

REEDSPORT SCHOOL DISTRICT NO. 105

REEDSPORT, OREGON

Annual Financial Report

June 30, 2022

Reedsport School District No. 105

Reedsport, Oregon
June 30, 2022

BOARD OF DIRECTORS

Eric Brandon	Board Chair
Carrie Oldright	Position 2
Jack Daily	Position 3
Carey Jones	Position 4, Vice Chair
Bonnie Booher	Position 5

ADMINISTRATION

Jon Zwemke, Superintendent
Rachel Amos, Business Manager

Board members and Administration may be contacted at the address below:

100 Ranch Road
Reedsport, Oregon 97467

Reedsport School District No. 105

Reedsport, Oregon
June 30, 2022

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June 30, 2022

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Reedsport School District No. 105
Independent Auditor's Report

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 generally accepted auditing standards and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Reedsport SD '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 Reedsport SD 's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information are presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Reedsport SD 's basic financial statements. The accompanying combining and individual nonmajor fund

Reedsport School District No. 105
Independent Auditor's Report

financial statements and 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*, are presented for purposes of additional analysis and are 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 combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections 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

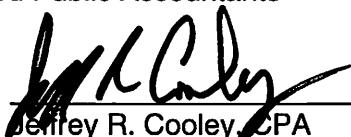
In accordance with Government Auditing Standards, we have also issued our report dated December 15, 2022, on our consideration of the Reedsport SD 's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements 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 Reedsport SD '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 Reedsport SD 's internal control over financial reporting and compliance.

Other Reporting Required by Oregon Revised Statutes

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have also issued our report dated December 27, 2022, on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon revised statements as specified in Oregon Administration rules. 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.

Neuner Davidson & Co.
Certified Public Accountants

By: _____


Jeffrey R. Cooley, CPA
Roseburg, Oregon
December 27, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

Reedsport School District No. 105
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022

As management of Reedsport School District No. 105 (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2022. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the financial statements and the accompanying notes to enhance their understanding of the District's financial performance. Numerical amounts below have been rounded for ease of viewing.

FINANCIAL HIGHLIGHTS

In the government-wide statements, the District's assets and deferred outflows totaled approximately \$21.5 million at June 30, 2022 consisting of \$13.5 million in capital assets, \$3.6 million in cash and investments, \$1.2 million in receivables and other assets, and \$2.7 million in deferred outflows related to pension and other post-employment benefits (OPEB). The District's assets and deferred outflows increased approximately \$753 thousand, or 3.6 percent from the prior year.

In the government-wide statements, the District's liabilities and deferred inflows totaled approximately \$18.3 million at June 30, 2021 consisting of \$623 thousand in accounts payable and other liabilities, \$7.1 million in pension and other post-employment benefits, \$9.5 million in debt, and \$1.0 million in deferred inflows related to pension and OPEB.

In the government-wide statements, the District's net position (assets/deferred outflows minus liabilities/deferred inflows) was \$3.2 million at June 30, 2022, of which \$13.5 million was net investment in capital assets, \$764 thousand was restricted for debt service, \$132 thousand was restricted for special purposes, and a negative balance of \$9.56 million was considered unrestricted. In the prior year, the District's net position had a balance of \$4.75 million.

At the end of the fiscal year, the fund balance for all governmental funds was approximately \$4.3 million, an increase of \$1.38 million in comparison to the prior year. Approximately \$2.5 million of this amount is unassigned and available for spending at the District's discretion. Approximately \$1.7 million is committed or restricted to specific and intended purposes through separate funds.

At the end of the fiscal year, unassigned fund balance for the General Fund was approximately \$2.5 million, up approximately \$1.1 million from the prior year, an increase of approximately 44 percent. Unassigned fund balance in the General Fund represented about 33 percent of total General Fund expenditures.

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 other supplemental information in addition to the basic financial statements themselves.

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 are schedules A-1 and A-2 of the audit report and include:

- Statement of Net Assets – Modified Accrual
- Statement of Activities – Modified Accrual

Reedsport School District No. 105
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022

-
- 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's State School Fund and other intergovernmental revenues.

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. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending on particular programs. These statements are schedules B-1 to B-4 of this audit report and include:

- Governmental Funds, Balance Sheet
- Governmental Funds, Statement of Receipts, Disbursements, and Changes in Fund Balances
- Some funds are required by state law.
- The District establishes other funds to control and manage money for particular purposes or to show that it is properly using certain revenues (such as federal grants).

The District has two types of funds: Governmental funds and a Fiduciary fund.

Governmental Funds

All of the District's basic services are included in the Governmental Funds. The District has the following governmental funds: Fund 100-General Fund; Funds 200-Special Revenue Funds, Funds 300-Debt Service Funds, and Funds 400-Capital Project Funds.

Fiduciary Funds

The District is the trustee, or fiduciary, for assets that belong to others, such as a scholarship fund. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the district-wide financial statements because it cannot use these assets to finance its operations. Reedsport School District currently has one fiduciary fund, the Scholarship fund.

Government Wide Financial Analysis

Statement of Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the end of the current year, the District had a positive net position balance. Net position increased by \$2.35 million from prior year, as restated. The District's assets/deferred outflows exceeded liabilities/deferred inflows by \$4.8 million at June 30, 2022.

Capital assets, which consist of the District's land, buildings, building improvements, site improvements, vehicles, and equipment, represent 66.8 percent of total assets/deferred outflows. The remaining assets/deferred outflows consist mainly of investments, cash, property taxes receivable, and deferred outflows related to pension. Last year, capital assets represented approximately 66.8 percent of total assets/deferred outflows.

At June 30, 2022, long-term liabilities consisted of \$8.8 million in the long-term portion of debt related to general obligation bonds and pension bonds and \$3.6 million in pension liabilities, together representing 89.6 percent of total liabilities/deferred inflows. The remaining liabilities/deferred inflows consist mainly of payroll and other liabilities, the short-term obligation related to the bonds payable, and deferred inflows related to pension and other post-employment benefits.

Reedsport School District No. 105
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022

A large portion of the District's net position reflects its net investment in capital assets (e.g. land, buildings, building improvements, site improvements, vehicles and equipment). The District's net investment in capital assets increased by about \$84 thousand over the prior year. The District uses these capital assets to provide services to students and other District residents; consequently, these assets are not available for future spending.

Receipts by Source-Governmental Funds (All)

REVENUES	2020-21 Modified Accrual	2021-22 Modified Accrual
Local	4,465,158	3,488,989
Intermediate	3,393,252	40,644
State	5,760,343	7,289,045
Federal	1,600,283	2,414,432
Total Revenues	15,219,036	13,223,110

Analysis of Financial Positions & the Results of Operations

The major operations of the District are conducted within the framework of the General Fund. 55% of the revenue to support the general operations of Reedsport School District in 2021-22 was received as State School Support. The district's State School Support receipts for fiscal 2021-22 increased \$1,041,317 from 2020-21. During 2021-2022 property taxes contributed 21% of the total revenue.

Disbursements - Governmental Funds (All Funds)

Disbursements	2020-21 Modified Accrual	2021-2022 Modified Accrual
Instruction	8,283,698	5,880,755
Support Services	5,099,473	4,372,654
Enterprise and Community	689,334	576,140
Debt Service	941,293	1,022,029
Total Expenditures	15,013,798	11,851,578

Total expenditures for all funds decreased \$3,162,220 from the previous year. This is due to the closure of the Charter School Fund in 2021.

Analysis of Fund Balances & Transactions

The General Fund balance at June 30, 2022 was \$2,587,466. This is a \$1,177,295 increased from June 30, 2021.

The Special Revenue Funds balance increased from \$184,616 at June 30, 2021 to \$202,842 at June 30, 2022, an increase of \$18,226.

Reedsport School District No. 105
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022

The Debt Service Funds balance decreased from \$782,163 at June 30, 2021 to \$764,037 at June 30, 2022, a decrease of \$18,126.

The Capital Projects Funds balance increased from \$184,616 at June 30, 2021 to \$202,842 at June 30, 2022, an increase of \$18,226.

Budget Variance Analysis

There was a budget resolution made in the General fund to reallocate the contingency expenditures to the support services. There was also a budget resolution made in the special revenue fund to reallocate community service expenditures to support services.

Long Term Debt Activity

Reedsport School District has long term debt of \$8,892,000.

With the implementation of GASB 68 and GASB 75, additional long-term liabilities as deferred inflow of resources in the amount of \$3,215,968 is reflected on the Statement of Net Position.

Additional information on the District's long-term debt and GASB 68 can be found in the notes to the basic financial statements of this report.

Contacting the District's Financial Management

This financial report is designed to provide the district's citizens, taxpayers, customers, investors and creditors with a general overview of the district's finances and to demonstrate the district's accountability. For answers to questions concerning any of the information provided or to request additional information, please contact the District Business Manager at 100 Ranch Road, Reedsport, OR 97467.

Basic Financial Statements

Reedsport School District No. 105

Statement of Net Position

For the Fiscal Year Ended June 30, 2022

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Investments	\$ 3,685,620
Property Tax Receivable	191,503
Other Receivables	1,287,664
Inventories	20,929
Other Post Employment benefits assets -RHIA	<u>73,489</u>
	5,259,205
Noncurrent Assets	
Capital Assets:	
Building and Improvements	21,498,594
Equipment	3,237,824
Land and Land Improvements	742,986
Less: Accumulated Depreciation	<u>(11,939,866)</u>
	13,539,538
TOTAL ASSETS	<u>18,798,743</u>
DEFERRED OUTFLOW OF RESOURCES:	
Deferred outflows related to pensions (OPERS)	2,687,709
Deferred outflows related to other post employment benefits	27,583
Deferred outflows related to the post- employment benefits (RHIA)	<u>27,217</u>
Total Deferred outflow of resources	<u>2,742,509</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable	46,954
Payroll Liabilities	623,125
Accrued Interest Payable	8,081
Accrued Compensated Absences Payable	24,609
Net Pension Liability	3,663,259
Other post-employment benefit obligation	198,041
Bonds Payable	
Due within the year	725,000
Due in more than one year	<u>8,167,000</u>
TOTAL LIABILITIES	<u>13,456,069</u>
DEFERRED INFLOWS OF RESOURCES:	
Net Difference in RHIA Investment	26,055
Changes in Pension Proportion	3,039,808
Net Difference in Single Employer Medical Benefit Plan	<u>150,105</u>
TOTAL DEFERRED INFLOWS OF RESOURCES:	<u>3,215,968</u>
	<u>16,672,037</u>
NET POSITION	
Investment in Capital Assets	13,539,538
Restricted	
Debt Services	764,037
Special Purpose	795,034
Unrestricted	<u>(10,229,394)</u>
TOTAL NET POSITION	<u>\$ 4,869,215</u>

Reedsport School District No. 105

Statement of Activities

For the Fiscal Year Ended June 30, 2022

Functions	(Expenditures)	Program Receipts		Net (Expenditures) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Governmental Activities
Instruction	\$ (5,880,427)	\$ -	\$ 1,636,925	\$ (4,243,502)
Support Services	(4,371,042)	-	1,229,846	(3,141,196)
Enterprise and Community Services	(491,598)	-	576,140	84,542
Debt Service	(357,029)	-	1,003,020	645,991
Depreciation	(433,602)	-	-	(433,602)
Total Governmental Activities	<u>\$ (11,533,698)</u>	<u>\$ -</u>	<u>\$ 4,445,931</u>	<u>(7,087,767)</u>

General Revenues:

Local Sources	
Property Taxes	\$ 2,211,761
Earnings on Investments	16,256
Extra Curricular Fees	6,294
Miscellaneous	130,065
General ESD	2,960
County School Fund	7,552
State School Support	6,278,789
Common School Support	66,284
GASB 68 Income	654,321
Gasb 75 Income	3,355
GASB 73 Expense	(6,509)
Federal Forest Fees	67,218
Subtotal - General Revenues	<u>9,438,346</u>
Change in Net Position	2,350,578
Net Position, June 30, 2021	<u>2,518,638</u>
Net Position June 30, 2022	<u>\$ 4,869,215</u>

Reedsport School District No. 105

Governmental Funds
Balance Sheet
For the Fiscal Year Ended June 30, 2022

	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Total
<u>ASSETS</u>					
Cash - Checking	\$ 1,045,467	\$ 587,989	\$ 447,466	\$ 18,739	\$ 2,099,661
Investments - State Pool	1,091,002	-	310,855	184,102	1,585,959
Receivable - Property Taxes	141,725	-	49,778	-	191,503
Accounts Receivable- Other	48,359	1,239,305	-	-	1,287,664
Inventory	-	20,929	-	-	20,929
Due from Other Funds	1,053,189	-	-	-	1,053,189
Total Assets	<u>\$ 3,379,742</u>	<u>\$ 1,848,223</u>	<u>\$ 808,099</u>	<u>\$ 202,841</u>	<u>\$ 6,238,905</u>
<u>LIABILITIES:</u>					
Accounts Payable	\$ 46,953	\$ -	\$ -	\$ -	\$ 46,953
Payroll Liabilities	623,125	-	-	-	623,125
Due to Other Funds	-	1,053,189	-	-	1,053,189
	<u>670,078</u>	<u>1,053,189</u>	<u>-</u>	<u>-</u>	<u>1,723,267</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>					
Deferred Property Tax	122,198	-	44,062	-	166,260
Total Liabilities	<u>122,198</u>	<u>1,053,189</u>	<u>44,062</u>	<u>-</u>	<u>166,260</u>
<u>FUND BALANCE:</u>					
Fund Balances:					
NonSpendable	-	20,929	-	-	20,929
Restricted	-	-	-	-	-
Education	-	19,315	-	-	19,315
Private Purpose	-	-	-	-	-
Debt Service	-	-	764,037	-	764,037
Student Body	-	92,621	-	-	92,621
Assigned	-	-	-	-	-
Food Service	-	375,395	-	-	375,395
Capital Projects	-	-	-	202,841	202,841
Special Programs	-	286,774	-	-	286,774
Unassigned	2,587,466	-	-	-	2,587,466
Total Fund Balance	<u>2,587,466</u>	<u>795,034</u>	<u>764,037</u>	<u>202,841</u>	<u>4,349,378</u>
Total Liabilities & Fund Balance	<u>\$ 3,379,742</u>	<u>\$ 1,848,223</u>	<u>\$ 808,099</u>	<u>\$ 202,841</u>	<u>\$ 6,238,905</u>

