuations. UAL can arise in a biennium when an event such as experience differing from the assumptions used in the actuarial valuation occurs. An amortization schedule is established to eliminate the UAL that arises in a given biennium over a fixed period of time if future experience follows assumption. The UAL Rate is the upcoming year's component of the cumulative amortization schedules, stated as a percent of payroll. The UAL represents the portion of the projected long-term contribution effort related to past service. In determining the employer's projected long-term contribution effort to the Plan, the UAL component was adjusted for supplemental lump-sum payments made during the measurement period, if applicable.

After the employer's projected long-term contribution effort is calculated, that amount is reduced by the value of the employer's supplemental lump-sum payments, known as side accounts, transition surpluses and pre-SLGRP (State and Local Government Rate Pool) surpluses as of the valuation date. Side accounts decrease the employer's projected long-term contribution effort because side accounts are effectively pre-paid contributions.

The employer's projected long-term contribution effort does not include contributions toward the current value of transition liabilities and pre-SLGRP (State and Local Government Rate Pool) liabilities, which PERS has determined meet the definition of separately financed employer liabilities.

For the year ended June 30, 2022, the District recognized pension expense of \$5,065,597. Employer related expense was \$962,879. The employee contribution picked up by the District was \$1,339,617. District UAL contribution was \$2,763,101. The District's proportionate share of the collective net pension liability was .16330507%, a decrease from its proportionate share of .16943256%, at the previous measurement date. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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**NOTE 12 – PUBLIC PENSION RETIREMENT PLAN (continued)**

	Outflow of Resources	Inflow of Resources
Differences between expected and actual experience	\$ 1,829,247	\$ -
Changes of assumptions	4,891,918	51,430
Net difference between projected and actual earnings on investments	-	14,466,694
Changes in proportionate share	155,520	3,368,987
Difference between employer contributions and employer's proportionate share of system contributions	999,850	300,228
District contributions subsequent to the measurement date	32,665,382	
Total	\$ 40,541,917	\$ 18,187,339

Deferred inflows and outflows of resources are calculated at the Plan level and are allocated to employers based on their proportionate share. For the measurement period ended June 30, 2022, the following deferred items are reported:

- Difference between expected and actual experience
- Changes in assumptions
- Changes in employer proportion since the prior measurement date
- Net difference between projected and actual investment earnings
- Employer contributions made after the measurement date

Differences between expected and actual experience, changes in assumptions, changes in employer proportion and changes between employer contributions and proportionate share of contributions are amortized over the remaining service lives of all plan participants, including retirees, determined as of the beginning of the respective measurement period. Employers are required to recognize pension expense based on the balance of the closed period “layers” attributable to each measurement period. The average remaining service lives determined at the beginning of each measurement period are:

- Year ended June 30, 2020 – 5.3 years
- Year ended June 30, 2019 – 5.2 years
- Year ended June 30, 2018 – 5.2 years
- Year ended June 30, 2017 – 5.3 years

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2022**

**NOTE 12 – PUBLIC PENSION RETIREMENT PLAN (continued)**

- Year ended June 30, 2016 – 5.3 years
- Year ended June 30, 2015 – 5.4 years
- Year ended June 30, 2014 – 5.6 years

The difference between projected and actual earnings attributable to each measurement period is amortized over a closed five-year period.

The \$32,665,382 of deferred outflows of resources resulting from the District’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023.

Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

<u>Year ending June 30,</u>	
2023	\$ (2,084,016)
2024	(2,234,865)
2025	(2,661,119)
2026	(3,732,339)
2027	401,474
	<u>\$ (10,310,864)</u>

Actuarial Assumptions

The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	2.40 percent
Projected salary increase	3.40 percent
Discount rate	6.90 percent
Long-term expected rate of return	6.90 percent
Cost of living adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/.15%) in accordance with <i>Moro</i> decision; blended based on service

Healthy retirees and beneficiaries mortality rates were based on the 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’ mortality rates are a percentage were based on the Pub-2010 Employees, sex-distinct, Social Security Data Scale, with job category

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2022**

**NOTE 12 – PUBLIC PENSION RETIREMENT PLAN (continued)**

adjustments and set-backs as described in the valuation. Disabled retirees’ mortality rates were based on the Pub-2010 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study for 2018, published July 2019.

*Long-Term Expected Rate of Return*

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and the Oregon Investment Council’s (OIC) investment advisors. 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*	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Core Fixed Income	8.00%	3.29%	3.49%	4.55%
Short-Term Bonds	8.00%	3.42%	3.38%	2.70%
Bank/Leverage Loans	3.00%	5.34%	5.09%	7.50%
High Yield Bonds	1.00%	6.90%	6.45%	10.00%
Large/Mid Cap US Equities	15.75%	7.45%	6.30%	16.25%
Small Cap US Equities	1.31%	8.49%	6.69%	20.55%
Micro Cap US Equities	1.31%	9.01%	6.80%	22.90%
Developed Foreign Equities	13.13%	8.21%	6.71%	18.70%
Emerging Market Equities	4.13%	10.53%	7.45%	27.35%
Non-US Small Cap Equities	1.88%	8.67%	7.01%	19.75%
Private Equity	17.50%	11.45%	7.82%	30.00%
Real Estate (Property)	10.00%	6.15%	5.51%	12.00%
Real Estate (REITS)	2.50%	8.26%	6.37%	21.00%
Hedge Fund of Funds - Diversified	2.50%	4.36%	4.09%	7.80%
Hedge Fund - Event-driven	0.63%	6.21%	5.86%	8.90%
Timber	1.88%	6.37%	5.62%	13.00%
Farmland	1.88%	6.90%	6.15%	13.00%
Infrastructure	3.75%	7.54%	6.60%	14.65%
Commodities	1.88%	5.43%	3.84%	18.95%
Assumed Inflation Mean			2.50%	1.85%

\* Based on the OIC Statement of Investment Objectives and Policy Framework for the Oregon Public Employees Retirement Fund, revised as of June 7, 2017.

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2022**

**NOTE 12 – PUBLIC PENSION RETIREMENT PLAN (continued)**

*Discount Rate*

The discount rate used to measure the total pension liability of the Plan was 6.90 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the 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 Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*

The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 6.90 percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90 percent) or 1-percentage-point higher (7.90 percent) than the current rate:

	Discount rate	Proportionate share of net pension liability (asset)
1% decrease	5.90%	\$ 38,375,555
Current discount rate	6.90%	19,541,868
1% increase	7.90%	3,784,909

*Plan Fiduciary Net Position*

GASB 68 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected rate of return on plan investments may be used to discount liabilities to the extent that the plan’s Fiduciary Net Position is projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 68 often requires that the actuary perform complex projections of future benefit payments and pension plan investments. GASB 68 (paragraph 67) does allow for alternative evaluations of projected solvency if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of solvency; it is left to professional judgment.

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2022**

**NOTE 12 – PUBLIC PENSION RETIREMENT PLAN (continued)**

The following circumstances justify an alternative evaluation of sufficiency for PERS:

- PERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.
- GASB 68 specifies that the projections regarding future solvency assume the plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

Based on these circumstances, it is the PERS' independent actuary's opinion that the detailed depletion date projections outlined in GASB 68 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

**NOTE 13 - ENVIRONMENTAL MATTERS**

The District has complied with EPA standards for asbestos encasement as well as maintenance of an asbestos management plan. In addition, the District's fuel storage facilities meet EPA standards including annual testing requirements.

**NOTE 14 - RISK MANAGEMENT**

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

The District carries commercial insurance for risks of loss, including workers' compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. Insurance coverage has not changed significantly from prior years.

**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**

**YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actuals			Variance with Final Budget Over (Under)
	Adopted	Final	Budget Basis	Adjustments	GAAP Basis	
<b>Revenues</b>						
Property taxes	\$ 5,232,000	\$ 5,232,000	\$ 5,183,236	\$ -	\$ 5,183,236	\$ (48,764)
Investment earnings	172,200	172,200	(76,997)	-	(76,997)	(249,197)
Admissions	28,500	28,500	19,171	-	19,171	(9,329)
Other local sources	2,140,607	2,155,607	850,585	-	850,585	(1,305,022)
Intermediate sources	168,500	168,500	133,976	-	133,976	(34,524)
State sources	27,633,385	27,633,385	29,173,313	-	29,173,313	1,539,928
Federal sources	3,002,000	3,002,000	2,906,537	-	2,906,537	(95,463)
<b>Total revenues</b>	<b>38,377,192</b>	<b>38,392,192</b>	<b>38,189,821</b>	<b>-</b>	<b>38,189,821</b>	<b>(202,371)</b>
<b>Expenditures</b>						
<b>Current</b>						
Instruction	22,190,179	21,715,179	18,963,630	(6,704)	18,956,926	(2,751,549)
Support services	16,923,223	16,463,223	14,865,747	(355,179)	14,510,568	(1,597,476)
Community services	203,778	203,778	190,742	(59,175)	131,567	(13,036)
Building acq and const	420,100	1,370,100	509,255	(505,401)	3,854	(860,845)
Contingency	300,000	300,000	-	-	-	(300,000)
Capital outlay	-	-	-	926,459	926,459	-
<b>Total expenditures</b>	<b>40,037,280</b>	<b>40,052,280</b>	<b>34,529,374</b>	<b>-</b>	<b>34,529,374</b>	<b>(5,522,906)</b>
Excess (deficiency) of revenues over (under) expenditures	(1,660,088)	(1,660,088)	3,660,447	-	3,660,447	5,320,535
<b>Other financing sources (uses)</b>						
Operating transfers in	1,211,467	2,161,467	-	-	-	(2,161,467)
Operating transfers out	(2,912,812)	(3,862,812)	(354,116)	-	(354,116)	3,508,696
<b>Total other financing sources and (uses)</b>	<b>(1,701,345)</b>	<b>(1,701,345)</b>	<b>(354,116)</b>	<b>-</b>	<b>(354,116)</b>	<b>1,347,229</b>
Net change in fund balance	(3,361,433)	(3,361,433)	3,306,331	-	3,306,331	6,667,764
Fund balance - beginning of year	15,680,252	15,680,252	19,546,460	-	19,546,460	3,866,208
Fund balance - end of year	<u>\$ 12,318,819</u>	<u>\$ 12,318,819</u>	<u>\$ 22,852,791</u>	<u>\$ -</u>	<u>\$ 22,852,791</u>	<u>\$ 10,533,972</u>

The adjustments column represents differences between Budget and GAAP basis of accounting. Oregon local budget law requires budgeting at the functional level, whereas GAAP requires additional classifications into capital outlay

Adjustments to GAAP basis are also necessary where budgeted transfers in and out were made within the general fund sub-funds.



**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**

**YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actuals			Variance with Final Budget Over
	Adopted	Final	Budget Basis	Adjustments	GAAP Basis	
<u>Revenues</u>						
Other local sources	\$ 501,345	\$ 740,563	\$ 570,022	\$ -	\$ 570,022	\$ (170,541)
State sources	3,889,325	5,333,480	4,069,661	-	4,069,661	(1,263,819)
Federal sources	12,056,954	12,203,137	10,385,260	-	10,385,260	(1,817,877)
Total revenues	16,447,624	18,277,180	15,024,943	-	15,024,943	(3,252,237)
<u>Expenditures</u>						
Current						
Instruction	6,951,331	7,511,232	6,325,099	(6,446)	6,318,653	(1,186,133)
Support services	6,782,227	7,556,476	5,501,334	(155,488)	5,345,846	(2,055,142)
Community services	3,036,951	3,203,439	2,910,163	-	2,910,163	(293,276)
Facilities acquisition	310,000	638,918	599,403	(599,403)	-	(39,515)
Capital outlay	-	-	-	761,337	761,337	-
Total expenditures	17,080,509	18,910,065	15,335,999	-	15,335,999	(3,574,066)
Excess (deficiency) of revenues over (under) expenditures	(632,885)	(632,885)	(311,056)	-	(311,056)	321,829
<u>Other financing sources (uses)</u>						
Operating transfers in	304,838	304,838	354,116	-	354,116	49,278
Total other financing sources and	(304,838)	304,838	354,116	-	354,116	49,278
Net change in fund balance	(328,047)	(328,047)	43,060	-	43,060	371,107
Fund balance - beginning of year	488,047	488,047	415,882	-	415,882	(72,165)
Fund balance - end of year	\$ 160,000	\$ 160,000	\$ 458,942	\$ -	\$ 458,942	\$ 298,942

The adjustments column represents differences between Budget and GAAP basis of accounting. Oregon local budget law requires budgeting at the functional level, whereas GAAP requires additional classifications into capital outlay.

**SCHOOL DISTRICT 509-J**  
**Jefferson County, Oregon**

**SCHEDULE OF THE PROPORTIONATE SHARE**  
**OF THE NET PENSION LIABILITY (ASSET)**

**YEAR ENDED JUNE 30, 2022**

Year Ended June 30,	(a) Employer's proportion of the net pension liability (asset) (NPL(A))	(b) Employer's proportionate share of the NPL(A)	(c) CAL's covered payroll	(b/c) NPL(A) as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2022	0.163305%	\$ 19,541,868	\$ 21,162,582	92.3%	87.6%
2021	0.169433%	36,976,012	20,755,269	178.2%	75.8%
2020	0.192373%	33,275,922	19,185,869	173.4%	80.2%
2019	0.199727%	30,256,001	18,741,483	161.4%	82.1%
2018	0.193105%	26,035,437	17,983,977	144.8%	83.1%
2017	0.209208%	31,406,929	17,076,143	183.9%	80.5%
2016	0.222334%	12,765,490	16,894,802	75.6%	91.9%
2015	0.240095%	(5,442,268)	15,688,932	-34.7%	103.6%
2014	0.240095%	12,252,398	15,935,387	76.9%	92.0%

**Notes to RSI**

Schedule will be reported on a prospective basis for 10-years as information prior to June 30, 2014 was not available.

**SCHOOL DISTRICT 509-J**  
**Jefferson County, Oregon**

**SCHEDULE OF CONTRIBUTIONS**  
**PENSION PLAN**

**YEAR ENDED JUNE 30, 2022**

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
2022	\$ 964,857	\$ 964,857	\$ -	\$ 23,497,147	4.11%
2021	4,145,460	4,145,460	-	21,162,582	19.59%
2020	4,093,810	4,093,810	-	20,755,269	19.72%
2019	2,821,117	2,821,117	-	19,185,869	14.70%
2018	2,778,098	2,778,098	-	18,741,483	14.82%
2017	1,915,106	1,915,106	-	17,983,977	10.65%
2016	1,850,319	1,850,319	-	17,076,143	10.84%
2015	2,352,176	2,352,176	-	16,894,802	13.92%
2014	2,197,888	2,197,888	-	15,688,932	14.01%

**Notes to RSI**

Schedule will be reported on a prospective basis for 10-years as information prior to June 30, 2014 was not available.

**SCHOOL DISTRICT 509-J**  
**Jefferson County, Oregon**

**SCHEDULE OF CHANGES IN OTHER POST-EMPLOYMENT  
BENEFIT (OPEB) LIABILITY - IMPLICIT RATE SUBSIDY**

**YEAR ENDED JUNE 30,**

	2022	2021	2020	2019	2018
Total OPEB, beginning	\$1,431,141	\$1,217,328	\$ 1,618,036	\$ 1,551,576	\$1,591,593
Service Cost	116,183	91,978	172,643	166,211	173,218
Interest on total OPEB liability	34,109	44,906	66,841	59,355	47,921
Difference between expected and actual experience	(70,866)	-	(221,999)	-	-
Effect of assumptions changes or inputs	(79,523)	129,470	(291,155)	(38,369)	(93,252)
Benefit payments	(62,738)	(52,541)	(127,038)	(120,737)	(167,904)
Net change in OPEB liability	(62,835)	213,813	(400,708)	66,460	(40,017)
Total OPEB, ending	<u>\$1,368,306</u>	<u>\$1,431,141</u>	<u>\$ 1,217,328</u>	<u>\$ 1,618,036</u>	<u>\$1,551,576</u>

**Notes to RSI**

Schedule will be reported on a prospective basis for 10-years as information prior to June 30, 2018 was not available.

**SCHOOL DISTRICT 509-J**  
**Jefferson County, Oregon**

**SCHEDULE OF THE PROPORTIONATE SHARE OF THE  
OTHER POSTEMPLOYMENT BENEFIT LIABILITY (ASSET) - RHIA**

**YEARS ENDED JUNE 30,**

	(a) Employer's proportion of the OPEB liability (asset)		(b) Employer's proportionate share of the OPEB liability (asset)		(c) CAL's covered payroll		(b/c) OPL(A) as a percentage of covered payroll		Plan fiduciary net position as a percentage of the total pension liability
2022	0.12073473	%	\$ (414,604)	\$	25,750,088		(1.6) %		(183.90) %
2021	0.30835103		(628,297)		20,755,269		(3.0)		(150.09)
2020	0.17289131		(334,088)		19,185,869		(1.7)		(144.38)
2019	0.17561353		(196,032)		18,741,483		(1.0)		(123.99)
2018	0.17291765		(72,166)		17,983,977		(0.4)		(108.90)
2017	0.17544888		47,645		17,076,143		0.3		94.20

**Notes to RSI**

Schedule will be reported on a prospective basis for 10-years as information prior to June 30, 2017 was not available.

**SCHOOL DISTRICT 509-J**  
**Jefferson County, Oregon**

**SCHEDULE OF CONTRIBUTIONS**  
**OTHER POSTEMPLOYMENT BENEFITS - RHIA PLAN**

**YEAR ENDED JUNE 30, 2022**

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
2022	\$ 3,589	\$ 3,589	\$	\$ 25,750,088	0.01%
2021	3,861	3,861	-	21,162,582	0.02%
2020	4,099	4,099	-	20,755,269	0.02%
2019	82,499	82,499		19,185,869	0.43%
2018	80,588	80,588		18,741,483	0.43%
2017	80,928	80,928		17,983,977	0.45%

**Notes to RSI**

Schedule will be reported on a prospective basis for 10-years as information prior to June 30, 2017 was not available.

**SUPPLEMENTARY INFORMATION**

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**

**YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actuals			Variance with Final Budget Over (Under)
	Adopted	Final	Budget Basis	Adjustments	GAAP Basis	
<b>Revenues</b>						
Property taxes	\$ 3,155,700	\$ 3,155,700	\$ 3,170,208	\$ -	\$ 3,170,208	\$ 14,508
Investment earnings	12,600	12,600	13,955	-	13,955	1,355
Other intermediate sources	-	-	2,106	-	2,106	2,106
Other local sources	-	1,200,000	2,765,940	-	2,765,940	1,565,940
<b>Total revenues</b>	<b>3,168,300</b>	<b>4,368,300</b>	<b>5,952,209</b>	<b>-</b>	<b>5,952,209</b>	<b>1,583,909</b>
<b>Expenditures</b>						
<b>Current</b>						
Debt service	4,627,807	5,827,807	5,991,978	-	5,991,978	(164,171)
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total expenditures</b>	<b>4,627,807</b>	<b>5,827,807</b>	<b>5,991,978</b>	<b>-</b>	<b>5,991,978</b>	<b>(164,171)</b>
Excess (deficiency) of revenues over (under) expenditures	(1,459,507)	(1,459,507)	(39,769)	-	(39,769)	1,748,080
<b>Other financing sources (uses)</b>						
Operating transfers in	1,396,507	1,396,507	-	-	-	(1,396,507)
Bond proceeds	32,110,000	32,110,000	31,905,000	-	31,905,000	(205,000)
Bond issuance costs	-	-	(293,210)	-	(293,210)	(293,210)
Payments to bond escrow agent	(32,110,000)	(32,110,000)	(31,607,706)	-	(31,607,706)	502,294
<b>Total other financing sources (uses)</b>	<b>1,396,507</b>	<b>1,396,507</b>	<b>4,084</b>	<b>-</b>	<b>4,084</b>	<b>(1,392,423)</b>
Net change in fund balance	(63,000)	(63,000)	(35,685)	-	(35,685)	355,657
Fund balance - beginning of year	63,000	63,000	138,965	-	138,965	75,965
Fund balance - end of year	\$ -	\$ -	\$ 103,280	\$ -	\$ 103,280	\$ 431,622

The adjustments column represents differences between Budget and GAAP basis of accounting. Oregon local budget law requires budgeting at the functional level, whereas GAAP requires additional classifications into principal and interest.



**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**CAPITAL PROJECT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**

**YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actuals			Variance with Final Budget Over (Under)
	Adopted	Final	Budget Basis	Adjustments	GAAP Basis	
<b>Revenues</b>						
Investment earnings	\$ -	\$ -	\$ (207,093)	\$ -	\$ (207,093)	\$ (207,093)
State sources - other restricted	1,665,979	1,665,979	83,497	-	83,497	(1,582,482)
<b>Total revenues</b>	<b>1,665,979</b>	<b>1,665,979</b>	<b>(123,596)</b>	<b>-</b>	<b>(123,596)</b>	<b>(1,789,575)</b>
<b>Expenditures</b>						
<b>Current</b>						
Support services	-	-	14,661	-	14,661	14,661
Building acquisition and construction	1,665,979	4,565,979	602,541	(554,623)	47,918	(3,963,438)
Capital outlay	-	-	-	554,623	554,623	-
Contingency	-	25,321,455	-	-	-	(25,321,455)
<b>Total expenditures</b>	<b>1,665,979</b>	<b>29,887,434</b>	<b>617,202</b>	<b>-</b>	<b>617,202</b>	<b>(29,270,232)</b>
Excess (deficiency) of revenues over (under) expenditures	-	(28,221,455)	(740,798)	-	(740,798)	27,480,657
<b>Other financing sources (uses)</b>						
Bond issuance costs	-	-	(224,907)	-	(224,907)	(224,907)
Bond premium	-	2,671,500	2,671,500	-	2,671,500	-
Bonds proceeds	-	25,549,955	25,549,955	-	25,549,955	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>28,221,455</b>	<b>27,996,548</b>	<b>-</b>	<b>27,996,548</b>	<b>(224,907)</b>
Net change in fund balance	-	-	27,255,750	-	27,255,750	27,255,750
Fund balance - beginning of year	-	-	-	-	-	-
Fund balance - end of year	\$ -	\$ 25,321,455	\$ 27,255,750	\$ -	\$ 27,255,750	\$ 27,255,750

The adjustments column represents differences between Budget and GAAP basis of accounting. Oregon local budget law requires budgeting at the functional level, whereas GAAP requires additional classifications into principal and interest.

**SCHOOL DISTRICT NO.509J**  
**Jefferson County, Oregon**

**COMBINING SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCES**  
**GENERAL FUND SUB FUNDS**

**JUNE 30, 2022 AND SUMMARIZED INFORMATION FOR JUNE 30, 2021**

<u>ASSETS</u>	<u>100 - General</u>	<u>101 - Bus</u>	<u>102 -</u>	<u>104 - Warm</u>	<u>105 - PAC</u>	<u>106 - Furniture</u>	<u>107 - Technology</u>	<u>108 - Textbook</u>
Cash and investments	\$ 11,706,557	\$ 2,303,367	\$ 28,640	\$ 96,256	\$ 27,738	\$ 72,043	\$ 1,115,471	\$ 1,800,279
Receivables								
Property taxes	217,150	-	-	-	-	-	-	-
Other	189,373	-	-	-	1,290	-	209,160	-
Prepaid expenses	3,137	-	-	-	-	-	-	-
Due from other funds	1,850,672	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 13,966,889</b>	<b>\$ 2,303,367</b>	<b>\$ 28,640</b>	<b>\$ 96,256</b>	<b>\$ 29,028</b>	<b>\$ 72,043</b>	<b>\$ 1,324,631</b>	<b>\$ 1,800,279</b>
<u>LIABILITIES</u>								
Accounts payable	\$ 299,556	\$ 150,679	\$ -	\$ 1,691	\$ 2,815	\$ -	\$ 19,920	\$ -
Accrued payroll liability	2,050,413	-	34	-	6,760	-	-	4
Other current liabilities	-	-	-	-	-	-	-	-
Tenant deposit	-	-	-	7,825	-	-	-	-
<b>Total liabilities</b>	<b>2,349,969</b>	<b>150,679</b>	<b>34</b>	<b>9,516</b>	<b>9,575</b>	<b>-</b>	<b>19,920</b>	<b>4</b>
<u>DEFERRED INFLOWS</u>								
Unavailable property taxes	181,580	-	-	-	-	-	-	-
Unearned revenue	-	-	-	10,320	-	-	209,160	-
<b>Total deferred inflows</b>	<b>181,580</b>	<b>-</b>	<b>-</b>	<b>10,320</b>	<b>-</b>	<b>-</b>	<b>209,160</b>	<b>-</b>
<u>FUND BALANCES</u>								
Committed to:								
Bus replacement	-	2,152,688	-	-	-	-	-	-
Classroom furniture replacement	-	-	-	-	-	72,043	-	-
Equipment replacement	-	-	-	-	-	-	-	-
Employee Wellness	-	-	28,606	-	-	-	-	-
Maintenance projects	-	-	-	-	-	-	-	-
Performing arts center fund	-	-	-	-	19,453	-	-	-
PERS reserve fund	-	-	-	-	-	-	-	-
Stabilization of general fund	-	-	-	-	-	-	-	-
Technology replacement plan fund	-	-	-	-	-	-	1,095,551	-
Textbook replacement plan fund	-	-	-	-	-	-	-	1,800,275
Warm Springs housing	-	-	-	76,420	-	-	-	-
Warm Springs school construction	-	-	-	-	-	-	-	-
Unassigned	11,435,340	-	-	-	-	-	-	-
<b>Total fund balances</b>	<b>11,435,340</b>	<b>2,152,688</b>	<b>28,606</b>	<b>76,420</b>	<b>19,453</b>	<b>72,043</b>	<b>1,095,551</b>	<b>1,800,275</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 13,966,889</b>	<b>\$ 2,303,367</b>	<b>\$ 28,640</b>	<b>\$ 96,256</b>	<b>\$ 29,028</b>	<b>\$ 72,043</b>	<b>\$ 1,324,631</b>	<b>\$ 1,800,279</b>