Reedsport School District No. 105Reconciliation of the Governmental Funds Balance Sheet
To the Statement of Net Position

For the Fiscal Year Ended June 30, 2022

Total governmental fund balances	\$ 4,349,378
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Total Governmental Capital Assets net of Depreciation	13,539,538
Property taxes will not be available to pay for current-period expenditures and, therefore, are not reported in the funds.	166,260
Net pension asset (liability) is not a financial resource and therefore is not reported in governmental funds.	(3,663,259)
Net OPEB asset (liability) is not a financial resource and therefore is not reported in governmental funds.	(198,041)
Net Other Post Retirement Benefits (OPEB) asset (liability) is not a financial resource and therefore is not reported in the governmental funds.	73,489
Current year PERS contributions are deferred outflows of resources that will be recognized expense in the subsequent period.	2,687,709
Current year Other Post Retirement Benefits (OPEB) Contributions are deferred outflows of resources that will be recognized expense in the subsequent period.	27,217
Current year Other Post Retirement Benefits (OPEB) Contributions are deferred outflows of resources that will be recognized expense in the subsequent period.	27,583
The District's PERS proportionate share of net differences between projected and actual earnings on investments that will be amortized over five years.	(3,039,808)
The District's OPEB proportionate share of net differences between projected and actual earnings on investments that will be amortized over five years.	(26,055)
The District's OPEB proportionate share of net differences between projected and actual earnings on investments that will be amortized over five years.	(150,105)
Long Term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds:	
Compensated absences payable	(24,609)
Long Term Debt	(8,892,000)
Interest Accrual	(8,081)
Net Position of Governmental Activities	<u>\$ 4,869,214</u>

Reedsport School District No. 105
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds

For the Fiscal Year Ended June 30, 2022

	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
REVENUES:					
Local Sources	\$ 2,359,726	\$ 125,018	\$ 1,003,020	\$ 1,225	\$ 3,488,989
Intermediate Sources	10,512	29,249	883	-	40,644
State Sources	6,349,826	922,219	-	17,000	7,289,045
Federal Sources	67,218	2,347,214	-	-	2,414,432
Total Revenues	<u>8,787,282</u>	<u>3,423,700</u>	<u>1,003,903</u>	<u>18,225</u>	<u>13,233,110</u>
EXPENDITURES:					
Instruction	4,467,179	1,413,576	-	-	5,880,755
Supporting Services	3,142,808	1,229,846	-	-	4,372,654
Community Services	-	576,140	-	-	576,140
Debt Service	-	-	1,022,029	-	1,022,029
Total Expenditures	<u>7,609,987</u>	<u>3,219,562</u>	<u>1,022,029</u>	<u>-</u>	<u>11,851,578</u>
OTHER FINANCING SOURCES:					
Excess of Revenues Over (Under) Expenditures	1,177,295	204,138	(18,126)	18,226	1,381,532
BEGINNING FUND BALANCE	<u>1,410,171</u>	<u>590,895</u>	<u>782,163</u>	<u>184,616</u>	<u>2,967,845</u>
ENDING FUND BALANCE - BY CATEGORY					
Restricted	-	795,033	764,037	202,842	1,761,910
Unassigned	<u>2,587,466</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,587,466</u>
FUND BALANCE, June, 30, 2022	<u>\$ 2,587,466</u>	<u>\$ 795,033</u>	<u>\$ 764,037</u>	<u>\$ 202,842</u>	<u>\$ 4,349,376</u>
Schedule:	C-1	D-1		D-2	

Reedsport School District No. 105

Reconciliation of the Government Funds
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds to the Statement of Activities

For the Fiscal Year Ended June 30, 2022

Net changes in fund balances - total governmental funds \$ 1,381,532

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

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense.

Current Year Asset Additions	84,542	
Current Year Depreciation	<u>(433,602)</u>	(349,061)

Some property tax revenues will not be collected for several months after the District's fiscal year end and are therefore not considered "available" revenues in the governmental funds, instead these funds are shown as deferred revenue. However, these funds are recorded as revenue in the statement of activities.

9,429

Repayment of debt principal is an expenditure in the governmental funds, but reduces the liability in the Statement of Net Position.

Debt Principal Paid	665,000
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Changes in Interest Payable, the related changes in deferred outflows	328
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Changes in net pension liability, the related changes in deferred outflows and deferred inflows of resources are not recognized as expenses in the government funds:

654,321

Changes in net RHIA liability, the related changes in deferred outflows and deferred inflows of resources are not recognized as expenses in the government funds:

3,355

Changes in net OPEB liability, the related changes in deferred outflows and deferred inflows of resources are not recognized as expenses in the government funds:

(6,509)

Compensated absences are recognized as an expenditure in the governmental funds when they are paid. In the Statement of Activities compensated absences are recognized as an expenditure when earned

(7,817)

Change in Net Position - Governmental Activities	<u>\$ 2,350,578</u>
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Reedsport School District No. 105Statement of Net Position
Fiduciary FundFor the Fiscal Year Ended June 30, 2022

	Private Purpose Trusts
ASSETS	
Cash & Cash Equivalents	236,163
Total Assets	<u>\$ 236,163</u>
NET POSITION	
Restricted for Scholarships	\$ 236,163
Total Net Position	<u>\$ 236,163</u>

Reedsport School District No. 105Statement of Changes in Fiduciary Net Position
Fiduciary Fund

For the Fiscal Year Ended June 30, 2022

	<u>Actual</u>	<u>Original & Final Budget</u>	<u>Over (Under) Budget</u>
ADDITIONS:			
Local Sources:			
Donations	\$ 19,439	\$ 3,000	\$ 16,439
Total Revenues	<u>19,439</u>	<u>3,000</u>	<u>16,439</u>
DEDUCTIONS:			
High School Programs	<u>56,957</u>	<u>227,935</u>	<u>(170,978)</u>
Total Instruction	<u>56,957</u>	<u>227,935</u>	<u>(170,978)</u>
Library Media Center	<u>4,148</u>	<u>51,316</u>	<u>(47,168)</u>
Total Support Services	<u>4,148</u>	<u>51,316</u>	<u>(47,168)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures	(41,666)	(276,251)	234,585
NET POSITION, June, 30, 2021	<u>277,829</u>	<u>276,251</u>	<u>1,578</u>
NET POSITION, June, 30, 2022	<u>\$ 236,163</u>	<u>\$ -</u>	<u>\$ 236,163</u>

Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Reedsport School District No. 105 have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. The Reporting Entity

Reedsport School District No. 105 (the District), Reedsport, Oregon, was organized under provisions of Oregon Statutes pursuant to ORS Chapter 332 for the purpose of operating elementary and secondary schools. The District is governed by a separately elected five-member Board of Directors (Board) who approves the 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 basic financial statements.

The District qualifies as a primary government since it has a separately elected governing body, is a legally separate entity, and is fiscally independent. In evaluating how to define the District, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in generally accepted accounting principles (GAAP). The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the District and/or its citizens, or whether the activity is conducted within the geographic boundaries of the District and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the District is able to exercise oversight responsibilities.

Based upon the application of these criteria, the District has included The Reedsport Community Charter School as a component unit.

B. Blended Component Unit

The Reedsport Community Charter School (the Charter School), a 501(c)(3) corporation, was incorporated as a non-profit corporation under ORS Chapter 338 and began operations in February 2010. The Charter School was formed for the purpose of creating a community-based, technology infused, problem-solving curriculum for students in grades seven through twelve and living within the District. Support comes from the State of Oregon through the District. The Charter School is included as a blended component unit because it is governed by a shared school board with the District. For internal budget purposes, the District includes the Charter School as a fiduciary fund. For external financial reporting the District includes the Charter School as a major special revenue fund. Substantially all revenue and expense related to the Charter School are eliminated in the Government-wide Statement of Activities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**C. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of Net Position and the statement of activities) present financial information about the District as a whole. The reported information includes all of the non-fiduciary activities of the District. For the most part, the effect of inter-fund activity has been removed from these statements. These statements are to distinguish between the governmental and business-type activities of the District. Governmental activities normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District does not have any business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program Revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program Revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes, State and County aid, and other items not included among program revenues are reported instead as general Revenues. Separate financial statements are provided for governmental and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements - The government-wide financial statements are reported using the *economic resource measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. As a general rule the effect of inter-fund activity has been eliminated from the governmental-wide financial statements.

Fund Financial Statements - Governmental fund financial statements are reported using the *current financial resources measurement focus* and *modified accrual basis of accounting*. Under this method of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers all revenue available if collected within 60 days after year end.

Expenditures are recorded when the related fund liability is incurred, except for expenditures for principal and interest on long-term debt which is recognized when due, certain compensated absences which are recognized when the obligations are expected to be liquidated with expendable available financial resources, and early retirement benefits which are recorded when paid.

The District reports deferred revenue on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for deferred revenue is removed from the

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

combined balance sheet and revenue is recognized. Delinquent property taxes and property taxes for which there is an enforceable legal claim which are not collected within 60 days of the fiscal year end, have been recorded as deferred revenue.

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.

The major governmental funds reported by the District include:

General Fund - This is the district's primary operating fund and accounts for all revenues and expenditures except those required to be accounted for in another fund.

Special Revenue Fund - This fund accounts for revenue sources that are restricted or committed to expenditure for specific purposes. This fund accounts for the revenues and expenditures related to Federal and State grants, as well as those related to student body activities.

Debt Service Fund - This fund accounts for and reports the payment of principal and interest on debt obligations of the District. Principal revenue sources are charges to other funds, property taxes, and interest.

Capital Projects Fund - This fund accounts for the acquisition, construction and maintenance of improvements within the District. The principal revenue source is state grants.

E. Cash and Investments

The District's cash and investments include amounts in demand deposits, savings accounts and the State Pool. The District's cash management policies are governed by state statutes which authorize the District to invest in bankers' acceptances, time certificates of deposit, re-purchase agreements, obligations of the United States and its agencies and instrumentalities, and the Oregon State Treasurer's Local Government Investment Pool. Cash and investments are stated at cost.

F. Property Taxes

Uncollected property taxes receivable is shown as an asset and a reserve for property tax receivable. Accordingly, they have not been recorded as a revenue. Property taxes are considered to be fully collectible. All of the District's property taxes are collected by the county. Ad valorem property taxes are a lien on all taxable property as of January 1 for personal property and on July 1 for real property. Taxes are levied on November 15. The collection dates are November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding after May 15 are considered delinquent.

G. Accounts and Other Receivables

Accounts and other receivables are comprised primarily of State school support and claims for reimbursement of costs under various federal and state grants. Due to the nature of the receivables and the likelihood of collection, no provision for un-collectibles has been made.

H. Inventory

Food and supplies inventories in the Special Revenue Fund are valued at cost determined on the FIFO method. Commodities inventory in the Special Revenue Fund is valued at estimated fair market value. Inventory is treated as being expended when used rather than when purchased. Inventories of non-food service supplies are not considered significant. The District records the cost of non-food service supplies as expenses and expenditures when purchased rather than when used.

I. Grants

Unreimbursed grant expenditures due from grantor agencies are reflected in the basic financial statements as receivables and revenues. Grant revenues are recorded at the time eligible expenditures are incurred. Grant monies received prior to the occurrence of qualifying expenditures are recorded as unearned revenue.

J. Interfund Transactions

Advances between funds are accounted for in the appropriate interfund receivable and payable accounts. These advances (reported in "due from" asset accounts) are estimated in the Government-Wide Financial Statements.

K. Capital Assets

A complete inventory was conducted in May 2001 of the District's land, buildings, and equipment. The capital assets are recorded at cost or estimated original cost. The District capitalizes all individual assets over \$5,000 and depreciates them over their estimated useful life using the straight-line method.

L. Pensions

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

M. Post-Employment Benefits

The District's other post-employment benefit plan (OPEB) includes an implicit rate subsidy for medical insurance. GAAP requires biennial actuarial valuation of the District's OPEB. This valuation includes both eligible active employees and retirees. With each valuation, the net OPEB obligation or asset is determined, as well as an annual OPEB cost, which the District records in the government-wide financial statements. Additionally, substantially all of the District's employees are participants in the State of Oregon Public Employees Retirement System (OPERS) – Retirement Health Insurance

M. Post-Employment Benefits (Cont'd)

Account (RHIA). Contributions to OPERS RHIA are made on a current basis as required by the plan and are charged as expenses.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District currently has deferred outflows related to pension costs and OPEB costs reported on the Statement of Net Position. In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition on net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District currently has deferred inflows related to pension costs and OPEB costs reported on the Statement of Net Position. Deferred inflows related to pensions and other post-employment benefits arise under the full accrual basis of accounting that qualifies for reporting under this category. Accordingly, these items are reported in the government-wide financial statements. In contrast, deferred inflows related to property taxes (unavailable revenue) arise under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the governmental funds report unavailable revenue from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

N. Long-term Debt

In the government-wide financial statements long-term debt is reported as a liability in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. In the fund financial statements bond premiums and discounts are recognized when incurred and not deferred. The face amount of the debt issued, premiums and discounts received on debt issuances, and deferred charges are reported as other financing sources and uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

O. Net Position and Fund Balances

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net investment in capital assets – Consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

Restricted net position – Consists of net position with constraints placed on the use by either (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Restricted net position is reduced by liabilities and deferred inflows or resources related to the restricted assets.

Unrestricted net position – All other remaining net position that does not meet the definition of “restricted” and is available for general use by the District.

O. Net Position and Fund Balances (Cont'd)

It is the District's policy to first use restricted net position prior to the use of unrestricted net position when an expenditure is incurred for purposes for which both restricted and unrestricted net position are available.