**SCHOOL DISTRICT NO.509J**  
**Jefferson County, Oregon**

**COMBINING SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCES**  
**GENERAL FUND SUB FUNDS**

**JUNE 30, 2022 AND SUMMARIZED INFORMATION FOR JUNE 30, 2021**

	109 - Equipment	110 - Maintenance Projects	111 - PERS Bond Reserve	118 - Stabilization	119 -Warm Springs Building	Total	
						2022	2021
<b>ASSETS</b>							
Cash and investments	\$ 541,971	\$ 2,645,275	\$ 255,100	\$ 2,619,432	\$ 426,334	\$ 23,638,465	\$ 20,735,893
Receivables							
Property taxes	-	-	-	-	-	217,150	226,829
Other	-	5,409	-	-	-	405,232	376,723
Prepaid expenses	-	-	-	-	-	3,137	-
Due from other funds	-	-	-	-	-	1,850,672	1,298,424
<b>Total assets</b>	<b>\$ 541,971</b>	<b>\$ 2,650,684</b>	<b>\$ 255,100</b>	<b>\$ 2,619,432</b>	<b>\$ 426,334</b>	<b>\$ 26,114,656</b>	<b>\$ 22,637,869</b>
<b>LIABILITIES</b>							
Accounts payable	\$ -	\$ 321,106	\$ -	\$ -	\$ -	\$ 795,767	\$ 231,816
Accrued payroll liability	-	-	-	-	-	2,057,211	2,643,283
Tenant deposit	-	-	-	-	-	7,825	7,050
<b>Total liabilities</b>	<b>-</b>	<b>321,106</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,860,803</b>	<b>2,882,149</b>
<b>DEFERRED INFLOWS</b>							
Unavailable property taxes	-	-	-	-	-	181,580	183,828
Unearned revenue	-	-	-	-	-	219,480	25,432
<b>Total deferred inflows</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>401,060</b>	<b>209,260</b>
<b>FUND BALANCES</b>							
Committed to:							
Bus replacement	-	-	-	-	-	2,152,690	1,840,728
Classroom furniture replacement	-	-	-	-	-	72,043	119,266
Equipment replacement	541,971	-	-	-	-	541,971	613,156
Employee Wellness	-	-	-	-	-	28,606	16,588
Maintenance projects	-	2,329,578	-	-	-	2,329,578	1,858,452
Performing arts center fund	-	-	-	-	-	19,453	-
PERS reserve fund	-	-	255,100	-	-	255,100	255,100
Stabilization of general fund	-	-	-	2,619,432	-	2,619,432	1,919,432
Technology replacement plan fund	-	-	-	-	-	1,095,551	1,185,272
Textbook replacement plan fund	-	-	-	-	-	1,800,275	1,797,981
Warm Springs housing	-	-	-	-	-	76,420	37,251
Warm Springs school construction	-	-	-	-	426,334	426,334	426,334
Unassigned	-	-	-	-	-	11,435,340	9,476,900
<b>Total fund balances</b>	<b>541,971</b>	<b>2,329,578</b>	<b>255,100</b>	<b>2,619,432</b>	<b>426,334</b>	<b>22,852,793</b>	<b>19,546,460</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 541,971</b>	<b>\$ 2,650,684</b>	<b>\$ 255,100</b>	<b>\$ 2,619,432</b>	<b>\$ 426,334</b>	<b>\$ 26,114,656</b>	<b>\$ 22,637,869</b>

**SCHOOL DISTRICT NO. 509J**

**Jefferson County, Oregon**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GENERAL FUND SUB FUNDS**

**YEAR ENDED JUNE 30, 2022 AND SUMMARIZED INFORMATION FOR JUNE 30, 2021**

	100 - General Operations	101 - Bus Purchase	102 - Employee Wellness	104 - Warm Springs Housing	105 - PAC	106 - Furniture Replacement	107 - Technology Replacement	108 - Textbook Replacement
<u>Revenues</u>								
Property taxes	\$ 5,183,236	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	(76,997)	-	-	-	-	-	-	-
Admissions	19,171	-	-	-	-	-	-	-
Other local sources	687,955	43,689	15,000	46,290	7,471	-	50,180	-
Intermediate sources	53,850	-	-	-	-	-	-	-
State sources	28,649,863	523,450	-	-	-	-	-	-
Federal sources	2,906,537	-	-	-	-	-	-	-
Total revenues	<u>37,423,615</u>	<u>567,139</u>	<u>15,000</u>	<u>46,290</u>	<u>7,471</u>	<u>-</u>	<u>50,180</u>	<u>-</u>
<u>Expenditures</u>								
Current								
Instruction	18,845,115	-	-	-	-	47,223	-	54,507
Support services	14,070,623	-	9,482	7,121	77,414	-	239,901	43,199
Enterprise and community services	30,000	-	-	-	90,571	-	-	-
Facilities acquisition and construction	3,854	-	-	-	-	-	-	-
Capital outlay	-	355,179	-	-	-	-	-	-
Total expenditures	<u>32,949,592</u>	<u>355,179</u>	<u>9,482</u>	<u>7,121</u>	<u>167,985</u>	<u>47,223</u>	<u>239,901</u>	<u>97,706</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,474,023</u>	<u>211,960</u>	<u>5,518</u>	<u>39,169</u>	<u>(160,514)</u>	<u>(47,223)</u>	<u>(189,721)</u>	<u>(97,706)</u>
Other financing sources (uses)								
Operating transfers in	-	100,000	6,500	-	179,967	-	100,000	100,000
Operating transfers out	(2,515,583)	-	-	-	-	-	-	-
Gain on sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources and (uses)	<u>(2,515,583)</u>	<u>100,000</u>	<u>6,500</u>	<u>-</u>	<u>179,967</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>
Net change in fund balance	1,958,440	311,960	12,018	39,169	19,453	(47,223)	(89,721)	2,294
Fund balance - beginning of year	9,476,900	1,840,728	16,588	37,251	-	119,266	1,185,272	1,797,981
Fund balance - end of year	<u>\$ 11,435,340</u>	<u>\$ 2,152,688</u>	<u>\$ 28,606</u>	<u>\$ 76,420</u>	<u>\$ 19,453</u>	<u>\$ 72,043</u>	<u>\$ 1,095,551</u>	<u>\$ 1,800,275</u>

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GENERAL FUND SUB FUNDS**

**YEAR ENDED JUNE 30, 2022 AND SUMMARIZED INFORMATION FOR JUNE 30, 2021**

	109 - Equipment	110 - Maintenance Projects	111 - PERS Bond Reserve	118 - Stabilization	119 - Warm Springs Building	Total	
						2022	2021
<b>Revenues</b>							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,183,236	\$ 5,101,576
Interest	-	-	-	-	-	(76,997)	192,537
Admissions	-	-	-	-	-	19,171	-
Other local sources	-	-	-	-	-	850,585	2,181,629
Intermediate sources	-	80,126	-	-	-	133,976	210,210
State sources	-	-	-	-	-	29,173,313	28,675,357
Federal sources	-	-	-	-	-	2,906,537	3,206,650
<b>Total revenues</b>	<b>-</b>	<b>80,126</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38,189,821</b>	<b>39,567,959</b>
<b>Expenditures</b>							
<b>Current</b>							
Instruction	10,081	-	-	-	-	18,956,926	19,269,135
Support services	9,229	53,599	-	-	-	14,510,568	14,163,349
Enterprise and community services	10,996	-	-	-	-	131,567	148,128
Facilities acquisition and construction	-	-	-	-	-	3,854	587,295
Capital outlay	65,879	505,401	-	-	-	926,459	575,731
<b>Total expenditures</b>	<b>96,185</b>	<b>559,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34,529,374</b>	<b>34,743,638</b>
Excess (deficiency) of revenues over (under) expenditures	(96,185)	(478,874)	-	-	-	3,660,447	4,824,321
<b>Other financing sources (uses)</b>							
Operating transfers in	25,000	950,000	-	700,000	-	2,161,467	3,792,135
Operating transfers out	-	-	-	-	-	(2,515,583)	(5,784,362)
Gain on sale of capital assets	-	-	-	-	-	-	16,196
<b>Total other financing sources and (uses)</b>	<b>25,000</b>	<b>950,000</b>	<b>-</b>	<b>700,000</b>	<b>-</b>	<b>(354,116)</b>	<b>(1,976,031)</b>
<b>Net change in fund balance</b>	<b>(71,185)</b>	<b>471,126</b>	<b>-</b>	<b>700,000</b>	<b>-</b>	<b>3,306,331</b>	<b>2,848,290</b>
Fund balance - beginning of year	613,156	1,858,452	255,100	1,919,432	426,334	19,546,460	16,698,170
<b>Fund balance - end of year</b>	<b>\$ 541,971</b>	<b>\$ 2,329,578</b>	<b>\$ 255,100</b>	<b>\$ 2,619,432</b>	<b>\$ 426,334</b>	<b>\$ 22,852,791</b>	<b>\$ 19,546,460</b>

**SCHOOL DISTRICT NO.509J**  
**Jefferson County, Oregon**

**COMBINING SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCES**  
**SPECIAL REVENUE FUND SUB FUNDS**

**JUNE 30, 2022 AND SUMMARIZED INFORMATION FOR JUNE 30, 2021**

<u>ASSETS</u>	<u>202 - Read to School</u>	<u>203 - Title 1A: Grant to LEAs</u>	<u>204 - 21st Century</u>	<u>205 - Title VII: Indian Education</u>	<u>206 - ESSER III Grant</u>	<u>207 - Native Language</u>	<u>208 -Title VI-B: Rural Education Achievement</u>	<u>209 - Title II-A: Quality Teacher's Fund</u>
Cash and investments								
Receivables - reimbursement claims	150,042	980,767	376,500	33,286	216,295	33,439	178,131	45,915
Prepaid expense	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 150,042</b>	<b>\$ 980,767</b>	<b>\$ 376,500</b>	<b>\$ 33,286</b>	<b>\$ 216,295</b>	<b>\$ 33,439</b>	<b>\$ 178,131</b>	<b>\$ 45,915</b>
<u>LIABILITIES</u>								
Accounts payable	\$ 7,399	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000	\$ 6,200
Accrued payroll liability	31,618	86,047	9,762	18,327	49,508	10,802	18,331	2,703
Deposits	-	-	-	-	-	-	-	-
Due to other funds	111,025	894,720	366,698	14,959	166,787	22,637	149,800	37,012
<b>Total liabilities</b>	<b>150,042</b>	<b>980,767</b>	<b>376,460</b>	<b>33,286</b>	<b>216,295</b>	<b>33,439</b>	<b>178,131</b>	<b>45,915</b>
<u>DEFERRED INFLOWS</u>								
Unearned revenues	-	-	40	-	-	-	-	-
<u>FUND BALANCES</u>								
Nonspendable: inventory	-	-	-	-	-	-	-	-
Restricted: Federal Programs	-	-	-	-	-	-	-	-
Restricted: State and local	-	-	-	-	-	-	-	-
Committed: Student Activities	-	-	-	-	-	-	-	-
Assigned: Onsite child care	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
<b>Total fund balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities, deferred inflows and fund</b>	<b>\$ 150,042</b>	<b>\$ 980,767</b>	<b>\$ 376,500</b>	<b>\$ 33,286</b>	<b>\$ 216,295</b>	<b>\$ 33,439</b>	<b>\$ 178,131</b>	<b>\$ 45,915</b>

**SCHOOL DISTRICT NO.509J**  
**Jefferson County, Oregon**

**COMBINING SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCES**  
**SPECIAL REVENUE FUND SUB FUNDS**

**JUNE 30, 2022 AND SUMMARIZED INFORMATION FOR JUNE 30, 2021**

<u>ASSETS</u>	210 - CARES ESSER Grant	211 - District School Improvement	213 - IDEA	215 - Early Learning Head Start	216 - Title III: English Language	219 - It's A New Day	223 - Youth Development Program	226 - Title X: McKinney Vento
Cash and investments								
Receivables - reimbursement claims	336,294	57,895	74,577	-	5,508	227,190	293,557	3,528
Prepaid expense	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-
Due from other funds								
<b>Total assets</b>	<b><u>\$ 336,294</u></b>	<b><u>\$ 57,895</u></b>	<b><u>\$ 74,577</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 5,508</u></b>	<b><u>\$ 227,190</u></b>	<b><u>\$ 293,557</u></b>	<b><u>\$ 3,528</u></b>
<u>LIABILITIES</u>								
Accounts payable	\$ 450	\$ 1,520	\$ 14,221	\$ -	\$ -	\$ (20,258)	\$ 54,239	\$ 169
Accrued payroll liability	74,883	30,407	29,838	13,597	2,484	69,698	22,533	124
Deposits	-	-	-	-	-	-	-	-
Due to other funds	260,961	25,968	30,518	(94,358)	3,024	177,750	200,860	3,235
<b>Total liabilities</b>	<b><u>336,294</u></b>	<b><u>57,895</u></b>	<b><u>74,577</u></b>	<b><u>(80,761)</u></b>	<b><u>5,508</u></b>	<b><u>227,190</u></b>	<b><u>277,632</u></b>	<b><u>3,528</u></b>
<u>DEFERRED INFLOWS</u>								
Unearned revenues	-	-	-	-	-	-	15,925	-
<u>FUND BALANCES</u>								
Nonspendable: inventory	-	-	-	-	-	-	-	-
Restricted: Federal Programs	-	-	-	80,761	-	-	-	-
Restricted: State and local	-	-	-	-	-	-	-	-
Committed: Student Activities	-	-	-	-	-	-	-	-
Assigned: Onsite child care	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
<b>Total fund balances</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>80,761</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Total liabilities, deferred inflows, and fund</b>	<b><u>\$ 336,294</u></b>	<b><u>\$ 57,895</u></b>	<b><u>\$ 74,577</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 5,508</u></b>	<b><u>\$ 227,190</u></b>	<b><u>\$ 293,557</u></b>	<b><u>\$ 3,528</u></b>

**SCHOOL DISTRICT NO.509J**  
**Jefferson County, Oregon**

**COMBINING SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCES**  
**SPECIAL REVENUE FUND SUB FUNDS**

**JUNE 30, 2022 AND SUMMARIZED INFORMATION FOR JUNE 30, 2021**

<u>ASSETS</u>	251 - Student Success Account	252 - Measure 98	253 - ODE State Grants	254 - Outdoor School	256 - Preschool Promise	257 - State Summer School	262 - Student Body Funds	263 - School Enrichment Fund
Cash and investments								
Receivables - reimbursement claims	-	669,581	116,228	28,038	120,092	-	-	-
Prepaid expense	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-
Due from other funds								
<b>Total assets</b>	<b>\$ -</b>	<b>\$ 669,581</b>	<b>\$ 116,228</b>	<b>\$ 28,038</b>	<b>\$ 120,092</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<u>LIABILITIES</u>								
Accounts payable	\$ 70	\$ 7,085	\$ 28,808	\$ -	\$ -	\$ 2,925	\$ 9,305	\$ 3,103
Accrued payroll liability	100,618	43,846	8,712	-	19,777	(3)	-	-
Deposits	-	-	-	-	-	-	-	-
Due to other funds	(554,919)	618,650	40,661	28,038	100,315	(180,064)	(290,706)	(38,927)
<b>Total liabilities</b>	<b>(454,231)</b>	<b>669,581</b>	<b>78,181</b>	<b>28,038</b>	<b>120,092</b>	<b>(177,142)</b>	<b>(281,401)</b>	<b>(35,824)</b>
<u>DEFERRED INFLOWS</u>								
Unearned revenues	454,231	-	38,047	-	-	177,142	-	-
<u>FUND BALANCES</u>								
Nonspendable: inventory	-	-	-	-	-	-	-	-
Restricted: Federal Programs	-	-	-	-	-	-	-	-
Restricted: State and local	-	-	-	-	-	-	-	-
Committed: Student Activities	-	-	-	-	-	-	281,401	35,824
Assigned: Onsite child care	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
<b>Total fund balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>281,401</b>	<b>35,824</b>
<b>balances</b>	<b>\$ -</b>	<b>\$ 669,581</b>	<b>\$ 116,228</b>	<b>\$ 28,038</b>	<b>\$ 120,092</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



**SCHOOL DISTRICT NO.509J**  
**Jefferson County, Oregon**

**COMBINING SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCES**  
**SPECIAL REVENUE FUND SUB FUNDS**

**JUNE 30, 2022 AND SUMMARIZED INFORMATION FOR JUNE 30, 2021**

	263 - School	271 -	272 - HDESD	273 - Onsite	299 - Food	Total	
	Enrichment	Miscellaneous				2022	2021
<u>ASSETS</u>	Fund	State & Local	Grants	Childcare	Services		
Cash and investments						-	\$ 897,135
Receivables - reimb claims		4,000	16,206	-	87,487	4,054,556	2,184,723
Prepaid expense	-	-	-	-	-	-	-
Inventory	-	-	-	-	81,746	81,746	65,957
Due from other funds						-	-
<b>Total assets</b>	<b>\$ -</b>	<b>\$ 4,000</b>	<b>\$ 16,206</b>	<b>\$ -</b>	<b>\$ 169,233</b>	<b>\$ 4,136,302</b>	<b>\$ 3,147,815</b>
<u>LIABILITIES</u>							
Accounts payable	\$ 3,103	\$ 295	\$ -	\$ -	\$ 11,368	\$ 136,899	\$ 227,045
Accrued payroll liability	-	101	3,001	14,545	154,705	815,964	925,570
Deposits	-	-	-	-	-	-	-
Due to other funds	(38,927)	(187,465)	13,205	(50,542)	(19,170)	1,850,672	1,298,423
<b>Total liabilities</b>	<b>(35,824)</b>	<b>(187,069)</b>	<b>16,206</b>	<b>(35,997)</b>	<b>146,903</b>	<b>2,803,535</b>	<b>2,451,038</b>
<u>DEFERRED INFLOWS</u>							
Unearned revenues	-	188,440	-	-	-	873,825	280,895
<u>FUND BALANCES</u>							
Nonspendable: inventory	-	-	-	-	81,746	81,746	65,957
Restricted: Federal Programs	-	-	-	-	-	80,761	-
Restricted: State and local	-	2,629	-	-	-	2,629	2,629
Committed: Student Activities	35,824	-	-	-	-	317,225	344,565
Assigned: Onsite child care	-	-	-	35,997	-	35,997	65,124
Unassigned	-	-	-	-	(59,416)	(59,416)	(62,393)
<b>Total fund balances</b>	<b>35,824</b>	<b>2,629</b>	<b>-</b>	<b>35,997</b>	<b>22,330</b>	<b>458,942</b>	<b>415,882</b>
<b>Total liabilities, deferred inflows, and</b>	<b>\$ -</b>	<b>\$ 4,000</b>	<b>\$ 16,206</b>	<b>\$ -</b>	<b>\$ 169,233</b>	<b>\$ 4,136,302</b>	<b>\$ 3,147,815</b>

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**SPECIAL REVENUE FUND SUB FUNDS**

**YEAR ENDED JUNE 30, 2022 AND SUMMARIZED INFORMATION FOR JUNE 30, 2021**

	202 - Title 1A: Grant to LEAs	203 - Title 1A: Grant to LEAs	204 - 21st Century	205 - Title VII: Indian Education	206 - ESSER III Grant	207 - Native Language	208 -Title VI-B: Rural Education Achievement	209 - Title II- A: Quality Teacher's Fund
<b>Revenues</b>								
Other local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-	-
Federal sources	788,144	1,140,071	595,159	210,230	601,031	359,782	212,662	136,336
<b>Total revenues</b>	<b>788,144</b>	<b>1,140,071</b>	<b>595,159</b>	<b>210,230</b>	<b>601,031</b>	<b>359,782</b>	<b>212,662</b>	<b>136,336</b>
<b>Expenditures</b>								
<b>Current</b>								
Instruction	130,250	759,451	522,126	156,459	-	3,100	70,596	-
Support services	657,894	359,610	72,700	53,771	601,031	356,682	137,620	136,336
Enterprise and community services	-	14,564	333	-	-	-	4,446	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Capital outlay	-	6,446	-	-	-	-	-	-
<b>Total expenditures</b>	<b>788,144</b>	<b>1,140,071</b>	<b>595,159</b>	<b>210,230</b>	<b>601,031</b>	<b>359,782</b>	<b>212,662</b>	<b>136,336</b>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	-	-	-
<b>Other financing sources (uses)</b>								
Operating transfers in	-	-	-	-	-	-	-	-
Total other financing sources and (uses)	-	-	-	-	-	-	-	-
Net change in fund balance	-	-	-	-	-	-	-	-
Fund balance - beginning of year	-	-	-	-	-	-	-	-
Fund balance - end of year	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**SPECIAL REVENUE FUND SUB FUNDS**

**YEAR ENDED JUNE 30, 2022 AND SUMMARIZED INFORMATION FOR JUNE 30, 2021**

	210 - CARES ESSER Grant	211 - District School Improvement Grant	213 - IDEA	215 - Early Learning Head Start	216 - Title III: English Language Acquisition	219 - It's A New Day	223 - Youth Development Program	226 - Title X: McKinney Vento
<b>Revenues</b>								
Other local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-	-
Federal sources	2,011,759	153,594	355,854	137,458	15,809	1,021,635	238,227	9,076
<b>Total revenues</b>	<b>2,011,759</b>	<b>153,594</b>	<b>355,854</b>	<b>137,458</b>	<b>15,809</b>	<b>1,021,635</b>	<b>238,227</b>	<b>9,076</b>
<b>Expenditures</b>								
<b>Current</b>								
Instruction	964,898	-	340,627	-	-	547,386	226,607	-
Support services	748,315	153,594	15,227	1,893	11,903	470,439	11,620	9,076
Enterprise and community services	65,203	-	-	54,804	3,906	3,810	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Capital outlay	233,343	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>2,011,759</b>	<b>153,594</b>	<b>355,854</b>	<b>56,697</b>	<b>15,809</b>	<b>1,021,635</b>	<b>238,227</b>	<b>9,076</b>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	80,761	-	-	-	-
<b>Other financing sources (uses)</b>								
Operating transfers in	-	-	-	-	-	-	-	-
Total other financing sources and (uses)	-	-	-	-	-	-	-	-
<b>Net change in fund balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>80,761</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund balance - beginning of year	-	-	-	-	-	-	-	-
<b>Fund balance - end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 80,761</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**SPECIAL REVENUE FUND SUB FUNDS**

**YEAR ENDED JUNE 30, 2022 AND SUMMARIZED INFORMATION FOR JUNE 30, 2021**

	251 - Student Success Account	252 - Measure 98	253 - ODE State Grants	256 - Preschool Promise	257 - State Summer School	262 - Student Body Funds	263 - School Enrichment Fund
<u>Revenues</u>							
Other local sources	\$ -	\$ -	\$ 61,566	\$ -	\$ -	\$ 226,552	\$ 40,289
State sources	1,988,041	861,605	228,373	275,041	662,960	-	-
Federal sources	-	-	-	-	-	-	-
Total revenues	<u>1,988,041</u>	<u>861,605</u>	<u>289,939</u>	<u>275,041</u>	<u>662,960</u>	<u>226,552</u>	<u>40,289</u>
<u>Expenditures</u>							
Current							
Instruction	1,023,157	624,627	46,606	247,877	173,808	255,580	38,182
Support services	964,884	236,978	225,033	21,503	36,841	-	420
Enterprise and community services	-	-	18,300	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Capital outlay	-	-	-	5,661	452,311	-	-
Total expenditures	<u>1,988,041</u>	<u>861,605</u>	<u>289,939</u>	<u>275,041</u>	<u>662,960</u>	<u>255,580</u>	<u>38,602</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(29,028)</u>	<u>1,687</u>
Other financing sources (uses)							
Operating transfers in	-	-	-	-	-	-	-
Total other financing sources and (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	-	-	-	(29,028)	1,687
Fund balance - beginning of year	-	-	-	-	-	310,429	34,137
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 281,401</u>	<u>\$ 35,824</u>