In the fund financial statements, governmental fund equity is classified in the following categories:

Non-Spendable – Includes items not immediately converted to cash, such as prepaid items and inventory.

Restricted – Includes items that are restricted by external creditors, grantors, or contributors, or restricted by legal constitutional provisions.

Committed – Includes items committed by the District's Board of Directors, by formal board action.

Assigned – Includes items assigned for specific purposes, authorized by the District's Superintendent and/or Director of Business Services.

Unassigned – This is the residual classification used for those balances not included in another category.

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

Adoption of New GASB Pronouncements

During the fiscal year ended June 30, 2022, the District implemented the following GASB Pronouncement:

GASB Statement No. 84, Fiduciary Activities. Issued January 2017, this statement establishes criteria for identifying fiduciary activities of all state and local governments. The implementation of this pronouncement had no effect on the District's net position.

Future GASB Pronouncements

The following GASB pronouncements have been issued, but are not effective as of June 30, 2022:

GASB Statement No. 87, Leases. Issued June 2017 to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments and increases the usefulness of governments' financial statements. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. GASB Statement No. 87 will be effective for the District for fiscal year ending June 30, 2022.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Fund Accounting

The District uses fund and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types."

Governmental fund types are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital projects funds), and the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

Internal Service funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such are provided to other departments or agencies primarily within the government.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. When these assets are held under the terms of a formal trust agreement, either a pension trust fund, a nonexpendable trust fund or an expendable trust fund is used. The terms "assigned" and "unassigned" refer to whether or not the government is under an obligation to maintain the trust principal. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent.

Budget

The District budgets all funds as required by state law. The District appropriates the expenditures at the instruction, supporting services, enterprise and community service, interagency/fund transaction, debt service and contingency levels.

The appropriation resolution extends the legal authority for the administrative staff to make expenditures within these broad program categories. Oregon Local Budget Law permits appropriation transfers from one category to another with the approval of the Board of Directors. The detailed budget document, however, is required to contain more specific, detailed information for the above-mentioned expenditure categories. Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriations resolution.

A supplemental budget may require hearings before the public, publications in newspapers, and approval by the Board of Directors. Original and supplemental budgets may be modified by the use of appropriations transfers between the levels of control. Such transfers require approval by the Board of Directors. Appropriations lapse as of year-end.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Cont'd)

The District budgets for all funds on the cash basis as provided in ORS 294.305.

Changes in Budget Appropriations

Local Budget Law allows appropriation changes to be made to the originally adopted budget. The following budget changes were made for the fiscal year July 01, 2021 to June 30, 2022. This is due to appropriations that were not sufficient to cover actual expenditures in special revenue and general fund categories, but total appropriations were sufficient to allow an appropriation transfer::

	<u>Original Budget</u>	<u>Change</u>	<u>Final Budget</u>
General Fund			
Major Function 1000	4,471,748	100,000	4,571,748
Major Function 2000	3,361,047	250,000	3,611,047
Major Function 6000	350,000	(350,000)	-
	<u>8,182,795</u>	<u>-</u>	<u>8,182,795</u>
Special Revenue Fund			
Major Function 1000	2881708	(600,000)	2,281,708
Major Function 2000	1555750	300,000	1,855,750
Major Function 4000	674,500	300,000	974,500
	<u>5,111,958</u>	<u>-</u>	<u>5,111,958</u>

3. CASH AND INVESTMENTS

The District maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Cash and Investments."

Cash and Investments are comprised of the following at June 30, 2022

Total Cash and Investments	<u>\$ 3,685,624</u>
Total Fiduciary Cash and Investments	<u>\$ 236,163</u>

As required by Oregon Revised Statutes, Chapter 295, deposits in excess of insurance limits were held at qualified depositories for public funds. The "weighted average maturity in years" calculation assumes that all investments are held until maturity. As a means of limiting its exposure to fair value losses arising from rising interest rates, the District's investment policy limits investments to no more than 18 months.

Custodial credit risk, for deposits, is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As required by Oregon Revised Statutes, Chapter 295, deposits in excess of FDIC coverage were held at qualified depositories for public funds.

3. CASH AND INVESTMENTS (Cont'd)

All qualified depositories for public funds are included in the multiple financial institution collateral pool that is maintained by and in the name of the Office of the State Treasurer. As a result, the district has no exposure to custodial credit risk for deposits with financial institutions.

Custodial credit risk, for investments, is the risk that, in the event of the failure of the counter-party, 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. Of the District's total investments, the district has no custodial credit risk.

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 State of Oregon Treasurer's Local Government Investment Pool.

The district has invested funds in the State Treasurer's Oregon Short-term Fund Local Government Investment Pool during fiscal year 2021-2022. Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board. Investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool.

In addition, the Oregon State Treasury LGIP distributes investment income on an amortized cost basis and participants' equity in the pool is determined by the amount of participant deposits, adjusted for withdrawals and distributed income. Accordingly, the adjustment to fair value would not represent an expendable increase in the district's cash position.

Investments in the Oregon State Treasury LGIP are made under the provisions of ORS 294.035 and 294.810. These funds are held in the district's name and are not subject to collateralization requirements of ORS 295.015. Investments are stated at amortized cost, which approximates fair value.

As of June 30, 2022 and for the year then ended, the district was in compliance with the aforementioned State of Oregon statutes.

Credit Risk. State Statutes authorize the district to invest primarily in general obligations of the U.S. government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, banker's acceptances, certain commercial papers, and the State Treasurer's Investment Pool, among others. The district has no formal investment policy that further restricts its investment choices.

Concentration of Credit Risk. The district is required to provide information about the concentration of credit risk associated with its investments in one issuer that represents 5 percent or more of the total investments, excluding investments in external investment pools or those issued and explicitly guaranteed by the U.S. Government. The district has no such investments.

Interest Rate Risk. The district has no formal investment policy that explicitly limits investment maturities as a means of managing its exposure to fair value loss arising from increasing interest rates.

3. CASH AND INVESTMENTS (Cont'd)

Credit Risk. The LGIP 's portfolio concentration of credit risk at June 30, 2022 included:

LGIP credit risk data:

U.S. Government & Agency securities	29.04%
Municipal Government securities	5.38%
Non-U.S. Government debt	7.74%
Corporate Commercial Paper	8.88%
Corporate obligations	34.04%
Asset-backed Securities	14.62%
Certificates of Deposits	0.16%
Cash in Banks	0.14%

Interest Rate Risk. While the District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates, it has historically invested only in the LGIP.

LGIP investments as of June 30, 2022:

mature within 93 days	67.74%
mature within 94 days to one year	12.64%
mature one year and beyond	19.62%

Disclosures about Fair Value of Assets. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

Level 1 - Unadjusted inputs using quoted prices in active markets for identical investments.

Level 2 - Other significant observable inputs other than level 1 prices, including, but are not limited to, quoted prices for similar investments, inputs other than quoted prices that are observable for investments (such as interest rates, prepayment speeds, credit risk, etc.) or other market corroborated inputs.

Level 3 - Significant inputs based on the best information available in the circumstances, to the extent observable inputs are not available.

Investments measured at Fair Value	Totals at June 30, 2022	Level One	Level Two	Level Three	Amortized Cost Measurement not Measured at Fair Value
Local Government					
Investment Pool	\$ 1,401,857	\$ -	\$ -	\$ -	\$ 1,401,857
	<u>\$ 1,401,857</u>				<u>\$ 1,401,857</u>

4. RECEIVABLES

Receivables are comprised of the following as of June 30, 2022:

	<u>Taxes</u>	<u>Intergovernmental</u>	<u>Total</u>
General Fund	141,725	48,359	190,084
Special Revenue Fund	-	1,239,305	1,239,305
Debt Service Fund	<u>49,778</u>	<u>-</u>	<u>49,778</u>
	<u>191,503</u>	<u>1,287,664</u>	<u>1,479,167</u>

5. CAPITAL ASSETS

A summary of capital asset activity for the fiscal year ended June 30, 2022 follows:

	<u>July 01, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2022</u>
Governmental Activities				
Assets not Being Depreciated:				
Land	<u>\$ 622,451</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 622,451</u>
Assets Being Depreciated:				
Land Improvements	120,535	-	-	120,535
Buildings & Improvements	21,498,594	-	-	21,498,594
Equipment	<u>3,153,282</u>	<u>84,542</u>	<u>-</u>	<u>3,237,824</u>
Total Depreciable Assets	24,772,411	84,542	-	24,856,953
Less Accumulated Depreciation				
Land Improvements	(81,362)	(6,027)	-	(87,389)
Buildings & Improvements	(8,540,681)	(398,818)	-	(8,939,499)
Equipment	<u>(2,884,221)</u>	<u>(28,757)</u>	<u>-</u>	<u>(2,912,978)</u>
Total Accumulated Depreciation	(11,506,264)	(433,602)	-	(11,939,866)
Net Value of Capital Assets	-	-	-	-
Being Depreciated	<u>\$ 13,266,147</u>	<u>\$ (349,060)</u>	<u>\$ -</u>	<u>\$ 12,917,087</u>
Total Governmental Activities				
Net Value of Capital Assets	<u>\$ 13,888,598</u>	<u>\$ (349,060)</u>	<u>\$ -</u>	<u>\$ 13,539,538</u>

6. PENSION PLAN

General Information about the Pension Plan

Plan Description

Employees of the district are provided with pensions through the Oregon Public Employees Retirement System (OPERS) a cost-sharing multiple-employer defined benefit pension plan, the Oregon Legislature has delegated authority to the Public Employees Retirement Board to administer and manage the system. All benefits of the System are established by the legislature pursuant to ORS Chapters 238 and 238A. Tier One/Tier Two Retirement Benefit plan, established by ORS Chapter 238, is closed to new members hired on or after August 29, 2003. The Pension Program, established by ORS Chapter 238A,

6. PENSION PLAN (Cont'd)

provides benefits to members hired on or after August 29, 2003. OPERS issues a publicly available Comprehensive Annual Financial Report and Actuarial Valuation that can be obtained at <http://www.oregon.gov/pers/Pages/section/financialreports/fmancials.aspx>.

Benefits Provided

1. Tier One/Tier Two Retirement Benefit ORS Chapter 238

Pension Benefits

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

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

Death Benefits

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

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

Disability Benefits

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

Benefit Changes

After Retirement Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes.

6. PENSION PLAN (Cont'd)

Benefit Changes (Cont'd)

Under current law, the cap on the COLA in fiscal year 2015 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

2. OPSRP Pension Program (OPSRP DB)

Pension Benefits

The Pension Program (ORS Chapter 238A) provides benefits to members hired on or after August 29, 2003. This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

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

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

Death Benefits

Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.

Disability Benefits

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

Benefit Changes After Retirement

Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2015 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

3. OPSRP Individual Account Program (OPSRP IAP)

Pension Benefits

An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

6. PENSION PLAN (Cont'd)**3. OPSRP Individual Account Program (OPSRP IAP) (Cont'd)****Pension Benefits (Cont'd)**

Upon retirement, a member of the OPSRP Individual Account Program (IAP) may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

Death Benefits

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

Recordkeeping

OPERS contracts with VOYA Financial to maintain IAP participant records.

Contributions

PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2019 actuarial valuation as subsequently modified by 2021 legislated changes in benefit provisions. The rates based on a percentage of payroll, first became effective July 1, 2015.

Employer contributions for the year ended June 30, 2022 were \$728,573, excluding amounts to fund employer specific liabilities. The rates in effect for the fiscal year ended June 30, 2022 were 25.18 percent for Tier One/Tier Two General Service Member, 22.07 percent for OPSRP Pension Program General Service Members, and 6.00 percent for OPSRP Individual Account Program.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2022, the district reported a liability of \$3,663,259 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 liability was determined by an actuarial valuation as of December 31, 2019 rolled forward to June 30, 2021. The district's proportion of the net pension liability was based on a projection of the district's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2021, the district's proportion was 0.03061267 percent, which was decreased from its proportion of 0.03117229 measured as of June 30, 2020.

6. PENSION PLAN (Cont'd)**3. OPSRP Individual Account Program (OPSRP IAP) (Cont'd)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

For the year ended June 30, 2022, the district's recognized pension expense of \$ 654,321. At June 30, 2021, the district reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred inflows Resources
Differences between expected and actual experience	\$ 342,905	
Changes of assumptions	917,024	9,641
Net difference between projected and actual earnings on investments	-	\$ 2,711,882
Changes in proportion	699,207	318,285
Difference between employer contributions and proportionate share of contributions	-	-
Total(prior to post-MD contributions)	1,959,136	3,039,808
Contributions subsequent to the MD	728,573	
Total	<u>\$ 2,687,709</u>	<u>\$ 3,039,808</u>

Deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Deferred Outflows		Deferred Inflows	
Amortization Period		Amortization Period	
FY2020	-	FY2020	204,172
FY2021	-	FY2021	334,000
FY2022	-	FY2022	370,276
FY2023	-	FY2023	673,992
FY2024	64,814	FY2024	-
	<u>\$ 64,814</u>		<u>\$ 1,582,440</u>

Actuarial Assumptions

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

6. PENSION PLAN (Cont'd)**3. OPSRP Individual Account Program (OPSRP IAP) (Cont'd)****Actuarial Assumptions (Cont'd)**

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an actuarially determined amount for funding a disability benefit component, and (3) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

Actuarial Methods and Assumption:

Valuation Date	December 31, 2019
Experience Study Report	2018, published July 24, 2019
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	2.40%
Inflation Rate	6.90%
Long-term expected rate of return	6.90%
Discount Rate	3.40%
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with MORO decision, blend based on service.
Mortality	<p>Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Active members: Pub-2010 Employee, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees: Pub-2010 Disabled retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

(Source: June 30, 2021 PERS CAFR)

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Experience studies are performed as of December 31 of even-numbered years. The method and assumptions shown are based on the 2019 Experience Study which is reviewed for the four-year period ending December 31, 2019.