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**SPECIAL REVENUE FUND SUB FUNDS**

**YEAR ENDED JUNE 30, 2022 AND SUMMARIZED INFORMATION FOR JUNE 30, 2021**

	271 -	272 - HDES	273 - Onsite	274 - Activity	299 - Food	Total	
	Miscellaneous State & Local Grants					Grants	Childcare
<u>Revenues</u>							
Other local sources	\$ 196,217	\$ 17,161	\$ 20,153	\$ -	\$ 8,084	\$ 570,022	\$ 402,725
State sources	-	-	-	-	25,603	4,069,661	2,854,076
Federal sources	-	-	-	-	2,398,433	10,385,260	8,340,012
<b>Total revenues</b>	<b>196,217</b>	<b>17,161</b>	<b>20,153</b>	<b>-</b>	<b>2,432,120</b>	<b>15,024,943</b>	<b>11,596,813</b>
<u>Expenditures</u>							
<u>Current</u>							
Instruction	63,891	17,113	78,774	-	-	6,318,653	4,808,337
Support services	52,126	48	-	9,802	-	5,345,846	4,829,730
Enterprise and comm svcs	16,624	-	44,860	-	2,683,313	2,910,163	2,309,269
Facilities acq and const	-	-	-	-	-	-	98,786
Capital outlay	63,576	-	-	-	-	761,337	192,212
<b>Total expenditures</b>	<b>196,217</b>	<b>17,161</b>	<b>123,634</b>	<b>9,802</b>	<b>2,683,313</b>	<b>15,335,999</b>	<b>12,238,334</b>
Excess (deficiency) of revenues over (under) expenditures	-	-	(103,481)	(9,802)	(251,193)	(311,056)	(641,521)
<u>Other financing sources (uses)</u>							
Operating transfers in	-	-	74,354	9,802	269,960	354,116	633,759
<b>Total other sources and (uses)</b>	<b>-</b>	<b>-</b>	<b>74,354</b>	<b>9,802</b>	<b>269,960</b>	<b>354,116</b>	<b>633,759</b>
Net change in fund balance	-	-	(29,127)	-	18,767	43,060	(7,762)
Fund balance - beginning of year	2,629	-	65,124	-	3,563	415,882	423,644
<b>Fund balance - end of year</b>	<b>\$ 2,629</b>	<b>\$ -</b>	<b>\$ 35,997</b>	<b>\$ -</b>	<b>\$ 22,330</b>	<b>\$ 458,942</b>	<b>\$ 415,882</b>

**SCHOOL DISTRICT NO.509J**  
**Jefferson County, Oregon**

**COMBINING SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCES**  
**DEBT SERVICE FUND SUB FUNDS**

**YEAR ENDED JUNE 30, 2022 AND SUMMARIZED INFORMATION FOR JUNE 30, 2021**

	303	304	305	Total	
	2002 & 2021 PERS Bonds	2013 GO Bond	2022 GO Bond	2022	2021
<b>ASSETS</b>					
Cash and investments	\$ 8,244	\$ 73,296	\$ -	\$ 81,540	\$ 110,950
Receivables					
Property taxes	-	133,588	-	133,588	140,094
Other	-	-	-	-	1,745
Total assets	<u>\$ 8,244</u>	<u>\$ 206,884</u>	<u>\$ -</u>	<u>\$ 215,128</u>	<u>\$ 252,789</u>
<b>DEFERRED INFLOWS</b>					
Unavailable property taxes	-	111,848	-	111,848	113,824
Total deferred inflows	<u>-</u>	<u>111,848</u>	<u>-</u>	<u>111,848</u>	<u>113,824</u>
<b>FUND BALANCES</b>					
Restricted for:					
Debt Service	<u>8,244</u>	<u>95,036</u>	<u>-</u>	<u>103,280</u>	<u>138,965</u>
Total fund balances	<u>8,244</u>	<u>95,036</u>	<u>-</u>	<u>103,280</u>	<u>138,965</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 8,244</u>	<u>\$ 206,884</u>	<u>\$ -</u>	<u>\$ 215,128</u>	<u>\$ 252,789</u>

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**DEBT SERVICE FUND SUB FUNDS**

**YEAR ENDED JUNE 30, 2022 AND SUMMARIZED INFORMATION FOR JUNE 30, 2021**

	303 2002 & 2021 PERS Bonds	304 2013 GO Bond	305 2022 GO Bond	Total	
				2022	2021
<u>Revenues</u>					
Property taxes	\$ -	\$ 3,170,208	\$ -	\$ 3,170,208	\$ 3,215,021
Intermediate sources	-	2,106	-	2,106	5,451
Interest	4,352	9,604	-	13,955	19,638
Other local sources	2,765,940	-	-	2,765,940	-
Total revenues	<u>2,770,292</u>	<u>3,181,918</u>	<u>-</u>	<u>5,952,209</u>	<u>3,240,110</u>
<u>Expenditures</u>					
Debt service					
Principal	1,661,250	2,635,000	-	4,296,250	3,350,000
Interest	1,116,438	579,290	-	1,695,728	1,149,726
Total expenditures	<u>2,777,688</u>	<u>3,214,290</u>	<u>-</u>	<u>5,991,978</u>	<u>4,499,726</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,396)</u>	<u>(32,372)</u>	<u>-</u>	<u>(39,769)</u>	<u>(1,259,616)</u>
<u>Other financing sources (uses)</u>					
Operating transfers in	-	-	-	-	1,358,468
Bond proceeds	31,905,000	-	-	31,905,000	-
Bond Issuance Costs	(293,210)	-	-	(293,210)	-
Lump Sum Payment to PERS	(31,607,706)	-	-	(31,607,706)	-
Total other financing sources and (uses)	<u>4,084</u>	<u>-</u>	<u>-</u>	<u>4,084</u>	<u>1,358,468</u>
Net change in fund balance	(3,312)	(32,372)	-	(35,685)	98,852
Fund balance - beginning of year	11,556	127,409	-	138,965	40,113
Fund balance - end of year	<u>\$ 8,244</u>	<u>\$ 95,036</u>	<u>\$ -</u>	<u>\$ 103,280</u>	<u>\$ 138,965</u>

**SCHOOL DISTRICT NO.509J**  
**Jefferson County, Oregon**

**COMBINING SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCES**  
**CAPITAL PROJECTS FUND SUB FUNDS**

**YEAR ENDED JUNE 30, 2022 AND SUMMARIZED INFORMATION FOR JUNE 30, 2021**

	401 Capital Projects (Other Financing)	403 ESCO Projects	404 General Obligation Bonds	Total	
				2022	2021
<b><u>ASSETS</u></b>					
Cash and investments	\$ (75,097)	\$ 1,527,489	\$ 26,136,805	\$ 27,589,197	\$ -
Receivables					
Other	83,497	31,272	-	114,769	-
Total assets	<u>\$ 8,400</u>	<u>\$ 1,558,761</u>	<u>\$ 26,136,805</u>	<u>\$ 27,703,966</u>	<u>\$ -</u>
<b><u>LIABILITIES</u></b>					
Accounts payable	\$ 8,400	\$ 336,516	\$ 103,300	\$ 448,216	\$ -
Due to other funds	-	-	-	-	-
Total liabilities	<u>8,400</u>	<u>336,516</u>	<u>103,300</u>	<u>448,216</u>	<u>-</u>
<b><u>FUND BALANCES</u></b>					
Restricted for:					
Capital projects	-	1,222,245	26,033,505	27,255,750	-
Total fund balances	<u>-</u>	<u>1,222,245</u>	<u>26,033,505</u>	<u>27,255,750</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 8,400</u>	<u>\$ 1,558,761</u>	<u>\$ 26,136,805</u>	<u>\$ 27,703,966</u>	<u>\$ -</u>



**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**CAPITAL PROJECTS FUND SUB FUNDS**

**YEAR ENDED JUNE 30, 2022 AND SUMMARIZED INFORMATION FOR JUNE 30, 2021**

	401	403	404	Total	
	Capital Projects (Other Financing)	ESCO Projects	General Obligation Bonds	2022	2021
<b>Revenues</b>					
Interest	\$ -	\$ 35	\$ (207,128)	\$ (207,093)	\$ -
State sources - other restricted	83,497	-	-	83,497	1,323,430
<b>Total revenues</b>	<b>83,497</b>	<b>35</b>	<b>(207,128)</b>	<b>(123,596)</b>	<b>1,323,430</b>
<b>Expenditures</b>					
Current					
Support services	-	14,661	-	14,661	-
Building acquisition and construction	-	22,500	25,418	47,918	1,323,430
Capital outlay	83,497	290,584	180,542	554,623	-
<b>Total expenditures</b>	<b>83,497</b>	<b>327,745</b>	<b>205,960</b>	<b>617,202</b>	<b>1,323,430</b>
Excess (deficiency) of revenues over (under) expenditures	-	(327,710)	(413,088)	(740,798)	-
<b>Other financing sources (uses)</b>					
Bond Issuance Costs	-	-	(224,907)	(224,907)	-
Bond premiums	-	-	2,671,500	2,671,500	-
Bond proceeds	-	1,549,955	24,000,000	25,549,955	-
<b>Total other financing sources and (uses)</b>	<b>-</b>	<b>1,549,955</b>	<b>26,446,593</b>	<b>27,996,548</b>	<b>-</b>
Net change in fund balance	-	1,222,245	26,033,505	27,255,750	-
Fund balance - beginning of year	-	-	-	-	-
<b>Fund balance - end of year</b>	<b>\$ -</b>	<b>\$ 1,222,245</b>	<b>\$ 26,033,505</b>	<b>\$ 27,255,750</b>	<b>\$ -</b>

**OTHER FINANCIAL SCHEDULES**

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**SCHEDULE OF FUTURE MATURITIES - BOND AND BOND INTEREST**

**JUNE 30, 2022**

Year of Maturity	Issue Date October 31, 2002		Issue Date May 23, 2013		Issue Date July 23, 2013		Issue Date March 20, 2020	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2022-23	\$ 1,065,000	\$ 416,721	\$ 815,000	\$ 32,600	\$ 630,000	\$ 25,200	\$ 285,000	\$ 432,451
2023-24	1,195,000	358,252	-	-	-	-	1,830,000	428,359
2024-25	1,340,000	291,930	-	-	-	-	1,915,000	401,074
2025-26	1,490,000	217,560	-	-	-	-	1,995,000	370,606
2026-27	1,655,000	134,865	-	-	-	-	2,080,000	336,970
2027-28	775,000	43,013	-	-	-	-	2,170,000	299,821
2028-29	-	-	-	-	-	-	2,265,000	259,264
2029-30	-	-	-	-	-	-	2,370,000	214,666
2030-31	-	-	-	-	-	-	2,470,000	166,816
2031-32	-	-	-	-	-	-	2,585,000	115,218
2032-33	-	-	-	-	-	-	2,700,000	60,183
	<u>\$ 7,520,000</u>	<u>\$ 1,462,341</u>	<u>\$ 815,000</u>	<u>\$ 32,600</u>	<u>\$ 630,000</u>	<u>\$ 25,200</u>	<u>\$ 22,665,000</u>	<u>\$ 3,085,428</u>

Year of Maturity	Issue Date August 19, 2021		Issue Date February 2022		Issue Date June 30, 2022		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2022-23	\$ 1,035,000	\$ 657,412	\$ -	\$ 1,102,099	\$ 33,158	\$ 57,107	\$ 3,863,158	\$ 2,723,590
2023-24	1,085,000	654,183	345,000	828,300	60,534	36,943	4,515,534	2,306,037
2024-25	1,150,000	647,759	495,000	814,500	64,959	35,427	4,964,959	2,190,690
2025-26	1,220,000	637,708	575,000	794,700	83,665	33,715	5,363,665	2,054,289
2026-27	1,295,000	624,240	660,000	771,700	85,388	31,646	5,775,388	1,899,421
2027-28	1,380,000	606,628	745,000	745,300	94,059	29,492	5,164,059	1,724,254
2028-29	1,470,000	585,514	840,000	715,500	95,403	27,170	4,670,403	1,587,448
2029-30	1,565,000	560,420	935,000	681,900	102,627	24,779	4,972,627	1,481,765
2030-31	1,665,000	532,141	1,050,000	644,500	108,397	22,219	5,293,397	1,365,676
2031-32	1,770,000	500,723	1,155,000	602,500	118,699	19,490	5,628,699	1,237,931
2032-33	1,885,000	464,668	1,275,000	556,300	133,353	16,480	5,993,353	1,097,631
2033-34	2,005,000	423,066	1,325,000	505,300	124,731	13,253	3,454,731	941,619
2034-35	2,135,000	375,808	1,430,000	452,300	134,191	10,126	3,699,191	838,234
2035-36	2,270,000	323,351	1,545,000	395,100	119,968	6,912	3,934,968	725,363
2036-37	2,420,000	265,761	1,650,000	348,750	131,838	3,789	4,201,838	618,300
2037-38	2,580,000	195,702	1,755,000	299,250	58,985	728	4,393,985	495,680
2038-39	2,750,000	121,011	1,870,000	246,600	-	-	4,620,000	367,611
2039-40	1,430,000	41,397	1,990,000	190,500	-	-	3,420,000	231,897
2038-39	-	-	2,115,000	130,800	-	-	2,115,000	130,800
2039-40	-	-	2,245,000	67,350	-	-	2,245,000	67,350
	<u>\$ 31,110,000</u>	<u>\$ 8,217,492</u>	<u>\$ 24,000,000</u>	<u>\$ 10,893,249</u>	<u>\$ 1,549,955</u>	<u>\$ 369,276</u>	<u>\$ 88,289,955</u>	<u>\$ 24,085,586</u>

**SUPPLEMENTARY INFORMATION REQUIRED  
BY OREGON DEPARTMENT OF EDUCATION**

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**SUPPLEMENTAL INFORMATION FOR DEPARTMENT OF EDUCATION**

**YEAR ENDED JUNE 30, 2022**

Item A	Energy bills for heating		Objects 325,
	All Funds	Function	326 & 327
		2540	\$ 688,677
		2550	\$ 10,104
Item B	Replacement of Equipment - General Fund In object 542 except for excluded functions		

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**REVENUE SUMMARY**

**YEAR ENDED JUNE 30, 2022**

	<u>Fund 100</u>	<u>Fund 200</u>	<u>Fund 300</u>	<u>Fund 400</u>	<u>Total</u>
<b><u>Local Sources</u></b>					
1100 Ad Valorem Taxes Levied By District	\$ 5,183,236	\$ -	\$ 3,170,208	\$ -	\$ 8,353,445
1400 Transportation Fees from Within District	77,099	-	-	-	77,099
1500 Earnings on Investments	(77,996)	-	13,955	(206,095)	(270,136)
1600 Food Service	-	6,618	-	-	6,618
1700 Extra-Curricular Activities	19,171	191,532	-	-	210,703
1800 Childcare	-	15,005	-	-	15,005
1910 Rentals	80,415	5,149	-	-	85,563
1920 Contributions and Donations	15,000	313,328	-	-	328,328
1980 Federal Indirect Cost	509,524	-	-	-	509,524
1990 Miscellaneous	168,547	38,391	2,765,940	-	2,972,878
<b>Total Revenue from Local Sources</b>	<u>5,974,995</u>	<u>570,023</u>	<u>5,950,103</u>	<u>(206,095)</u>	<u>12,289,027</u>
<b><u>Intermediate Sources</u></b>					
2100 County School Funds	50,397	-	-	-	50,397
2190 Other Intermediate Sources	3,453	-	2,106	-	5,558
2200 Restricted Revenue	80,125	-	-	-	80,125
<b>Total Revenue from Intermediate Sources</b>	<u>133,975</u>	<u>-</u>	<u>2,106</u>	<u>-</u>	<u>136,081</u>
<b><u>State Sources</u></b>					
3101 State School Fund-General Support	28,869,888	-	-	-	28,869,888
3102 State School Fund-School Lunch Match	-	17,635	-	-	17,635
3103 Common School Fund	303,425	-	-	-	303,425
3299 Restricted Grants-In-Aid	-	4,052,025	-	83,497	4,135,522
<b>Total Revenue from State Sources</b>	<u>29,173,314</u>	<u>4,069,661</u>	<u>-</u>	<u>83,497</u>	<u>33,326,471</u>
<b><u>Federal Sources</u></b>					
4200 Foster Care Transportation	6,908	-	-	-	6,908
4300 Restricted Revenue Direct From Federal	15,940	2,379,791	-	-	2,395,731
4500 Restricted Revenue Through the State	-	7,832,165	-	-	7,832,165
4801 Federal Forest Fees	79,437	-	-	-	79,437
4802 Impact Aid to School Districts	2,804,252	-	-	-	2,804,252
4900 Revenue for/on Behalf of the District	-	173,302	-	-	173,302
<b>Total Revenue from Federal Sources</b>	<u>2,906,537</u>	<u>10,385,258</u>	<u>-</u>	<u>-</u>	<u>13,291,795</u>
<b><u>Other Sources</u></b>					
5110 Long Term Debt Financing Sources	-	-	31,905,000	25,549,955	57,454,955
5120 Premiums on Sale of Bonds	-	-	-	2,671,500	2,671,500
5200 Interfund Transfers	2,161,467	354,117	-	-	2,515,584
5400 Resources - Beginning Fund Balance	19,546,458	415,883	138,965	-	20,101,306
<b>Total Revenue from Other Sources</b>	<u>21,707,925</u>	<u>769,999</u>	<u>32,043,965</u>	<u>28,221,455</u>	<u>82,743,345</u>
<b>Grand Totals</b>	<u>\$ 59,896,747</u>	<u>\$ 15,794,941</u>	<u>\$ 37,996,173</u>	<u>\$ 28,098,858</u>	<u>\$ 141,786,720</u>

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**GENERAL FUND (100)**  
**EXPENDITURE SUMMARY**

**YEAR ENDED JUNE 30, 2022**

<u>Instruction</u>	<u>Total</u>	<u>Object 100</u>	<u>Object 200</u>	<u>Object 300</u>	<u>Object 400</u>	<u>Object 500</u>	<u>Object 600</u>	<u>Object 700</u>
1111 Primary Education	\$ 6,777,094	\$ 4,293,596	\$ 2,333,300	\$ 42,558	\$ 96,702	\$ -	\$ 10,938	\$ -
1121 Middle/Junior High Programs	2,609,565	1,676,744	845,875	25,035	55,669	-	6,242	-
1122 Middle/Junior High School Extracurricular	199,220	119,562	50,858	11,033	17,347	-	420	-
1131 High School Programs	2,917,920	1,809,300	908,765	79,570	107,569	6,704	6,012	-
1132 High School Extra-curricular	581,330	320,777	96,674	95,820	56,099	-	11,959	-
1210 Programs for the Talented and Gifted	52,839	32,725	18,386	-	1,728	-	-	-
1220 Programs for the Students with Mental Disabilities	1,560,746	964,854	584,012	-	11,880	-	-	-
1223 Community Transition Center	214,844	104,660	60,205	2,768	1,688	-	45,524	-
1227 Extended school year instruction	51,364	38,366	12,773	-	224	-	-	-
1229 Behavioral Program	372,741	242,808	129,409	-	524	-	-	-
1250 Less Restrictive Programs fro Students with Disabilities	1,628,732	1,061,321	563,624	1,500	2,287	-	-	-
1283 District Alternative Education	711,722	403,864	237,242	32,062	34,964	-	3,590	-
1272 Title I A/D	23	23	-	-	-	-	-	-
1291 English Second Language Programs	1,285,491	785,270	499,154	34	1,034	-	-	-
<b>Total Instruction</b>	<b>\$ 18,963,630</b>	<b>\$ 11,853,870</b>	<b>\$ 6,340,277</b>	<b>\$ 290,379</b>	<b>\$ 387,716</b>	<b>\$ 6,704</b>	<b>\$ 84,684</b>	<b>\$ -</b>
<u>Support Services</u>								
2112 Attendance Services	70,801	41,041	29,760	-	-	-	-	-
2114 Student Accounting Services	197,438	127,562	67,568	-	2,308	-	-	-
2115 Student Safety	121,274	-	-	121,274	-	-	-	-
2122 Counseling Services	304,287	200,824	97,992	531	4,940	-	-	-
2130 Health Services	35,448	9,914	2,542	2,163	20,429	-	400	-
2160 Other Student Treatment Services	156,838	-	-	156,838	-	-	-	-
2190 Service Direction: Student Support Services	248,990	168,720	73,257	4,190	2,228	-	595	-
2211 Service Area Direction	221,465	158,448	59,688	78	1,708	-	1,543	-
2213 Curriculum Development	18,910	-	-	-	18,910	-	-	-
2220 Educational Media Services	381,709	203,649	149,946	-	27,490	-	624	-
2230 Assessment and Testing	40,376	31,574	3,666	-	5,136	-	-	-
2240 Instructional Staff Development	85,598	567	43,254	(43)	41,819	-	-	-
2244 Administrative Staff Development	8,960	-	8,960	-	-	-	-	-
2310 Board of Education Services	135,040	-	-	123,476	3,404	-	8,161	-
2321 Office of Superintendent Services	479,188	268,224	143,944	55,016	10,788	-	1,215	-
2329 Other Executive Administrative Services	32,048	-	-	24,751	7,297	-	-	-
2410 Office of the Principal Services	2,771,472	1,706,762	856,039	70,456	133,492	-	4,723	-
2520 Fiscal Services	776,275	422,464	207,882	90,514	47,337	-	8,079	-
2528 Risk Management Services	112,285	-	-	-	-	-	112,285	-
2542 Care and Upkeep of Buildings Services	2,859,328	1,116,698	631,354	739,384	162,434	-	209,458	-
2543 Care and Upkeep of Grounds Services	\$ 93,459	\$ 1,851	\$ 406	\$ 44,767	\$ 46,434	\$ -	\$ -	\$ -
2544 Maintenance	1,093,315	465,223	232,922	198,258	185,651	-	11,261	-
2546 Security Services	7,424	-	-	7,424	-	-	-	-
2552 Student Transportation Services	3,022,669	1,358,634	818,223	82,012	350,896	355,179	57,725	-

(Continued on next page)

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**GENERAL FUND (100)**  
**EXPENDITURE SUMMARY**

**YEAR ENDED JUNE 30, 2022**

	<u>Total</u>	<u>Object 100</u>	<u>Object 200</u>	<u>Object 300</u>	<u>Object 400</u>	<u>Object 500</u>	<u>Object 600</u>	<u>Object 700</u>
<b><u>Support Services (continued)</u></b>								
2572 Purchasing Services	(22,961)	16,532	6,023	-	(510)	-	(45,006)	-
2573 Warehousing and Distributing Services	26,854	15,598	11,256	-	-	-	-	-
2574 Printing, Purchasing and Duplicating Services	246	-	-	-	246	-	-	-
2626 Grant Writing Services	15,990	-	-	15,990	-	-	-	-
2633 Public Information Services	45,851	-	-	44,007	1,388	-	455	-
2640 Personnel Services	599,497	360,773	159,516	15,683	60,908	-	2,618	-
2642 Recruitment and Placement Services	16,250	-	-	5,529	1,207	-	9,515	-
2645 Health Services	10,220	1,500	463	1,415	6,843	-	-	-
2660 Technology Services	545,061	119,509	61,867	8,928	354,758	-	-	-
2669 Other Technology Services	131,485	-	-	131,485	-	-	-	-
2680 Interpretation and Translation Services	303	-	-	303	-	-	-	-
2690 Other Support Services - Central	170,716	111,562	59,154	-	-	-	-	-
2700 Supplemental Retirement Program	51,638	45,664	5,974	-	-	-	-	-
<b>Total Support Services</b>	<b>14,865,746</b>	<b>6,953,294</b>	<b>3,731,656</b>	<b>1,944,429</b>	<b>1,497,538</b>	<b>355,179</b>	<b>383,650</b>	<b>-</b>
<b><u>Enterprise and Community Services</u></b>								
3100 Food Services	70,171	-	-	-	10,996	59,175	-	-
3320 Community Recreation Services	30,000	-	-	30,000	-	-	-	-
3390 Other Community Services	90,571	49,717	36,906	3,606	343	-	-	-
<b>Total Enterprise and Community Services</b>	<b>190,742</b>	<b>49,717</b>	<b>36,906</b>	<b>33,606</b>	<b>11,339</b>	<b>59,175</b>	<b>-</b>	<b>-</b>
<b><u>Building Acquisition and Construction</u></b>								
4150 Building Acquisition-Major Add-on	509,255	-	-	3,854	-	505,401	-	-
<b>otal Building Acquisition and Construction Services</b>	<b>509,255</b>	<b>-</b>	<b>-</b>	<b>3,854</b>	<b>-</b>	<b>505,401</b>	<b>-</b>	<b>-</b>
<b><u>Other Uses</u></b>								
5201 Transfer to GF Sub-funds	2,161,467	-	-	-	-	-	-	2,161,467
5202 Transfer to Special Revenue	354,117	-	-	-	-	-	-	354,117
<b>Total Other Uses</b>	<b>2,515,584</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,515,584</b>
<b>Grand Totals</b>	<b>\$ 37,044,957</b>	<b>\$ 18,856,881</b>	<b>\$ 10,108,839</b>	<b>\$ 2,272,268</b>	<b>\$ 1,896,592</b>	<b>\$ 926,459</b>	<b>\$ 468,334</b>	<b>\$ 2,515,584</b>