6. PENSION PLAN (Cont'd)

3. OPSRP Individual Account Program (OPSRP IAP) (Cont'd)

Long-term Expected Rate of Return

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

<u>Asset Class</u>	<u>Target Allocation</u>
Debt Securities	20.0%
Public Equity	32.5%
Private Equity	17.5%
Real Estate	12.5%
Alternatives Portfolio	15.0%
Risk Parity	2.5%
Total	<u>100.0%</u>

(Source: June 30, 2021 PERS CAFR; p.104)

Depletion Date Projection

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Compound Annual</u>
Global Equity	30.62%	5.85%
Private Equity	25.50%	7.71%
Core Fixed Income	23.75%	2.73%
Real Estate	12.25%	5.66%
Master Limited Partnerships	0.75%	5.71%
Infrastructure	1.50%	6.26%
Commodities	0.63%	3.10%
Hedge Fund of Funds- Multi Strategy	1.25%	5.11%
Hedge Fund Equity - Hedge	0.63%	5.31%
Hedge Fund - Maco	5.62%	5.06%
US Cash	-2.50%	1.76%
<hr/>		
Total	<u>100%</u>	

Assumed Inflation - Mean	2.40%	1.65%
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(Source: June 30, 2021 PERS CAFR; p. 74)

6. PENSION PLAN (Cont'd)

Discount Rate

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

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

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

	<u>1% Decrease (5.90%)</u>	<u>Discount Rate (6.90%)</u>	<u>1% Increase (7.90%)</u>
District's proportionate share of the net pension liability (asset)	\$ 7,193,764	\$ 3,663,259	\$ 709,507

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial report.

Changes Subsequent to Measurement Date

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

There are no changes subsequent to the June 30, 2021 Measurement Date that meet this requirement and thus would require a brief description under the GASB 68 statement.

Deferred Compensation Plan

A deferred compensation plan is available to employees wherein they may execute an individual agreement with the District for amounts earned by them to not be paid until a future date when certain circumstances are met. These circumstances are: termination by reason of death, disability,

6. PENSION PLAN (Cont'd)**Deferred Compensation Plan (Cont'd)**

resignation, or retirement. Payment to the employee will be made over a period not to exceed 15 years. The deferred compensation plan is one which is authorized under IRC Section 457 and has been approved in its specifics by a private ruling from the Internal Revenue Service. The assets of the plan are held by the administrator for the sole benefit of the plan participants and are not considered assets or liabilities of the District.

OPSRP Individual Account Program (OPSRP IAP)**Plan Description**

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

Pension Benefits

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

Death Benefits

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

7. OTHER POST EMPLOYMENT BENEFITS RHIA**Plan Description**

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

7. OTHER POST EMPLOYMENT BENEFITS RHIA (Cont'd)

Funding Policy:

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

Participating districts are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the District currently contributes 0.50% of annual covered OPERF payroll and 0.43% of OPSRP payroll under a contractual requirement in effect until June 30, 2020. The OPERS Board of Trustees sets the employer contribution rates based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortized any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The District's contributions to RHIA for the years ended (June 30, 2016, 2017 and 2018 were \$0.3 million, \$0.3 million and \$0.3 million,) respectively, which equaled the required contributions each year.

At June 30, 2022, the District reported a net OPEB liability/(asset) of (\$53,075) for its proportionate share of the net OPEB liability/(asset). The OPEB liability/(asset) was measured as of June 30, 2021, and the total OPEB liability/(asset) used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of December 31, 2019. Consistent with GASB Statement No. 75, paragraph 59(a), the District's proportion of the net OPEB liability/(asset) is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement date of June 30, 2020, the District's proportion was 0.01545579 percent. OPEB expense for the year ended June 30, 2021 was (\$53,075).

Components of OPEB Expense/(Income):

Employer's proportionate share of collective system OPEB Expense/Income	\$ (12,019)
Net amortization of employer-specific deferred amounts from:	
- Changes in proportionate share	8,724
- Differences between employer contributions and employer's proportionate share of system contributions	-
	<u>\$ (3,295)</u>

7. OTHER POST EMPLOYMENT BENEFITS RHIA (Cont'd)

Components of Deferred Outflows/Inflows of Resources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 2,045
Changes of assumptions	1,446	1,093
Net difference between projected and actual earnings on investments	-	17,465
Changes in proportion	25,771	5,452
Difference between employer contributions and proportionate share of contributions	-	-
Total (prior to post-MD contributions)	<u>27,217</u>	<u>26,055</u>
Contributions subsequent to the MD	<u>-</u>	<u>-</u>
Total	<u><u>\$ 27,217</u></u>	<u><u>\$ 26,055</u></u>

7. OTHER POST EMPLOYMENT BENEFITS RHIA (Cont'd)

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB liability/(asset) in the fiscal year ended June 30, 2022:

Valuation Date, Measurement Date	December 31, 2019
Experience Study Report	2018, published July 24, 2019
Actuarial Assumptions:	
Actuarial Cost Method	Entry Age Normal
Inflation Rate	2.40%
Long-term expected rate of return	6.90%
Discount rate	6.90%
Projected Salary Increases	3.40%
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with MORO decision, blend based on service.
Mortality	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active members: Pub-2010 Employee, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disabled retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

(Source: June 30, 2021 PERS CAFR)

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

Year Ending June 30

1st fiscal year	\$ 3,578
2nd fiscal year	7,088
3rd fiscal year	(3,987)
4th fiscal year	(5,517)
5th fiscal year	-
Total	\$ 1,162

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS Retirement Health Insurance Account Cost-Sharing Multiple-Employer Other Postemployment Benefit (OPEB) Plan Schedules of Employer Allocations and OPEB Amounts by Employer report, as of and for the Year Ended June 30, 2021. That independently audited report was dated March 1, 2022.

7. OTHER POST EMPLOYMENT BENEFITS RHIA (Cont'd)

Actuarial Methods and Assumptions:

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based in the 2019 Experience Study which is reviewed for the four-year period ending December 31, 2021.

Discount Rate:

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

payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2015 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumption team and the Oregon Investment Council's (OIC) investment advisors. The table

below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

7. OTHER POST EMPLOYMENT BENEFITS RHIA (Cont'd)

Long-Term Expected Rate of Return: (Cont'd)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Compound Annual Return</u>
Global Equity	30.62%	5.85%
Private Equity	25.50%	7.71%
Core Fixed Income	23.75%	2.73%
Real Estate	12.25%	5.66%
Master Limited Partnerships	0.75%	5.71%
Infrastructure	1.50%	6.26%
Commodities	0.63%	3.10%
Hedge Fund of Funds- Multi Strategy	1.25%	5.11%
Hedge Fund Equity - Hedge	0.63%	5.31%
Hedge Fund - Maco	5.62%	5.06%
US Cash	-2.50%	1.76%
<hr/>		
Total	<u>100%</u>	
Assumed Inflation - Mean	2.40%	1.65%

(Source: June 30, 2021 PERS CAFR; p. 74)

Sensitivity of the District's proportionate share of the net OPEB liability/(asset) to changes in the discount rate - The following presents the District's proportionate share of the net OPEB liability/(asset) calculated using the discount rate of 6.90 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90 percent) or 1-percentage-point higher (7.90 percent) than the current rate.

	<u>1% Decrease (5.90%)</u>	<u>Discount Rate (6.90%)</u>	<u>1% increase (7.90%)</u>
District's proportionate share of the net RHIA liability (asset)	\$(53,055)	\$(65,716)	\$(76,542)

8. POST-EMPLOYMENT BENEFITS OTHER THAN PESNIONS (OPEB)

The District has two separate other post-employment benefits (OPEB) plans. The District provides a single employer defined benefit health care plan and the District contributes to the State of Oregon's OPERS costsharing multiple employer defined benefit plan.

Single-Employer Defined Benefit Health Care Plan

The District's post-retirement healthcare plan was established in accordance with Oregon Revised Statutes (ORS) 243.303, which requires that all eligible retirees are allowed to continue receiving health insurance benefits, at their cost, until age 65 or they become otherwise eligible for Medicare. ORS stipulate that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees. The requirement to make available to retirees (at the retirees own cost) access in to the healthcare plan has an implicit cost to the District.

Funding Policy – The benefits from the single-employer defined benefit OPEB plan are paid by the District based on bargaining agreement language, and contributions by employees are also required. The plan is not accounted for in a pension trust fund; therefore, designated funds are not legally restricted to pay future benefits. The benefits from the healthcare plan established in accordance with ORS 243.303 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. The District did not establish an irrevocable trust (or equivalent arrangement) to account for the plan.

Employees Covered by Benefit Terms – As of the valuation date of July 1, 2020, the following employees were covered by the implicit benefit terms:

Active Plan Members	97
Retired members receiving benefits	5
Spouses entitled to but not yet receiving benefits	3
	<u>105</u>

Total OPEB Liability – The District's total OPEB liability of \$198,041 was measured as of June 30, 2021, and was determined by an actuarial valuation date as of July 1, 2020.

8. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

Actuarial Assumptions and Other Inputs – The total OPEB liability in the actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Input	Assumptions
Actuarial Cost Method	Entry age normal, level percent of salary
Interest Rate Utilized for Discounting	2.16% for year ended 2022. Amounts reflect 20-year GO Bond Index
General Inflation	2.4% per year
Salary Scale	3.4% per year
Health Care Cost Trend	Between 3.0% and 5.0% annually
Dental and Vision Trend	4.0% per year
Annual Premium Increase Rate	No adjustment due to COVID-19 uncertainty
Mortality Rates	Pub-2010 Teacher Employee and Healthy Retiree tables, sex distinct
Withdrawal	Based upon OPERS assumption, annual rates are based on gender and duration of employment.
Retirement	Based upon OPERS assumption, annual rates are based on age, Tier / OP5RP, and duration of service.
Excluded Employees	Part-time employees not eligible to participate in OPERS or not eligible for health care benefits were generally excluded from valuation.
Past PERS service	PERS service as of the valuation date was generally estimated based upon information provided by the District.
Future PERS Service	Projected PERS service for retirement eligibility is generally assumed to accrue at a rate of 1.0 per year until retirement
Future Retiree Coverage	40% of active members were assumed to elect coverage upon retirement. 60% of male members and 35% of female members who elect coverage upon retirement are also assumed to elect spouse coverage
Lapse Rate	Retirees for whom the District will never pay any portion of the health care premiums are assumed to have a 5% probability of lapsing (dropping) coverage per year.
Spouse Age	Female spouses are assumed to be two years younger than male spouses. Male spouses were assumed to be two years older than their female spouses.

Changes in the Total OPEB Liability –

OPEB Liability at June 30, 2021	\$ 271,198
Changes for the year:	
Service Cost	44,986
Interest	6,627
Economic/Demographic Gain and Lo	(77,875)
Changes in assumptions	(14,061)
Benefit payments	<u>(32,834)</u>
OPEB Liability at June 30, 2022	\$ 198,041

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate:

	<u>1% Decrease</u>	<u>Current Discount</u>	<u>1% Increase</u>
Single Employer Defined Benefit	\$ 211,273	\$ 198,041	\$ 185,488
Health Care Plan OPEB Liability			

8. POST-EMPLOYMENT BENEFITS OTHER THAN PESNIONS (OPEB) (Cont'd)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Discount</u>	<u>1% Increase</u>
Single Employer Defined Benefit	\$ 177,149	\$ 198,041	\$ 222,844
Health Care Plan OPEB Liability			

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources – For the year ended June 30, 2021, the District recognized an expense related to OPEB of \$450. The \$450 was treated as an increase of payroll related expense in the Statement of Activities and allocated to Instruction, Supporting Services, and Community Services using allocation percentages of 66%, 29% and 5%, respectively.

As of June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ (94,649)
Changes in assumptions	11,340	(55,456)
Benefit payments	16,243	-
Total	<u>\$ 27,583</u>	<u>\$ (150,105)</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources (prior to post-measurement date contributions) related to OPEB will be recognized in pension expense or (expense reduction) as follows:

<u>Year Ended June 30</u>	<u>Net Deferred Outflow/(Inflow) of Resources</u>
2023	(28,861)
2024	(27,586)
2025	(26,207)
2026	(25,852)
2027	(16,851)
Thereafter	<u>(13,408)</u>
Total	(138,765)

9. RECEIVABLES

Receivables at June 30, 2022 consist of uncollected property taxes from the past 10 years tax levies, as estimated by the county tax collector. No allowance for un-collectibles is included in the financial statements. Other accounts receivable of \$109,753 consists of \$18,647 to be received from the common school fund, and \$91,106 from miscellaneous sources.

10. ACCOUNTS PAYABLE

Expenses incurred during the current fiscal year which were unpaid at the end of the year have been accrued and reflected as a liability in the combined balance sheet. The amounts are recorded as fund expenditures under the appropriate function and object expenditure category.

11. COMPENSATED ABSENCES

Unpaid vacation and accumulated sick pay are accrued as follows:

- a) Vacation time for full time classified staff accrues from the first day of employment at the rate of 10 days per year for the first ten years of employment and 15 days per year after that. Vacation time is non-cumulative--it must be used within 12 months of the employees' anniversary date unless other exceptions are made by the board. Amount of vacation accrued at June 30, 2022 is \$24,609:

	<u>Accrued</u> <u>June 30, 2021</u>	<u>Earned</u>	<u>Used/</u> <u>Forfeited</u>	<u>Accrued</u> <u>June 30, 2022</u>
Governmental Activities	<u>\$ 16,792</u>	<u>\$ 26,248</u>	<u>\$ (18,431)</u>	<u>\$ 24,609</u>

- b) Teachers and classified staff earn one sick day for each month worked not to exceed 10 days per year for teachers. Teachers may accumulate sick pay without limitation as to the hours of accumulation. All sick pay benefits are terminated and forfeited upon termination of employment for any reason. However, accumulated sick leave may be utilized upon reaching legal retirement age per ORS 237.153. The amount of potential liability is unmeasurable so no accrual is made and all sick time is expensed when paid.

12. CONTINGENT LIABILITIES

The School District has elected, under the State Unemployment Act of July 1, 1974 to reimburse the State Employment Department for any claims paid. Reimbursements are made from the District's Unemployment Insurance Fund. The District is unable to determine at this time the amount of the contingent liability for potential unemployment insurance claims.

13. RISK MANAGEMENT

The school 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 pays annual insurance premiums to commercial insurance providers for coverage of the above risks in amounts it has determined is appropriate. Therefore, insurance coverage is the primary source of managing the District's risks. Settled claims resulting from insured risks have not exceeded their coverage in any of the past three fiscal years.

14. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The following is a summary of Interfund payables and receivables are reported in the fund financial statements:

	<u>Due From</u>	<u>Due To</u>
General Fund	\$ 1,053,190	\$ -
ESSA		78,757
ESSER CDL Fund	-	865,629
Title IA Fund		53,276
Title VIB RLIS Fund		5,799
Youth Transition Program		20,696
Measure 98 Fund		19,058
IDEA Fund		9,974
Adventure Camp		
Total	<u>\$ 1,053,190</u>	<u>\$ 1,053,190</u>

15. NOTE PAYABLE

Reedsport School District Limited Tax Pension Bond, Series 2002

On October 31, 2002, the District issued bonds as a part of the Oregon School Boards Association Limited Tax Pension Bond Pool. Certain Oregon school districts and education service districts issued limited tax obligations (Pension Obligation), the proceeds of which were used to finance a portion of the estimated unfunded actuarial liability of each issuer with the Oregon Public Employees Retirement System (PERS). The full faith and credit of the District was pledged for the punctual payment of the principal and interest on its Pension Obligation, and debt service on the Pension Obligation is not subject to annual appropriation. The Pension Obligation is further secured by an Intercept Agreement under which an amount equal to the debt service on each issuer's Pension Obligation will be diverted from State Education Revenues.

The 2002 Series Obligations were issued in the aggregate original principal amount of \$2,908,726. The bonds are payable annually through June 2028. The bonds consist of \$743,726 Serial Maturities, with interest accrued semiannually at yields ranging from 2.06% to 6.10% through June 2020, and \$2,165,000 Term Bonds ranging from 5.48% to 5.55%. The agreement contains a provision that in an event of default, the Trustee may exercise any remedy available at law or in equity; however, the payments are not subject to acceleration. Interest expense for 2022 was \$153,626.

15. NOTE PAYABLE (Cont'd)

Fiscal Year
Ending
June 30,

	Principal	Interest	Total	Interest Rate
2023	\$ 250,000	\$ 96,975	\$ 346,975	5.49%
2024	280,000	83,250	363,250	5.55%
2025	310,000	67,710	377,710	5.55%
2026	345,000	50,505	395,505	5.55%
2027	385,000	31,357	416,357	5.55%
2028	180,000	9,990	189,990	5.55%
	<u>\$ 1,750,000</u>	<u>\$ 339,787</u>	<u>\$ 2,089,787</u>	

Reedsport School District General Obligation Refunding Bond, Series 2019

On March 6, 2008, the District issued \$10,300,000 General Obligation Series A (\$9,760,000 tax exempt) and Series B (\$540,000 taxable) bonds for the purpose of major capital improvements of the District's facilities. On April 9, 2019, the District entered into a Bond Purchase Agreement with JP Morgan Chase Bank to issue refunding bonds for the refunding of its outstanding General Obligation Bonds. The amount of the bond purchase was \$8,518,000 and bears interest at the rate of 2.66% per annum. Interest payments are due the 15th of June and December of each year with a principal payment due the 15th of June. The agreement contains a provision that in an event of default, the Bank may exercise any remedy available at law or in equity, to include increasing the interest rate of the bond by 1.50%; however, the payments are not subject to acceleration. Interest expense for 2022 was \$201,814.

The Series 2019 Bonds are guaranteed by the Oregon School Bond Guaranty. Payment of the principal and interest on the Bonds when due is guaranteed by the full faith and credit of the State under the provisions of the Oregon School Board Guaranty Act - Oregon Revised Statutes 328.321 to 328.356.

Fiscal Year
Ending
June 30,

	Principal	Interest	Total	Interest Rate
2023	\$ 475,000	\$ 189,977	\$ 664,977	2.66%
2024	505,000	177,342	682,342	2.66%
2025	539,000	163,909	702,909	2.66%
2026	572,000	149,572	721,572	2.66%
2027	604,000	134,357	738,357	2.66%
2028-2031	2,801,000	366,681	3,167,681	2.66%
2032-2033	1,646,000	66,234	1,712,234	2.66%
	<u>\$ 7,142,000</u>	<u>\$ 1,248,072</u>	<u>\$ 8,390,072</u>	

REEDSPORT SCHOOL DISTRICT NO. 105

Notes to

Financial Statements

at

June 30, 2022

15. NOTE PAYABLE (Cont'd)

	Balance June 30, 2021	Additions	Reductions	Balance June 30, 2022	Due in one year
Pension Obligations Series 2002	\$ 1,970,000	\$ -	\$ (220,000)	\$ 1,750,000	\$ 220,000
General Obligation Bonds Series 2019 (direct placement)	7,587,000	-	(445,000)	7,142,000	445,000
	\$ 9,557,000	\$ -	\$ (665,000)	\$ 8,892,000	\$ 665,000

16. IMPLEMENTATION OF GASB STATEMENT NO. 54 – NEW FUND BALANCE

The District chose to implement GASB Statement No. 54 for year ending June 30, 2022. GASB Statement 54 requires analysis and presentation of fund balance in five categories.

The new fund balance categories are:

- Non-Spendable – Includes items not immediately converted to cash, such as prepaid items and inventory.
- Restricted – Includes items that are restricted by external creditors, grantors or contributors, or restricted by legal constitutional provisions.
- Committed – Includes items committed by the District's Board of Education, by formal board action.
- Assigned – Includes items assigned for specific uses, authorized by the District's Superintendent and/or Director of Finance Operations.
- Unassigned – This the residual classification used for those balances not assigned to another company.

Below is a schedule of ending fund balance, based on GASB Statement No. 54 implementation:

16. IMPLEMENTATION OF GASB STATEMENT NO. 54 – NEW FUND BALANCE(cont'd)

FUND BALANCE:

Fund Balances:

NonSpendable	-	20,929	-	-	20,929
Restricted	-	-	-	-	-
Education	-	19,315	-	-	19,315
Private Purpose	-	-	-	-	-
Debt Service	-	-	764,037	-	764,037
Student Body	-	92,621	-	-	92,621
Assigned	-	-	-	-	-
Food Service	-	375,395	-	-	375,395
Capital Projects	-	-	-	202,841	202,841
Special Programs	-	286,774	-	-	286,774
Unassigned	2,587,466	-	-	-	2,587,466
Total Fund Balance	<u>2,587,466</u>	<u>795,034</u>	<u>764,037</u>	<u>202,841</u>	<u>4,349,378</u>

GASB 54 implementation required Board approved action to authorize commitments of fund balance. There were no commitments made for the last fiscal year.

The Board of Education also authorized the Superintendent and the business manager to make assignments of ending fund balance. Assignments of fund balance can be done at any time, including after the fiscal year-end date.

Finally, GASB 54 requires a spending policy, as it related to ending fund balance. The spending policy states in what order fund balance categories are spent. The Board of Education approved the following fund balance order of spending policy:

1. Restricted Fund Balance
2. Committed Fund Balance
3. Assigned Fund Balance
4. Unassigned Fund Balance

17. TAX ABATEMENT (GASB 77)

As of June 30, 2022, Douglas County provides tax abatements through two programs: Non-Profit Low Income Rental Housing and Enterprise Zone.

Non-Profit Low Income Rental Housing (ORS 307.540 to 307.548):

The largest abatement program for the District is the Non-Profit Low Income Rental Housing. In 1985, Oregon legislature authorized a property tax exemption for low-income housing held by charitable, nonprofit organizations. The tax exemption is intended to benefit low-income renters by alleviating the property tax burden on those agencies that provide this type of housing. The qualifying property must be located within the County.

Charitable, nonprofit organizations that provide housing to low-income persons are eligible, and must be certified by the Internal Revenue Service as 501(c)(3) or (4) organization. Organizations must own or have a leasehold interest in the property or participate in a partnership as long as the non-profit organization is responsible for the day-to-day management of the property. Applicants who are

17. TAX ABATEMENT (GASB 77) (Cont'd)

leaseholders must have a signed leasehold agreement by the application deadline. Vacant land intended to be developed as low-income housing is also eligible for the exemption.

The property tax exemption applies only to the tax levy of a governing body that adopts the provisions of ORS 307.540 to 307.548.

Enterprise Zone (ORS 285C.175):

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

The Enterprise Zone program provides qualified firms that will be making a substantial new capital investment within the defined enterprise zone, a waiver of 100% of the amount of real property taxes attributable to the new investment for a period of five years following completion of the new investment. Land or existing machinery or equipment is not tax exempt; therefore, there is no loss of current property tax levies to local taxing jurisdiction.

For the fiscal year ended June 30, 2022, information regarding property tax abatements for the District are as follows:

	Assessed Value of Excluded Properties	Rate Per Thousand Dollars of Assessed Value	Reduced Property Taxes
Enterprise one	125,117	0.4379%	\$ 548
			<u>\$ 548</u>

18. CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS

The District's operations are concentrated within Douglas County. In addition, substantially all the District's revenues for continuing operations are from federal, state, and local government agencies. In the normal course of operations, the District receives grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

19. SUBSEQUENT EVENTS

Management of the District has evaluated events and transactions occurring after June 30, 2022 through the date the financial statements were available for issuance, for recognition auditor disclosure in the financial statements. As of December 27, 2022 there were no reportable subsequent events.

Required Supplementary Information

Reedsport School District No. 105Budgetary Comparison Schedule
for the General Fund

For the Fiscal Year Ended June 30, 2022

	Actual	Original & Final Budget	Over (Under) Budget
REVENUES:			
Local Sources:			
Tax Levy-Current Year & Offsets	2,142,208	\$ 2,085,000	\$ 57,208
Tax Levy-Prior Years	67,849	100,000	(32,151)
Land Sales	1,704	-	1,704
Interest	16,256	50,000	(33,744)
Extra Curricular Fees	6,294	25,000	(18,706)
Donations from Private Sources	1,644	5,000	(3,356)
Miscellaneous Local Sources & Refunds	123,771	100,000	23,771
Total Local Sources	<u>2,359,726</u>	<u>2,365,000</u>	<u>(5,274)</u>
Intermediate Sources:			
County School Fund Levy	7,552	10,000	(2,448)
General ESD Funds	2,960	-	2,960
Total Intermediate Sources	<u>10,512</u>	<u>10,000</u>	<u>512</u>
State Sources:			
Basic School Support	6,278,789	5,229,770	1,049,019
Common School Fund	66,284	63,025	3,259
	4,753	15,000	(10,247)
Total State Sources	<u>6,349,826</u>	<u>5,307,795</u>	<u>1,042,031</u>
Federal Sources:			
Federal Forest Fees	67,218	50,000	17,218
Total Federal Sources	<u>67,218</u>	<u>50,000</u>	<u>17,218</u>
Total Revenues	<u>8,787,282</u>	<u>7,732,795</u>	<u>1,054,487</u>
EXPENDITURES: Schedule C-2	<u>7,609,987</u>	<u>8,182,795</u>	<u>(572,808)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures	1,177,295	(450,000)	1,627,295
FUND BALANCE, June, 30, 2021	<u>1,410,171</u>	<u>800,000</u>	<u>610,171</u>
FUND BALANCE, June, 30, 2022	<u>\$ 2,587,466</u>	<u>\$ 350,000</u>	<u>\$ 2,237,466</u>

Reedsport School District No. 105

Budgetary Comparison Schedule
for the General Fund Expenditures

For the Fiscal Year Ended June 30, 2022

	Salaries	Employees Benefits	Purchased Services
INSTRUCTION:			
Regular Programs:			
Primary, K-3	\$ 1,057,861	\$ 601,593	\$ 5,838
Intermediate Programs	-	-	-
Middle/Junior High Programs	236,644	138,159	-
Extracurricular	-	-	-
High School Programs	623,890	340,987	2,036
Extracurricular	150,780	76,191	21,693
Special Programs:			
Secondary Enrichment	-	-	-
Restrictive Programs for Students with Disabilities	-	1,220	492,967
Resource Rooms	342,086	273,208	225
High School Special Ed	-	-	-
Title I Programs	-	-	-
Alternative Education	-	-	5,844
English Language Learner	3,514	2,083	-
Other Programs	-	-	21,102
Adult Continuing Education Programs			
Total Instruction	<u>2,414,775</u>	<u>1,433,441</u>	<u>549,705</u>
SUPPORTING SERVICES:			
Students:			
Guidance Services	31,099	34,802	-
Other Guidance Services	2,741	2,022	-
Health Services			-
Nurse Services			177,690
Service Direction	-	-	-
Instructional Staff:			
Improvement of Instructional Serv.	-	22,089	-
Curriculum Development	-	-	-
Other Improvement of Instructional Serv.	-	-	-
Educational Media Services	43,483	38,486	-
Assessment & Testing	-	-	-
Instructional Staff Development	-	-	-
General Administration:			
Board of Education Services	31,818	19,836	66,401
Office of the Superintendent Serv.	130,188	78,133	50,049
School Administration:			
Office of the Principal Services	343,140	239,203	48,483
Business:			
Fiscal Services	8,595	6,607	120,932
Operation and Maintenance of Plant	216,204	186,274	485,169
Student Transportation Services	12,021	6,670	438,741
Printing, Publishing, and Duplicating Services	-	-	37,320
Systems Analysis Services	12,695	9,291	11,766
Central Activities:			
Technology Services	-	-	-
Total Supporting Services	<u>831,984</u>	<u>643,413</u>	<u>1,436,551</u>
OPERATING CONTINGENCY	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u><u>\$ 3,246,759</u></u>	<u><u>\$ 2,076,854</u></u>	<u><u>\$ 1,986,256</u></u>