**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**SPECIAL REVENUE FUNDS (200)**  
**EXPENDITURE SUMMARY**

**YEAR ENDED JUNE 30, 2022**

<u>Instruction</u>	<u>Total</u>	<u>Object 100</u>	<u>Object 200</u>	<u>Object 300</u>	<u>Object 400</u>	<u>Object 500</u>	<u>Object 600</u>	<u>Object 700</u>
1111 Primary (K-3)	\$ 785,534	\$ 413,135	\$ 236,357	\$ 30,002	\$ 106,040	\$ -	\$ -	\$ -
1121 Middle/Junior High Programs	236,652	145,309	81,774	3,543	6,026	-	-	-
1131 High School Programs	558,955	285,936	145,149	6,656	121,214	-	-	-
1132 High School Extra-curricular	261,984	-	-	4,836	232,748	-	24,400	-
1140 Pre-kindergarten Programs	247,877	139,997	85,757	-	22,123	-	-	-
1220 Programs for the Students with Mental Disabilities	149,023	89,334	59,689	-	-	-	-	-
1221 Programs for the Students with Mental Disabilities	5,367	4,837	530	-	-	-	-	-
1223 Community Transition Center	239,933	75,829	51,149	112,628	327	-	-	-
1229 Behavioral Program	537,727	362,121	175,606	-	-	-	-	-
1250 Less Restrictive Programs for Students with Disabilities	11,189	9,732	1,456	-	-	-	-	-
1260 Treatment and Rehabilitation	81,026	-	-	81,026	-	-	-	-
1271 Remediation	248,781	160,599	88,182	-	-	-	-	-
1272 Title I-A Grants to LEAs	1,818,845	1,216,099	522,562	1,668	72,071	6,446	-	-
1283 District Alternative Education	599,781	405,055	180,320	-	14,407	-	-	-
1292 Teen Parent Programs	78,774	48,814	29,960	-	-	-	-	-
1296 Indian Education	240,821	97,729	75,950	32,547	34,594	-	-	-
1410 Elementary Summer School	114,114	24,460	8,585	792	80,277	-	-	-
1420 Middle/Junior High Summer School	59,857	22,373	6,665	-	30,819	-	-	-
1430 High School Summer School	39,101	28,171	8,005	-	2,925	-	-	-
1460 Special Programs Summer School	9,757	2,748	127	6,882	-	-	-	-
<b>Total Instruction</b>	<b>6,325,099</b>	<b>3,532,279</b>	<b>1,757,824</b>	<b>280,580</b>	<b>723,570</b>	<b>6,446</b>	<b>24,400</b>	<b>-</b>
<u>Support Services</u>								
2112 Attendance Services	70,591	53,771	16,820	-	-	-	-	-
2119 Other Attendance and Social Work Services	245,933	135,242	90,072	2,981	17,638	-	-	-
2122 Counselor Services	921,544	605,705	312,391	177	3,271	-	-	-
2129 Other Guidance Services	59,305	36,314	22,416	-	575	-	-	-
2130 Health Services	214,351	141,956	63,272	-	9,123	-	-	-
2139 Other Health Services	96,967	61,338	35,629	-	-	-	-	-
2211 Service Area Direction	1,127,247	753,806	327,072	41,026	5,342	-	-	-
2213 Office of Instructional Services	27,300	-	-	-	27,300	-	-	-
2220 Education Media Services	252,010	83,922	42,901	822	124,366	-	-	-
2240 Instructional Staff Development	786,705	112,501	45,225	581,015	47,963	-	-	-
2410 Office of the Principal Services	208,925	127,913	80,592	-	420	-	-	-
2542 Care and Upkeep of Building Services	29,667	16,885	10,631	-	2,151	-	-	-
2544 Maintenance	81,410	43,359	21,863	15,959	230	-	-	-
2546 Security Services	5,982	-	-	-	5,982	-	-	-

(Continued on next page)

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**SPECIAL REVENUE FUNDS (200)**  
**EXPENDITURE SUMMARY**

**YEAR ENDED JUNE 30, 2022**

	<u>Total</u>	<u>Object 100</u>	<u>Object 200</u>	<u>Object 300</u>	<u>Object 400</u>	<u>Object 500</u>	<u>Object 600</u>	<u>Object 700</u>
<b><u>Support Services (continued)</u></b>								
2552 Student Transportation Services	\$ 208,376	\$ -	\$ -	\$ 52,888	\$ -	\$ 155,488	\$ -	\$ -
2633 Public Information Services	139,153	97,101	41,919	-	133	-	-	-
2660 Technology Services	377,062	-	-	-	377,062	-	-	-
2680 Interpretation and translation services	16,810	10,881	5,929	-	-	-	-	-
2690 Other Support Services	631,996	77,390	42,047	1,125	1,909	-	509,524	-
<b>Total Support Services</b>	<b>5,501,334</b>	<b>2,358,083</b>	<b>1,158,779</b>	<b>695,993</b>	<b>623,465</b>	<b>155,488</b>	<b>509,524</b>	<b>-</b>
<b><u>Enterprise and Community Services</u></b>								
3100 Food Services	2,752,579	794,760	562,243	49,606	1,343,215	-	2,755	-
3330 Civil Services	39,581	7,767	2,201	1,033	28,580	-	-	-
3390 Other Community Services	18,340	-	-	18,340	-	-	-	-
3501 Child Care Provider Services	99,664	61,473	33,256	-	4,826	-	110	-
<b>Total Enterprise and Community Services</b>	<b>2,910,163</b>	<b>864,000</b>	<b>597,700</b>	<b>68,979</b>	<b>1,376,621</b>	<b>-</b>	<b>2,865</b>	<b>-</b>
<b><u>Building Acquisition and Construction</u></b>								
4150 Building Acquisition-Major Add-on	487,122	-	-	-	-	487,122	-	-
4180 Other capital items	112,281	-	-	-	-	112,281	-	-
<b>Total Building Acquisition and Construction Services</b>	<b>599,403</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>599,403</b>	<b>-</b>	<b>-</b>
<b>Grand Totals</b>	<b>\$ 15,336,000</b>	<b>\$ 6,754,362</b>	<b>\$ 3,514,303</b>	<b>\$ 1,045,551</b>	<b>\$ 2,723,656</b>	<b>\$ 761,337</b>	<b>\$ 536,788</b>	<b>\$ -</b>

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**DEBT SERVICE FUND (300)**  
**EXPENDITURE SUMMARY**

**YEAR ENDED JUNE 30, 2022**

	<u>Total</u>	<u>Object 100</u>	<u>Object 200</u>	<u>Object 300</u>	<u>Object 400</u>	<u>Object 500</u>	<u>Object 600</u>	<u>Object 700</u>
<b><u>Other Uses</u></b>								
5110 Debt Service	\$ 6,285,187	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,285,187	\$ -
5400 PERS UAL Lump Sum Payments to PERS	31,607,707	-	-	-	-	-	31,607,706	-
<b>Total Other Uses</b>	<u>37,892,894</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,892,893</u>	<u>-</u>
<b>Grand Totals</b>	<u><u>\$ 37,892,894</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 37,892,893</u></u>	<u><u>\$ -</u></u>

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

**CAPITAL PROJECTS FUND (400)**  
**EXPENDITURE SUMMARY**

**YEAR ENDED JUNE 30, 2022**

	<u>Total</u>	<u>Object 100</u>	<u>Object 200</u>	<u>Object 300</u>	<u>Object 400</u>	<u>Object 500</u>	<u>Object 600</u>	<u>Object 700</u>
<b><u>Support Services</u></b>								
2572 Fiscal Services	\$ 14,661	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,661	\$ -
<b>Total Support Services</b>	<u>14,661</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,661</u>	<u>-</u>
<b><u>Building Acquisition and Construction</u></b>								
4150 Building Acquisition-Major Add-on	827,447	-	-	247,327	79	554,623	25,418	-
<b>Total Building Acquisition and Construction Services</b>	<u>827,447</u>	<u>-</u>	<u>-</u>	<u>247,327</u>	<u>79</u>	<u>554,623</u>	<u>25,418</u>	<u>-</u>
<b>Grand Totals</b>	<u>\$ 842,109</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 247,327</u>	<u>\$ 79</u>	<u>\$ 554,623</u>	<u>\$ 40,079</u>	<u>\$ -</u>

**AUDITORS' COMMENTS AND DISCLOSURES  
REQUIRED BY STATE REGULATIONS**

**INDEPENDENT AUDITORS' REPORT  
REQUIRED BY OREGON STATE REGULATIONS**

Board of Directors  
Jefferson County School District 509J  
Jefferson County, Oregon

We have audited the basic financial statements of the Jefferson County School District 509J, Jefferson County, Oregon (the District) as of and for the year ended June 30, 2022 and have issued our report thereon dated January 25, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 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**

During our work related to federal programs, we identified one instance of noncompliance related to the Elementary and Secondary School Emergency Relief Fund, further described in the Schedule of Findings and Questioned Costs contained within this Annual Financial Report.

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

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

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

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

A handwritten signature in black ink that reads "Brenda Bartlett". The signature is written in a cursive, slightly slanted style.

Brenda Bartlett, CPA  
Sensiba San Filippo, LLP  
Bend, Oregon

January 25, 2023

*Independent Auditor's Report*

The Board of Directors  
Jefferson County School District 509J

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund, of Jefferson County School District 509J as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Jefferson County School District 509J's basic financial statements, and have issued our report thereon dated January 25, 2023.

***Report on Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered Jefferson County School District 509J's internal control over financial reporting (internal control) as a basis for designing 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 Jefferson County School District 509J's internal control. Accordingly, we do not express an opinion on the effectiveness of Jefferson County School District 509J's internal control.

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

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

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

As part of obtaining reasonable assurance about whether Jefferson County School District 509J's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards*, and which is described in the accompanying schedule of findings and questioned costs as item 2022-001.



### ***Jefferson County School District 509J's Response to Findings***

Government Auditing Standards requires the auditor to perform limited procedures on the Jefferson County School District 509J's response to the findings identified in our engagement and described in the accompanying schedule of findings and questioned costs. Jefferson County School District 509J's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### ***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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Sensiba San Filippo, LLP  
Bend, Oregon

January 25, 2022

**SINGLE AUDIT COMPLIANCE**

*Independent Auditor's Report*

Board of Directors  
Jefferson County School District 509J

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

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

We have audited Jefferson County School District 509J'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 Jefferson County School District 509J's major federal programs for the year ended June 30, 2022. Jefferson County School District 509J's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Jefferson County School District 509J complied, in all material respects, with the 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, 2022.

***Basis for Opinion on Each Major Federal Program***

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

We are required to be independent of Jefferson County School District 509J 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 Jefferson County School District 509J's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Jefferson County School District 509J's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Jefferson County School District 509J's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Jefferson County School District 509J's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Jefferson County School District 509J's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Jefferson County School District 509J's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Jefferson County School District 509J's internal control over compliance. Accordingly, no such opinion is expressed.

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

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2022-001. Our opinion on each major federal program is not modified with respect to these matters. *Government Auditing Standards* requires the auditor to perform limited procedures on Jefferson County School District 509J's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Jefferson County School District 509J's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

## Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-002 to be a significant deficiency.

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.

*Government Auditing Standards* requires the auditor to perform limited procedures on Jefferson County School District 509J's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Jefferson County School District 509J's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

*Brenda Bartlett*

Sensiba San Filippo, LLP  
Bend, Oregon

January 25, 2022

**JEFFERSON COUNTY SCHOOL DISTRICT 509J  
JEFFERSON COUNTY, OREGON**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**YEAR ENDED JUNE 30, 2022**

**Section I - Summary of Auditor's Results**

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weaknesses identified? No
- Significant deficiencies? No

Noncompliance material to the financial statements noted? No

Federal Awards

Internal control over major federal programs:

- Material weaknesses identified? None reported
- Significant deficiencies identified? Yes

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings that are required to be reported in accordance with 2 CFR 200.516(a)? Yes

Identification of major federal programs:

<u>Assistance Listing No.</u>	<u>Name of Federal Program or Cluster</u>
84.425d, 84.425u	Elementary and Secondary School
	Emergency Relief Fund
32.009	Emergency Connectivity Fund
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

**JEFFERSON COUNTY SCHOOL DISTRICT 509J  
JEFFERSON COUNTY, OREGON**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**YEAR ENDED JUNE 30, 2022**

**Section II – Financial Statement Findings**

None reported.

**Section III – Federal Award Findings and Questioned Costs**

Finding 2022-001:

AL 84.425 Elementary and Secondary School Emergency Relief Fund (ESSER), US Department of Education, Award ID: 64601, Award Year: July 1, 2022 – June 30, 2022. Compliance requirement: Special Tests and Provisions.

*Criteria:* Real property or equipment improvements in excess of \$2,000 funded through the ESSER program are subject to the federal Davis Bacon Act. Contracts negotiated between the District and contractor for federally funded work must include a provision requiring payment of the prevailing wage for all work on the project. The District must also determine the prevailing wage rate that applies to the contract at inception and obtain and review weekly certified payroll reports for the federal project for compliance with the rate in effect when the contract was negotiated.

*Condition and context:* It appears the work was performed under a maintenance agreement negotiated in 2019, which did not include the required Davis Bacon Act language. Management obtained certified payroll reports for June 2022 labor related to the project after the request from the auditors for copies of the reports. One of the projects included labor based on the contractor’s “call summary”, but contractor later indicated that no labor was performed and the charge was only for materials dropped but not installed.

*Cause:* We are unable to conclude as to the cause of the noncompliance, it appears that management was not aware there was a Davis Bacon Act requirement related to the work. We also note that work previously completed was charged later to the program, which was a contributing cause, as the original work was not contemplated initially as a federal contract.

*Effect:* The District was unable to verify that the contractor paid their laborers prevailing wage rates as required.

*Recommendation:* We recommend the District ensure that staff in charge of federal programs understand the program and obtain training prior to being given responsibility for federal programs. Each federal program contains different requirements, many of which are unrelated to whether the particular cost is allowed to be charged to the program.

*Views of responsible officials:* District agrees with this recommendation. We will provide staff with additional training specific to Davis-Bacon wages and federal requirements.

Finding 2022-002:

AL 84.425 Elementary and Secondary School Emergency Relief Fund (ESSER), US Department of Education, Award ID: 64601, Award Year: July 1, 2022 – June 30, 2022. Compliance requirement: Special Tests and Provisions.

*Criteria:* Internal controls over compliance must be in place for every compliance requirement that the federal agency indicates is relevant to the program. Each federal program is generally limited to identifying no more than six of the 12 compliance requirements to be audited. For each of the six identified, however, the District is responsible for (1) determining if it is relevant to their program and (2) if relevant, implementing control systems to ensure compliance.

*Condition and context:* We were unable to find evidence that management knew of the Davis Bacon Act requirement or implemented internal controls over the compliance requirement.

*Cause:* Based on responses to our inquiry, we believe the cause of a lack of knowledge and understanding of the program's requirements.

*Effect:* The District was unable to verify that the contractor paid their laborers prevailing wage rates as required.

*Recommendation:* We recommend the District ensure that staff in charge of federal programs understand the program and obtain training prior to being given responsibility for federal programs. Each significant federal program should have its requirements documented and related compliance controls implemented and formally documented to ensure compliance with all relevant requirements.

*Views of responsible officials:* District agrees with this recommendation. We will provide staff with additional training specific to Davis-Bacon wages and federal requirements.

**Section IV – State Award Findings and Questioned Costs**

None reported.



**JEFFERSON COUNTY SCHOOL DISTRICT 509-J**  
**Jefferson County, Oregon**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2022**

Federal Grantor and Pass Through Agency/Program Title	CFDA Number	Pass Through Entity Number	Federal Expenditures	District Fund	Passed Through to Subrecipients
<b><u>DEPARTMENT OF AGRICULTURE</u></b>					
<b>Passed through Oregon Department of Education:</b>					
School Breakfast Program	10.553		\$ 536,357	299.998	
National School Lunch Program	10.555		1,314,239	299.998	
National School Lunch - Commodities (Non-Cash Assistance)	10.555		167,627	299.998	
Summer Food Service Program for Children	10.559		242,828	299.996	
Summer Food Service Program for Children - Commodities (Non-Cash Assistance)	10.559		5,675	299.996	
Total National School Lunch Program Cluster			<u>(1) 2,266,727</u>		
Child and Adult Care Food Program	10.558		128,644	299.997	
Total Child and Adult Care Food Program			128,644		
COVID-19 CNP State & Local Pandemic EBT FY22	10.649		3,063	299.998	
Passed through Local Government - Jefferson County					
Forest Fees - Safe and Rural Schools Act, Schools and Roads	10.666		79,437	100	
Total Schools and Roads Cluster			<u>79,437</u>		
<b>TOTAL DEPARTMENT OF AGRICULTURE</b>			<u>2,477,871</u>		
<b><u>DEPARTMENT OF DEFENSE</u></b>					
Junior Reserve Officers' Training Corps	12.11JROTC		15,940	100	
<b>TOTAL DEPARTMENT OF DEFENSE</b>			<u>15,940</u>		
<b><u>FEDERAL COMMUNICATIONS COMMISSION</u></b>					
<b>Passed through Universal Service Administrative Company (USAC)</b>					
COVID-19 Emergency Connectivity Fund Program	32.009		<u>(1) 209,160</u>	107	
<b>TOTAL FEDERAL COMMUNICATIONS COMMISSION</b>			<u>209,160</u>		
<b><u>DEPARTMENT OF EDUCATION</u></b>					
Impact Aid	84.041		2,804,252	100	
Indian Education Grants to Local Education Agencies	84.060		210,230	205	
It Is A New Day (Ishumax Kadux) Program	84.299A		1,021,635	219	
Native American Language Grant	84.365C		359,782	207	
Read to Succeed - Innovative Approaches to Literacy	84.215G		788,144	202	
<b>Passed through State Department of Education</b>					
Title I Grants to Local Education Agencies	84.010	53288	180,907	203	
Title I Grants to Local Education Agencies	84.010	58284	250,763	203	
Title I Grants to Local Education Agencies	84.010	66993	708,401	203	
District Improvement Grants	84.010	60393	56,884	211	
District Improvement Grants	84.010	65116	96,710	211	
Total Title I Grants to Local Agencies			<u>1,293,665</u>		
Special Education - Grants to States					
IDEA Part B, Section 611	84.027	60675	331,872	213	
IDEA Part B, Section 619	84.173	60513	10,439	213.905	
IDEA Part B, Section 619	84.173	68932	10,579	213.905	
IDEA Part B, Section 619	84.173	69176	2,964	213.905	
Total Special Education Grants to States Cluster			<u>355,854</u>		-

The accompanying Notes to Schedule of Expenditures of Federal Awards are an integral part of this schedule.

**JEFFERSON COUNTY SCHOOL DISTRICT 509-J**  
**Jefferson County, Oregon**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2022**

Federal Grantor and Pass Through Agency/Program Title	CFDA Number	Pass Through Agency Number	Federal Expenditures	District Fund	Passed Through to Subrecipients
<b>Passed through State Department of Education (continued)</b>					
Title VI Rural Education	84.358	55325	14,860	208	
Title VI Rural Education	84.358	60327	53,485	208	
			68,345		
Student Support and Academic Enrichment	84.424	54540	28,899	208	
Student Support and Academic Enrichment	84.424	58593	80,028	208	
Student Support and Academic Enrichment	84.424	67326	35,389	208	
			144,316		
Title III English Language Acquisition Grant	84.365	67139	15,809	216	
			15,809		
Title II-A Improving Teacher Quality State Grants	84.367	53550	26,654	209	
Title II-A Improving Teacher Quality State Grants	84.367	58776	23,450	209	
Title II-A Improving Teacher Quality State Grants	84.367	67426	86,232	209	
			136,336		
21st Century Community Learning Centers	84.287	61151	218,698	204	
21st Century Community Learning Centers	84.287	68788	376,460	204	
			595,158		
COVID-19 Elementary and Secondary School Emergency Relief Fund (CRRSA E	84.425D	64601 (1)	2,011,759	210	
COVID-19 Elementary and Secondary School Emergency Relief Fund (ARP ESS	84.425U	64906 (1)	601,031	206	
			2,612,790		
<b>Passed through education service districts</b>					
McKinney-Vento Homeless Assistance Act	84.196		9,076	226	
<b>TOTAL DEPARTMENT OF EDUCATION</b>			10,640,493		
<b><u>DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>					
<b>Passed through Oregon Children, Adults and Families</b>					
Social Services Block Grant	93.667	160722	238,227	223	99,628
Early Head Start ChildCare - Oregon Child Development Coalition	93.600		137,458	215	
Foster Care Title IV-E	93.658		6,908	100	
<b>TOTAL DEPT OF HEALTH AND HUMAN SERVICES</b>			382,593		99,628
<b>TOTALS</b>			\$ 13,500,956		\$ 99,628

Passed through to Heart of Oregon - \$58,451 and Culver \$41,177

(1) Tested as a major program / Single Audit

**SCHOOL DISTRICT NO. 509J**  
**Jefferson County, Oregon**

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

**YEAR ENDED JUNE 30, 2022**

**NOTE 1 – BASIS OF ACCOUNTING**

The Schedule of Expenditures of Federal Awards is prepared on the same basis of accounting as the District's financial statements. The District uses the modified accrual basis of accounting. Expenditures represent only the federally funded portions of the program.

**NOTE 2 – FEDERAL INDIRECT COST RATE**

The District elected not to use the 10% de minimus indirect cost rate, but rather uses a rate approved by the Oregon Department of Education each year. For fiscal year 21-22, the rate was 4.47%.

**NOTE 3 – SCHOOLWIDE PROGRAMS**

The District operates a schoolwide program in all of its elementary and middle school buildings. Using federal funding, a schoolwide program is designed to upgrade an entire educational program within a school for all students, rather than limit services to certain targeted students. The following federal program amounts were expended by the District in its schoolwide program: Title IA (84.010), \$1,293,665.

**NOTE 4 – NON-CASH ASSISTANCE**

The value of commodities reported on the schedule was the fair value of commodities received by the District in its National School Lunch Program as calculated by the USDA.



**CORRECTIVE ACTION PLAN**  
For the year ended June 30, 2002

**Finding 2022-001 – Views of Responsible Officials and Planned Corrective Actions**

A contract was completed in 2019 for HVAC work at the JCMS, at that time it was assumed that the project was going to be paid from the general fund. Contracts negotiated for federally funded work must include a provision requiring payment of the prevailing wages for all work on the project, the agreement negotiated did not include the required Davis Bacon Act language. Materials were delivered and some labor was performed during the 2021-22 year and was paid by federal funds. The contractor was unable to produce certified payroll proving that prevailing wage was paid.

District agrees with this recommendation. The district will implement procedures to ensure the compliance requirements for each grant agreement are fully assessed and that the district has controls in place to address the material compliance requirements. The district will seek additional training for any requirements that are unfamiliar or particularly complex.

**Anticipated Completion Date:** We plan on implementing this process during the 2023 fiscal year and will be searching for trainings for any unfamiliar or complex grant requirements.

**Finding 2022-002 – Views of Responsible Officials and Planned Corrective Actions**

Due to the finding 2022-001 above, the auditors determined that there were not sufficient internal controls in place to ensure that management was aware of the requirement that Davis Bacon language needed to be included in contracts that were to be paid with federal funds and that certified payroll needed to be turned in to the district.

District agrees with this recommendation. The district will implement procedures to ensure the compliance requirements for each grant agreement are fully assessed and that the district has controls in place to address the material compliance requirements. The district will seek additional training for any requirements that are unfamiliar or particularly complex.

**Anticipated Completion Date:** We plan on implementing this process during the 2023 fiscal year and will be searching for trainings for any unfamiliar or complex grant requirements.

**Name of Contact Person Responsible for Corrective Actions:** Stacie Holmstrom