Supplies and Materials	Other	Total Disbursements	Original Budget	Final Budget	Over (Under) Budget
\$ 15,224	\$ 197	\$ 1,680,713			
-	-	-			
3,295	-	378,098			
-	-	-			
5,929	-	972,842			
27,695	9,215	285,574			
-	-	-			
-	-	494,187			
7,703	-	623,222			
-	-	-			
-	-	-			
-	-	5,844			
-	-	5,597			
-	-	21,102			
<u>59,846</u>	<u>9,412</u>	<u>4,467,179</u>	<u>4,471,748</u>	<u>\$ 4,571,748</u>	<u>\$ (104,569)</u>
116	-	66,017			
-	-	4,763			
313	-	313			
-	-	177,690			
-	-	0			
-	-	22,089			
-	-	-			
-	-	0			
1,617	501	84,087			
-	-	0			
-	-	-			
150	3,467	121,672			
10,133	6,494	274,997			
6,730	3,834	641,390			
123	3,011	139,268			
39,897	105,909	1,033,453			
-	-	457,432			
-	-	37,320			
44,689	3,876	82,317			
-	-	0			
<u>103,768</u>	<u>127,092</u>	<u>3,142,808</u>	<u>3,361,047</u>	<u>\$ 3,611,047</u>	<u>(468,239)</u>
-	-	-	350,000	-	-
<u>\$ 163,614</u>	<u>\$ 136,504</u>	<u>\$ 7,609,987</u>	<u>\$ 8,182,795</u>	<u>\$ 8,182,795</u>	<u>\$ (572,808)</u>

Reedsport School District No. 105
Required Supplementary Information

For the Fiscal Year Ended June 30, 2022

PERS

Schedule C-3

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share the net pension liability (NPL)	(c) Employer's covered payroll	(b/c) NPL as a percentage of covered payroll
2022	0.0306127 %	\$ (3,663,259)	\$ 4,206,167	(87.1) %
2021	0.0311723	(6,802,866)	3,862,724	(176.1)
2020	0.0260674	(4,509,029)	4,013,035	(112.4)
2019	0.0305402	(4,626,430)	3,918,941	(118.1)
2018	0.0204303	(2,754,018)	2,885,816	(95.4)
2017	0.0240316	(3,607,698)	2,535,629	(142.3)
2016	0.0282670	(995,726)	2,706,135	(36.8)
2015	0.0282670	645,869	2,522,147	25.6

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

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

SCHEDULE OF CONTRIBUTIONS

Schedule C-4

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll
2022	\$ 521,827	\$ 521,827	-	\$ 4,206,167
2021	506,939	506,939	-	3,862,724
2020	453,398	453,398	-	4,013,035
2019	235,701	235,701	-	2,220,552
2018	203,442	203,442	-	2,155,414
2017	64,475	64,475	-	2,134,921
2016	82,688	82,688	-	2,071,070
2015	251,506	251,506	-	1,927,552

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

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

Reedsport School District No. 105
Required Supplementary Information

For the Fiscal Year Ended June 30, 2022

RHIA

Schedule C-5

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share the net pension liability (NPL)	(c) Employer's covered payroll	(b/c) NPL as a percentage of covered payroll
2022	0.0306127 %	\$ (53,075)	\$ 4,206,167	(1.3) %
2021	0.0424169	(86,429)	3,862,724	(2.2)
2020	0.0312034	(60,296)	4,013,035	(1.5)
2019	0.0298084	(33,274)	3,918,941	(0.8)
2018	0.0270905	(11,306)	2,885,816	(0.4)

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

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

Reedsport School District No. 105
Required Supplementary Information

For the Fiscal Year Ended June 30, 2022

OPEB

Schedule C-6

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(b) Employer's proportionate share the net pension liability (NPL)	(c) Employer's covered payroll	(b/c) NPL as a percentage of covered payroll
2022	\$ (198,041)	\$ 4,206,167	(4.7) %
2021	(271,198)	3,862,724	(7.0)
2020	(252,335)	4,013,035	(6.3)
2019	(356,464)	3,918,941	(9.1)
2018	(375,215)	2,885,816	(13.0)

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

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

Reedsport School District No. 105Budgetary Comparison Schedule
for the Special Revenue Funds

For the Fiscal Year Ended June 30, 2022

	Actual	Original & Final Budget	Over (Under) Budget
REVENUES:			
Local Sources:			
Interest on Investments	\$ 8		
Daily Sales	4,725		
Admissions	11,599		
Contributions and Donations from Private Sources	73,800		
Miscellaneous Sources	34,886		
Total Local Sources	125,018	140,100	(15,082)
Intermediate Sources:			
Other Intermediate Sources	29,249		
Total Intermediate Sources	29,249	-	29,249
State Sources:			
	3,026		
State Grants	919,193	-	
Total State Sources	922,219	743,635	178,584
Federal Sources:			
Federal Revenue through State	1,377,123		
Title IA	240,584		
Title IIA	638		
School Nutrition	622,273		
Federal Revenue through State	13,966		
IDEA	53,796		
Commodities	38,834	-	
Total Federal Sources	2,347,214	3,716,630	-
Total Revenues	3,423,700	4,600,365	(1,176,665)
EXPENDITURES:			
Current:			
Instruction	1,413,576	2,881,708	
Support Services	1,229,846	1,555,750	
Enterprise and community services	576,140	674,500	
	3,219,562	5,111,958	(1,892,396)
OTHER FINANCING SOURCES:			
Operating Transfers In	-		-
Operating Transfers Out	-	-	-
Total Other Sources	-	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures	204,138	(511,593)	715,731
FUND BALANCE, June, 30, 2021	590,895	582,593	8,302
FUND BALANCE, June, 30, 2022	\$ 795,033	\$ 71,000	\$ 724,033

Reedsport School District No. 105Budgetary Comparison Schedule
for the Debt Service Fund

For the Fiscal Year Ended June 30, 2022

	Actual	Original & Final Budget	Over (Under) Budget
REVENUES:			
Local Sources:			
Property Taxes	\$ 608,369	\$ 611,814	\$ (3,445)
Interest on Investments	22,754	30,000	(7,246)
Services Provided Other Funds	370,538	369,500	1,038
Interest on Investments	875	7,500	(6,625)
Land Sales	484	-	484
Total Local Sources	1,003,020	1,018,814	(15,794)
Intermediate Sources:			
HERT Tax	883	-	883
Total Intermediate Sources	883	-	883
 Total Revenues	 1,003,903	 1,018,814	 (14,911)
EXPENDITURES:			
Current:			
Redemption of Principal	665,000		
Interest	355,429		
Dues and Fees	1,600		
	1,022,029	1,598,814	(576,785)
OTHER FINANCING SOURCES:			
Operating Transfers Out	-	-	-
Total Other Sources	-	-	-
 Excess of Revenues and Other Sources Over (Under) Expenditures	 (18,126)	 (580,000)	 (591,696)
 FUND BALANCE, June, 30, 2021	 782,163	 600,000	 182,163
 FUND BALANCE, June, 30, 2022	 \$ 764,037	 \$ 20,000	 \$ (409,533)

Reedsport School District No. 105Budgetary Comparison Schedule
for the Capital Projects Fund

For the Fiscal Year Ended June 30, 2022

	<u>Actual</u>	<u>Original & Final Budget</u>	<u>Over (Under) Budget</u>
REVENUES:			
Local Sources:			
Interest on Investments	1,225	5,000	(3,775)
Total Local Sources	<u>1,225</u>	<u>5,000</u>	<u>(3,775)</u>
State Sources:			
State Sources	17,000	-	17,000
Total State Sources	<u>17,000</u>	<u>-</u>	<u>17,000</u>
Total Revenues	<u>18,225</u>	<u>5,000</u>	<u>13,225</u>
EXPENDITURES:			-
Support Services	<u>-</u>	<u>135,000</u>	<u>(135,000)</u>
OTHER FINANCING SOURCES:			
Operating Transfers Out	-	-	-
Total Other Sources	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues and Other Sources Over (Under) Expenditures	18,225	(130,000)	148,225
FUND BALANCE, June, 30, 2021	<u>184,616</u>	<u>180,000</u>	<u>4,616</u>
FUND BALANCE, June, 30, 2022	<u>\$ 202,841</u>	<u>\$ 50,000</u>	<u>\$ 152,841</u>

Other Supplementary Information

Reedsport School District No. 105

**All Non-Major Governmental Funds - By Fund Type
Combining Schedule of Assets, Liabilities & Fund Balance**

For the Fiscal Year Ended June 30, 2022

	Special Revenue Fund	Athletic Fund	Early Learning Fund	ESSA Grant Fund	CARES ESSER/CDL Fund	Title IA Fund	RTI Fund	Rural School Fund	Title IIA Fund	Title VIB-RLIS Fund	Youth Transition Fund
ASSETS											
Cash and Investments	\$ 10,078	\$ 4,000	\$ 7,151	\$ -	\$ -	\$ -	\$ 3,173	\$ 6,656	\$ -	\$ -	\$ -
Accounts Receivable- Grants	-	-	-	78,757	865,629	53,276	-	-	-	5,799	29,249
Inventory	-	-	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 10,078</u>	<u>\$ 4,000</u>	<u>\$ 7,151</u>	<u>\$ 78,757</u>	<u>\$ 865,629</u>	<u>\$ 53,276</u>	<u>\$ 3,173</u>	<u>\$ 6,656</u>	<u>\$ -</u>	<u>\$ 5,799</u>	<u>\$ 29,249</u>
LIABILITIES & FUND BALANCE											
LIABILITIES:											
Accounts Payable	-	-	-	-	-	-	-	-	-	-	-
Due to General Fund	-	-	-	78,757	865,629	53,276	-	-	-	5,799	20,696
	<u>-</u>	<u>-</u>	<u>-</u>	<u>78,757</u>	<u>865,629</u>	<u>53,276</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,799</u>	<u>20,696</u>
FUND BALANCE:											
Total Fund Balance	<u>10,078</u>	<u>4,000</u>	<u>7,151</u>				<u>3,173</u>	<u>6,656</u>			<u>8,553</u>
Total Liabilities & Fund Balance	<u>\$ 10,078</u>	<u>\$ 4,000</u>	<u>\$ 7,151</u>	<u>\$ 78,757</u>	<u>\$ 865,629</u>	<u>\$ 53,276</u>	<u>\$ 3,173</u>	<u>\$ 6,656</u>	<u>\$ -</u>	<u>\$ 5,799</u>	<u>\$ 29,249</u>
Fund:	200	201	209	214	215	216	219	224	233	234	237

School Improvement Fund	Measure 98 Fund	School Investment Fund	Outdoor School Fund	Education Enrichment Fund	IDEA Fund	Technology Replacement Fund	Instructional Materials Fund	Vehicle Replacement Fund	Food Service Fund	Student Body Fund	Totals
\$ -	\$ -	\$ 59,204	\$ -	\$ 9,237	\$ -	\$ 78,060	\$ 94,761	\$ 20,862	\$ 202,186	\$ 92,621	\$ 587,988
-	23,412	-	-	-	9,974	-	-	0	173,209	-	1,239,305
-	-	-	-	-	-	-	-	0	20,929	-	20,929
<u>\$ -</u>	<u>\$ 23,412</u>	<u>\$ 59,204</u>	<u>\$ -</u>	<u>\$ 9,237</u>	<u>\$ 9,974</u>	<u>\$ 78,060</u>	<u>\$ 94,761</u>	<u>\$ 20,862</u>	<u>\$ 396,324</u>	<u>\$ 92,621</u>	<u>\$ 1,848,222</u>
-	-	-	-	-	-	-	-	-	-	-	\$ (1)
-	19,059	-	-	-	9,974	-	-	-	-	-	1,053,189
-	<u>19,059</u>	-	-	-	<u>9,974</u>	-	-	-	-	-	<u>1,053,188</u>
-	4,353	59,204	-	9,237	-	78,060	94,762	20,862	396,324	92,621	795,034
<u>\$ -</u>	<u>\$ 23,412</u>	<u>\$ 59,204</u>	<u>\$ -</u>	<u>\$ 9,237</u>	<u>\$ 9,974</u>	<u>\$ 78,060</u>	<u>\$ 94,762</u>	<u>\$ 20,862</u>	<u>\$ 396,324</u>	<u>\$ 92,621</u>	<u>\$ 1,848,222</u>
238	244	251	258	272	278	289	291	292	298	299	

Reedsport School District No. 105

Special Revenue Funds
Budgetary Comparison Schedules-

For the Fiscal Year Ended June 30, 2022

	Special Revenue Fund	Athletic Fund	Early Learning Fund	ESSA Grant Fund	CARES ESSER/CDL Fund	Title IA Fund	RTI Fund	Rural School Fund	Title IIA Fund	Title VIB-RLIS Fund	Youth Transition Fund	School Improvement Fund	Measure 98 Fund
REVENUES:													
Local Sources	\$ 73,300	\$ -	\$ 7,151	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate Sources	-	-	-	-	-	-	-	-	-	-	29,249	-	-
State Sources	-	-	-	-	92,702	-	-	-	-	-	-	-	200,024
Federal Sources	-	-	-	105,704	1,251,868	240,584	-	-	638	13,966	-	19,551	-
Total Revenues	73,300	-	7,151	105,704	1,344,570	240,584	-	-	638	13,966	29,249	19,551	200,024
EXPENDITURES:													
Instruction	-	-	-	66,338	600,842	240,584	-	-	638	13,966	20,696	-	192,582
Supporting Services	63,222	-	-	39,366	728,177	-	-	-	-	-	-	19,551	3,089
Enterprise and Community Services	-	-	-	-	15,551	-	-	-	-	-	-	-	-
Building & Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	63,222	-	-	105,704	1,344,570	240,584	-	-	638	13,966	20,696	19,551	195,671
OTHER FINANCING SOURCES:													
Operating Transfers In (Out)	-	-	-	-	-	-	-	-	-	-	-	-	-
Excess of Revenues Over (Under) Expenditures	10,078	-	7,151	-	-	-	-	-	-	-	8,553	-	4,353
FUND BALANCES, June 30, 2021	-	4,000	-	-	-	-	3,173	6,656	-	-	-	-	-
FUND BALANCES, June 30, 2022	\$ 10,078	\$ 4,000	\$ 7,151	\$ -	\$ -	\$ -	\$ 3,173	\$ 6,656	\$ -	\$ -	\$ 8,553	\$ -	\$ 4,353
Fund:	200	201	209	214	215	216	219	224	233	234	237	238	244

School Investment Fund	Outdoor School Fund	Education Enrichment Fund	IDEA Fund	Technology Replacement Fund	Instructional Materials Fund	Vehicle Replacement Fund	Food Service Fund	Student Body Fund	Totals	Original Budget	Final Budget	Over (Under) Budget
\$ -	\$ -	\$ 500	\$ -	\$ 11,599	\$ -	\$ -	\$ 5,840	\$ 26,628	\$ 125,018	\$ 140,100	\$ 140,100	\$ (15,082)
-	-	-	-	-	-	-	-	-	29,249	-	-	-
618,338	-	-	-	-	-	-	11,156	-	922,220	743,635	743,635	178,585
-	-	-	53,796	-	-	-	661,107	-	2,347,214	3,716,630	3,716,630	(1,369,416)
618,338	-	500	53,796	11,599	-	-	678,103	26,628	3,423,701	4,600,365	4,600,365	(1,205,913)
183,646	8,483	388	53,796	269	10,015	-	-	21,333	1,413,576	2,881,708	2,281,708	(668,132)
375,488	594	-	-	-	-	-	-	359	1,229,846	1,555,750	1,855,750	(625,904)
-	-	-	-	-	-	-	560,589	-	576,140	674,500	974,500	(398,360)
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
559,134	9,077	388	53,796	269	10,015	-	560,589	21,692	3,219,562	5,111,958	5,111,958	(1,692,396)
59,204	(9,077)	112	-	11,330	(10,015)	-	117,514	4,936	204,139	(511,593)	(511,593)	686,483
-	9,077	9,125	-	66,730	104,777	20,862	278,810	87,685	590,895	582,593	582,593	8,302
\$ 59,204	\$ -	\$ 9,237	\$ -	\$ 78,060	\$ 94,762	\$ 20,862	\$ 396,324	\$ 92,621	\$ 795,034	\$ 71,000	\$ 71,000	\$ 694,785
251	258	272	278	289	291	292	298	299				

2021-22 DISTRICT AUDIT EXPENDITURE SUMMARY

Reedsport School District No. 105

Fund: 100 General Fund

Instruction Disbursements

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600
1111 Primary, K-3	\$ 1,680,713	\$ 1,057,861	\$ 601,593	\$ 5,838	\$ 15,224		\$ 197
1112 Intermediate Programs	-						
1113 Elementary Extracurricular	-						
1121 Middle/Junior High Programs	378,098	236,644	138,159	-	3,295		
1122 Middle/Junior High School Extracurricular	-						
1131 High School Programs	972,842	623,890	340,987	2,036	5,929		
1132 High School Extracurricular	285,574	150,780	76,191	21,693	27,695		9,215
1140 Pre-Kindergarten Programs	-						
1210 Programs for the Talented and Gifted	-						
1220 Restrictive Programs for Students with Disabilities	494,187	-	1,220	492,967			
1250 Less Restrictive Programs for Students with Disabilities	623,222	342,086	273,208	225	7,703		
1260 Treatment and Habilitation	-						
1271 Remediation	-						
1272 Title I	1	-	-	-	1		
1280 Alternative Education	5,844			5,844			
1290 Designated Programs	5,597	3,514	2,083				
1299	21,102			21,102			
1300 Adult/Continuing Education Programs	-						
1400 Summer School Programs	-						
	\$ 4,467,180	\$ 2,414,775	\$ 1,433,441	\$ 549,705	\$ 59,847	\$ -	\$ 9,412

Support Services Disbursements

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600
2110 Attendance and Social Work Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2120 Guidance Services	66,017	31,099	34,802	-	116	-	-
2129 Other Guidance Services	4,763	2,741	2,022				
2130 Health Services	178,003	-		177,690	313		
2140 Psychological Services	-	-	-	-	-		
2150 Speech Pathology and Audiology Services	-				-		
2160 Other Student Treatment Services	-				-		
2190 Service Direction, Student Support Services	-				-		
2210 Improvement of Instruction Services	22,089		22,089		-		
2220 Educational Media Services	84,087	43,483	38,486		1,617		501
2230 Assessment & Testing	-				-		
2240 Instructional Staff Development	-	-	-	-	-		
2310 Board of Education Services	121,672	31,818	19,836	66,401	150		3,467
2320 Executive Administration Services	274,997	130,188	78,133	50,049	10,133		6,494
2410 Office of the Principal Services	641,390	343,140	239,203	48,483	6,730		3,834
2490 Other Support Services - School Administration	-				-		
2510 Direction of Business Support Services	-			-			
2520 Fiscal Services	139,268	8,595	6,607	120,932	123		3,011
2540 Operation and Maintenance of Plant Services	1,033,453	216,204	186,274	485,169	39,897		105,909
2550 Student Transportation Services	457,432	12,021	6,670	438,741	-		
2558 Special Education Transportation	-				-		
2570 Internal Services	37,320			37,320	-		
2610 Direction of Central Support Services	-				-		
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	-				-		
2630 Information Services	-				-		
2640 Staff Services	-				-		
2660 Technology Services	82,317	12,695	9,291	11,766	44,689		3,876
2670 Records Management Services	-						
2690 Other Support Services - Central	-						
2700 Supplemental Retirement Program	-						
Total Support Services Disbursements	\$ 3,142,808	\$ 831,984	\$ 643,413	\$ 1,436,551	\$ 103,768	\$ -	\$ 127,092

Grand Total

\$ 7,609,987	\$ 3,246,759	\$ 2,076,854	\$ 1,986,256	\$ 163,615	\$ -	\$ 136,504
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2021-22 DISTRICT AUDIT EXPENDITURE SUMMARY
Reedsport School District No. 105
Fund: 200 Special Revenue

Instruction Disbursements	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600
1111 Primary, K-3	\$ 464,742	\$ 167,741	\$ 77,781	\$ 62,873	\$ 156,347	\$ -	\$ -
1112 Intermediate Programs	-	-	-	-	-	-	-
1113 Elementary Extracurricular	26522	17,173	9,046	-	303	-	-
1121 Middle/Junior High Programs	-	-	-	-	-	-	-
1122 Middle/Junior High School Extracurricular	-	-	-	-	-	-	-
1131 High School Programs	569,366	231,490	204,250	10,792	118,155	-	4,679
1132 High School Extracurricular	16,659	-	-	-	16,659	-	-
1140 Pre-Kindergarten Programs	-	-	-	-	-	-	-
1210 Programs for the Talented and Gifted	-	-	-	-	-	-	-
1220 Restrictive Programs for Students with Disabilities	-	-	-	-	-	-	-
1250 Less Restrictive Programs for Students with Disabilities	75,007	37,190	37,817	-	-	-	-
1260 Treatment and Habilitation	-	-	-	-	-	-	-
1271 Remediation	-	-	-	-	-	-	-
1272 Title I	240,585	113,770	115,454	-	11,361	-	-
1280 Alternative Education	-	-	-	-	-	-	-
1299 Designated Programs	20,697	13,879	6,641	177	-	-	-
1300 Adult/Continuing Education Programs	-	0	-	-	-	-	-
1400 Summer School Programs	-	-	-	-	-	-	-
Total Instruction Disbursements	\$ 1,413,578	\$ 581,243	\$ 450,989	\$ 73,842	\$ 302,825	\$ -	\$ 4,679
Support Services Disbursements	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600
2115 Guidance Services	\$ 30,050	-	-	\$ 30,050	-	-	-
2122 Counseling Services	97,839	69,717	28,122	-	-	-	-
2134 Nurse Services	76,628	-	-	76,628	-	-	-
2140 Psychological Services	104,343	70,674	33,046	-	623	-	-
2150 Speech Pathology and Audiology Services	-	-	-	-	-	-	-
2160 Other Student Treatment Services	-	-	-	-	-	-	-
2190 Service Direction, Student Support Services	-	-	-	-	-	-	-
2210 Improvement of Instruction Services	19,551	8,253	10,760	-	538	-	-
2222 Educational Media Services	359	-	-	-	359	-	-
2230 Assessment & Testing	-	-	-	-	-	-	-
2240 Instructional Staff Development	64,122	-	-	63,222	900	-	-
2310 Board of Education Services	-	-	-	-	-	-	-
2320 Executive Administration Services	2,834	1,800	1,034	-	-	-	-
2410 Office of the Principal Services	6,189	3,558	2,631	-	-	-	-
2490 Other Support Services - School Administration	-	-	-	-	-	-	-
2510 Direction of Business Support Services	-	-	-	-	-	-	-
2520 Fiscal Services	-	-	-	-	-	-	-
2540 Operation and Maintenance of Plant Services	8,901	-	-	8,901	-	-	-
2542	102,914	3,000	2,248	96,433	43	-	1,180
2550 Student Transportation Services	49,898	-	-	49,898	-	-	-
2558 Special Education Transportation	-	-	-	-	-	-	-
2570 Internal Services	-	-	-	-	-	-	-
2610 Direction of Central Support Services	-	-	-	-	-	-	-
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	-	-	-	-	-	-	-
2630 Information Services	-	-	-	-	-	-	-
2640 Staff Services	-	-	-	-	-	-	-
2660 Technology Services	666,217	73,662	42,580	64,426	480,761	-	4,788
2670 Records Management Services	-	-	-	-	-	-	-
2690 Other Support Services - Central	-	-	-	-	-	-	-
2700 Supplemental Retirement Program	-	-	-	-	-	-	-
Total Support Services Disbursements	\$ 1,229,845	\$ 230,664	\$ 120,421	\$ 389,558	\$ 483,224	\$ -	\$ 5,978
Enterprise and Community Services Disbursements	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600
3100 Food Services	\$ 576,140	147,501	143,209	2,325	279,515	\$ -	3,590
3200 Other Enterprise Services	-	-	-	-	-	-	-
3300 Community Services	-	-	-	-	-	-	-
3500 Custody and Care of Children Services	-	-	-	-	-	-	-
Total Enterprise and Community Services Disbursements	\$ 576,140	\$ 147,501	\$ 143,209	\$ 2,325	\$ 279,515	\$ -	\$ 3,590
Grand Total	\$ 3,219,563	\$ 959,408	\$ 714,619	\$ 465,725	\$ 1,065,564	\$ -	\$ 14,247

2021-22 DISTRICT AUDIT EXPENDITURE SUMMARY
Reedsport School District No. 105
Fund: 300 Debt Service Fund

Instruction Disbursements	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600
1111 Primary, K-3							
1112 Intermediate Programs							
1113 Elementary Extracurricular							
1121 Middle/Junior High Programs							
1122 Middle/Junior High School Extracurricular							
1131 High School Programs							
1132 High School Extracurricular							
1140 Pre-Kindergarten Programs							
1210 Programs for the Talented and Gifted							
1220 Restrictive Programs for Students with Disabilities							
1250 Less Restrictive Programs for Students with Disabilities							
1260 Treatment and Habilitation							
1271 Remediation							
1272 Title I							
1280 Alternative Education							
1290 Designated Programs							
1300 Adult/Continuing Education Programs							
1400 Summer School Programs							
Total Instruction Disbursements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Support Services Disbursements	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600
2110 Attendance and Social Work Services							
2120 Guidance Services							
2130 Health Services							
2140 Psychological Services							
2150 Speech Pathology and Audiology Services							
2160 Other Student Treatment Services							
2190 Service Direction, Student Support Services							
2210 Improvement of Instruction Services							
2220 Educational Media Services							
2230 Assessment & Testing							
2240 Instructional Staff Development							
2310 Board of Education Services							
2320 Executive Administration Services							
2410 Office of the Principal Services							
2490 Other Support Services - School Administration							
2510 Direction of Business Support Services							
2520 Fiscal Services							
2540 Operation and Maintenance of Plant Services							
2550 Student Transportation Services							
2558 Special Education Transportation							
2570 Internal Services							
2610 Direction of Central Support Services							
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services							
2630 Information Services							
2640 Staff Services							
2660 Technology Services							
2670 Records Management Services							
2690 Other Support Services - Central							
2700 Supplemental Retirement Program							
Total Support Services Disbursements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Enterprise and Community Services Disbursements	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600
3100 Food Services							
3200 Other Enterprise Services							
3300 Community Services							
3500 Custody and Care of Children Services							
Total Enterprise and Community Services Disbursements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Facilities Acquisition and Construction Disbursements	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600
4110 Service Area Direction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4120 Site Acquisition and Development Services							
4150 Building Acquisition, Construction, and Improvement Services	-			-	-		
4190 Other Facilities Construction Services							
Total Facilities Acquisition and Construction Disbursements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Uses Disbursements	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600
5100 Debt Service	\$ 1,022,029	\$ -	\$ -	\$ -	\$ -	\$ -	1,022,029
5200 Transfers of Funds	-						
5300 Apportionment of Funds by ESD							
5400 PERS UAL Bond Lump Sum							
Total Other Uses Disbursements	\$ 1,022,029	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,022,029
Grand Total	\$ 1,022,029	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,022,029

2021-22 DISTRICT AUDIT EXPENDITURE SUMMARY
Reedsport School District No. 105
Fund: 400 Capital Projects Fund

Support Services Disbursements

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600
2110 Attendance and Social Work Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2120 Guidance Services	-						
2130 Health Services	-						
2140 Psychological Services	-						
2150 Speech Pathology and Audiology Services							
2160 Other Student Treatment Services							
2190 Service Direction, Student Support Services							
2210 Improvement of Instruction Services	-						
2220 Educational Media Services	-						
2230 Assessment & Testing							
2240 Instructional Staff Development	-						
2310 Board of Education Services	-						
2320 Executive Administration Services	-						
2410 Office of the Principal Services	-						
2490 Other Support Services - School Administration							
2510 Direction of Business Support Services							
2520 Fiscal Services	-						
2540 Operation and Maintenance of Plant Services	\$ -			\$ -			
2550 Student Transportation Services	-						
2558 Special Education Transportation	-						
2570 Internal Services	-						
2610 Direction of Central Support Services	-						
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	-						
2630 Information Services	-						
2640 Staff Services	-						
2660 Technology Services	-						
2670 Records Management Services	-						
2690 Other Support Services - Central	-						
2700 Supplemental Retirement Program	-						
Total Support Services Disbursements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Enterprise and Community Services Disbursements

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600
3100 Food Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3200 Other Enterprise Services	-						
3300 Community Services	-						
3500 Custody and Care of Children Services	-						
Total Enterprise and Community Services Disbursements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Facilities Acquisition and Construction Disbursements

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600
4110 Service Area Direction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4120 Site Acquisition and Development Services							
4150 Building Acquisition, Construction, and Improvement Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4190 Other Facilities Construction Services							
Total Facilities Acquisition and Construction Disbursements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Other Uses Disbursements

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600
5100 Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5200 Transfers of Funds	-						
Total Other Uses Disbursements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Grand Total

\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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2021-22 DISTRICT AUDIT EXPENDITURE SUMMARY**Reedsport School District No. 105****Fund: 700 Fund****Instruction Disbursements**

	Totals	Object 100	Object 200	Object 300	Object 400
1131 High School Programs	56,957			54,701	2,256
1132 High School Extracurricular	-				
1140 Pre-Kindergarten Programs	-				
1210 Programs for the Talented and Gifted	-				
1220 Restrictive Programs for Students with Disabilities	-				
1250 Less Restrictive Programs for Students with Disabilities	-				
1260 Treatment and Habilitation	-				
1271 Remediation	-				
1272 Title I	-				
1280 Alternative Education	-				
1290 Designated Programs	-				
1300 Adult/Continuing Education Programs	-				
1400 Summer School Programs	-				
Total Instruction Disbursements	\$ 56,957	\$ -	\$ -	\$ 54,701	\$ 2,256

Support Services Disbursements

	Totals	Object 100	Object 200	Object 300	Object 400
2110 Attendance and Social Work Services	\$ -	\$ -	\$ -	\$ -	\$ -
2120 Guidance Services	-				
2130 Health Services	-				
2140 Psychological Services	-				
2150 Speech Pathology and Audiology Services					
2160 Other Student Treatment Services					
2190 Service Direction, Student Support Services					
2210 Improvement of Instruction Services	-				
2220 Educational Media Services	4,148				4,148
2230 Assessment & Testing					
2240 Instructional Staff Development	-				
2310 Board of Education Services	-				
2320 Executive Administration Services	-				
2410 Office of the Principal Services	-				
2490 Other Support Services - School Administration					
2510 Direction of Business Support Services					
2520 Fiscal Services	-				
2540 Operation and Maintenance of Plant Services	-				
2550 Student Transportation Services	-				
2558 Special Education Transportation	-				
2570 Internal Services	-				
2610 Direction of Central Support Services	-				
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	-				
2630 Information Services	-				
2640 Staff Services	-				
2660 Technology Services	-				
2670 Records Management Services	-				
2690 Other Support Services - Central	-				
2700 Supplemental Retirement Program	-				
Total Support Services Disbursements	\$ 4,148	\$ -	\$ -	\$ -	\$ 4,148

Enterprise and Community Services Disbursements

	Totals	Object 100	Object 200	Object 300	Object 400
3100 Food Services	\$ -	\$ -	\$ -	\$ -	\$ -
3200 Other Enterprise Services	-				
3300 Community Services	-				
3500 Custody and Care of Children Services	-				
Total Enterprise and Community Services Disbursements	\$ -	\$ -	\$ -	\$ -	\$ -

Facilities Acquisition and Construction Disbursements

	Totals	Object 100	Object 200	Object 300	Object 400
4110 Service Area Direction	\$ -	\$ -	\$ -	\$ -	\$ -
4120 Site Acquisition and Development Services					
4150 Building Acquisition, Construction, and Improvement Services					
4190 Other Facilities Construction Services					
Total Facilities Acquisition and Construction Disbursements	\$ -	\$ -	\$ -	\$ -	\$ -

Other Uses Disbursements

	Totals	Object 100	Object 200	Object 300	Object 400
5100 Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -
5200 Transfers of Funds	-				
5300 Apportionment of Funds by ESD					
5400 PERS UAL Bond Lump Sum					
Total Other Uses Disbursements	\$ -	\$ -	\$ -	\$ -	\$ -

Grand Total

\$ 61,105	\$ -	\$ -	\$ 54,701	\$ 6,404
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Fund 100	Fund 200	Fund 300	Fund 400	Fund 700
\$ 2,211,761	\$ -	\$ 631,607	\$ -	\$ -
16,256	8	875	1,225	
	4,725			
6,294	11,599			
1,644	73,800			19,439
-				
		370,538		
123,771	34,886		-	
\$ 2,359,726	\$ 125,020	\$ 1,003,020	\$ 1,225	\$ 19,439

Fund 100	Fund 200	Fund 300	Fund 400	Fund 700
\$ 7,552	\$ -	\$ -	\$ -	\$ -
2,960	29,249	883		
\$ 10,512	\$ 29,249	\$ 883	\$ -	\$ -

Fund 100	Fund 200	Fund 300	Fund 400	Fund 700
\$ 6,278,789	\$ -	\$ -	\$ -	\$ -
	3,026			
66,284				
4,753				
	-			
				-
-	919,193		17,000	
\$ 6,349,826	\$ 922,219	\$ -	\$ 17,000	\$ -

Fund 100	Fund 200	Fund 300	Fund 400	Fund 700
\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ 2,308,380		\$ -	
67,218				
	38,834			
\$ 67,218	\$ 2,347,214	\$ -	\$ -	\$ -

Fund 100	Fund 200	Fund 300	Fund 400	Fund 700
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
1,410,171	590,895	782,163	\$ 184,616	277,829
\$ 1,410,171	\$ 590,895	\$ 782,163	\$ 184,616	\$ 277,829

\$ 10,197,453	\$ 4,014,597	\$ 1,786,066	\$ 202,841	\$ 297,268
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Single Audit Act Requirements



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

Board of Directors
Reedsport School District No. 105
100 Ranch Road
Reedsport, OR 97467

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Douglas County School District No. 70, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Reedsport School District's basic financial statements, and have issued our report thereon dated December 13, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Reedsport School District No. 105's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Reedsport School District No. 105's internal control. Accordingly, we do not express an opinion on the effectiveness of the Reedsport School District No. 105'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 *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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Reedsport School District No. 105'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 determination of financial statement 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.

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.

A handwritten signature in black ink that reads "Neuner Davidson & Co". The signature is written in a cursive, flowing style.

Neuner Davidson & Co.

Roseburg, Oregon

December 13, 2022



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

Reedsport School District
Board of Directors
Oakland, OR

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Reedsport School District's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of Reedsport School District's major federal programs for the year ended June 30, 2022. Reedsport School District'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, Reedsport School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 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; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Reedsport School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Reedsport SD'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 Reedsport SD'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 Reedsport SD '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 generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery intention. 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 intention 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 Reedsport School District 's compliance with the requirements of each major federal program as a whole. In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Reedsport School District'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 Reedsport School District'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 Reedsport School District '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 items. 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 Reedsport School District 's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Reedsport School District'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

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.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Neuner Davidson & Co

Neuner Davidson & Co
Roseburg, Oregon
December 27, 2022

Douglas County School District No. 105

Schedule of Federal Financial Assistance

For the Fiscal Year Ended June 30, 2022

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Period</u>		<u>Grant #</u>	<u>Grant Amount</u>	<u>2021-22 Revenues</u>	<u>2021-22 Expenditures</u>
		<u>Beginning</u>	<u>Ending</u>				
CHILD NUTRITION CLUSTER							
<u>U.S. Department of Agriculture</u>							
Passed through State Department of Education:							
National School Breakfast Program	10.553	7/1/2021	6/30/2022		\$ 115,439	\$ 115,439	\$ 115,439
National School Lunch Program	10.555	7/1/2021	6/30/2022		241,690	241,690	241,690
National School Lunch Program-Supply Chain	10.555	7/1/2021	6/30/2022		15,699	15,699	15,699
Child & Adult Care Food Program	10.558	7/1/2021	6/30/2022		161,724	161,724	161,724
Cash Commodities	10.558	7/1/2021	6/30/2022		11,489	11,489	11,489
USDA Covid Reimbursement Payments	10.558	7/1/2021	6/30/2022		18,451	18,451	18,451
Summer Food Program	10.559	7/1/2021	6/30/2022		43,061	43,061	43,061
Fresh Fruit and Vegetable Program	10.582	7/1/2021	6/30/2022		14,106	14,106	14,106
National School Lunch SNAP	10.649	7/1/2021	6/30/2022		614	614	614
Commodities	10.555	7/1/2021	6/30/2022		36,024	36,024	36,024
Commodities	10.555	7/1/2021	6/30/2022		2,810	2,810	2,810
Total Child Nutrition Cluster					661,107	661,107	661,107
SPECIAL EDUCATION CLUSTER							
<u>U.S. Department of Education</u>							
Passed through Oregon Department IDEA Part B Special Education	84.027	7/1/2020	9/30/2022	60738	133,482	53,796	53,796
Total Special Education Cluster					133,482	53,796	53,796
OTHER PROGRAMS							
<u>U.S. Department of Agriculture</u>							
Passed Through Douglas County: Federal Forest Fees	10.665	7/1/2021	6/30/2022		67,218	67,218	67,218
					67,218	67,218	67,218
<u>U.S. Department of Education</u>							
Passed Through State Department of Education:							
Rural and Low Income Schools	84.358	7/1/2021	9/30/2022	67334	14,140	13,405	13,405
Rural and Low Income Schools	84.358	7/1/2020	9/30/2021	60337	12,645	561	561
ESSA Partnerships 19-20 Supplement	84.010	7/1/2020	9/30/2022	65146	101,039	86,779	86,779
ESSA Partnerships 21-22	84.010	7/1/2021	9/30/2023	68006	100,104	18,925	18,925
Title I Grants to Local Education Agencies	84.010	7/1/2020	9/30/2021	58351	235,596	1,452	1,452
Title I Grants to Local Education Agencies	84.010	7/1/2021	9/30/2022	67060	230,562	230,558	230,558
Title IV Student Support and Academic Enrichment	84.424	7/1/2021	9/30/2022	66850	16,893	3,379	3,379
Title IIA	83.367	7/1/2021	9/30/2022	67494	29,806	5,834	5,834
SIG Improvement Grant	84.377	7/1/2020	9/30/2022	46890	100,000	19,551	19,551
LEA ESSER II	84.425	5/13/2020	9/30/2023	64670	769,510	680,326	680,326
LEA ESSER III	84.425	5/13/2020	9/30/2024	64974	1,729,423	571,542	571,542
Total U.S. Department of Education					3,339,718	1,632,312	1,632,312
Total Other Programs					3,406,936	1,699,530	1,699,530
TOTAL FEDERAL ASSISTANCE					4,201,525	2,414,433	2,414,433

Reedsport School District
Schedule of Findings and Questioned Costs
June 30, 2022

Summary of the Auditor's Results

The audit report issued October 5, 2022, on the general-purpose financial statements of Reedsport SD as of and for the year ended June 30, 2022, was an unqualified opinion. The audit did not disclose any reportable conditions in internal control for either major or nonmajor programs, nor did the audit disclose any noncompliance which may be material to the financial statements. The audit report on compliance for major programs was an unqualified opinion. There were no audit findings required to be reported in accordance with 2 CFR section 200.216(a).

The major programs identified by Reedsport SD were:

LEA ESSER 84.425

The threshold used to distinguish between Type A and Type B programs was \$750,000. The District did qualify as a low-risk auditee under *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Findings required to be reported in accordance with generally accepted government auditing standards (GAGAS):

No Findings.

Findings and questioned costs for Federal awards:

Current Year:

No Findings or Questioned Costs.

Summary Schedule of Prior Audit Findings:

No Findings or Questioned Costs

Summary Schedule of Prior Audit Findings:

No Findings or Questioned Costs

Note 1. **Basis of Presentation**

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

Note 2. **Sub-recipients**

Of the federal expenditures presented in the schedule, Reedsport SD provided no federal awards to sub-recipients.

Auditor's Comments and Disclosures
Required by State Law



INDEPENDENT AUDITOR'S REPORT
REQUIRED BY OREGON STATE REGULATIONS

Board of Directors
Reedsport School District No. 105
100 Ranch Road
Reedsport, OR 97467

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the basic financial statements of Reedsport School District No. 105 as of and for the year ended June 30, 2022, and have issued our report thereon dated November 15, 2022.

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 statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

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

In connection with our testing, 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 Municipal Corporations except:

OAR 162-10-0230 Internal Control

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control. Deficiencies in internal control, if any, were communicated separately.

Restriction on Use

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

Neuner Davidson & Co.
Certified Public Accountants

A handwritten signature in black ink, appearing to read "Jeffrey R. Cooley", is written over a horizontal line.

Jeffrey R. Cooley, CPA
Roseburg, Oregon
December 27, 2022

Form 581-3211-C

SUPPLEMENTAL INFORMATION, 2021-22

School District Business Managers and Auditors:

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

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

A. Energy Bill for Heating - All Funds:

Please enter your expenditures for electricity
& heating fuel for these Functions & Objects.

	Objects 325 & 326 & *327
Function 2540	\$ 343,787
Function 2550	\$ 0

B. Replacement of Equipment – General Fund:

Include all General Fund expenditures in object 542, except for the following exclusions:

\$ 0

Exclude these functions:

1113, 1122 & 1132
1140
1300
1400

Co-curricular Activities
Pre-Kindergarten
Continuing Education
Summer School

Exclude these functions:

4150 Construction
2550 Pupil Transportation
3100 Food Service
3300 Community Services

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