

**LANE COUNTY SCHOOL DISTRICT NO. 32**  
**LANE COUNTY, OREGON**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED JUNE 30, 2023**



**12700 SW 72<sup>nd</sup> Ave.**  
**Tigard, OR 97223**

LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

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November 28, 2023

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Lane County School District No. 32  
Lane County, Oregon

### **Opinions**

We have audited the accompanying basic financial statements of the governmental activities and each major fund, of Lane County School District No. 32 (the District), as of and for the year ended June 30, 2023, and the related notes to the basic financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

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

### **Basis for Opinions**

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

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

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

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

## **Auditors' Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

## **Required Supplementary Information**

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

## **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplementary information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **Other Information**

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

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

## Report on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated November 28, 2023, on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

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

**MAPLETON SCHOOL DISTRICT 32**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**June 30, 2023**

As management of Mapleton School District 32 (the District), Lane County, Oregon, we offer readers this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2023. It should be read in conjunction with the district's financial statements, which follow this section. This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities in the District as a whole and present a longer-term view of the District's finances. Fund financial statements tell how these services were financed in the short-term, as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements.

**FINANCIAL HIGHLIGHTS**

- In the government-wide financial statements, the assets of the District exceeded its liabilities at June 30, 2023 by \$7,810,976 (*total net position*). This represents an increase of \$1,100,821, which is largely due to the state shifting PERS around, though there was an increase in cash of \$398,398 which shows the continued efforts of the district to maintain a healthy cash reserve.
- The District's total liabilities decreased due to PERS changes by the state and the continued payment of our bond.
- At June 30, 2023, the General Fund unassigned balance increased by \$190,359, which is due to an increase in savings account interest rates and increased state funding.

**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 supplementary information in addition to the basic financial statements.

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

The *Statement of Net Position* focuses on resources available for future operations. In simple terms, this statement presents a snapshot view of what the district owns (assets), what it owes (liabilities), and the net difference (*net position*). Net position may be further separated into amounts restricted for specific purposes and unrestricted amounts. Overtime, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Activities* presents information showing how the District's net position changed over the year by tracking revenues, expenditures, and other transactions that increase or reduce net position. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal years. (e.g., uncollected taxes).

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

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

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

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

The District adopts an annual appropriated budget for all of its governmental funds as required by Oregon budget law. A budgetary comparison statement has been provided for each fund individually to demonstrate compliance with their respective budgets.

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



## GOVERNMENT-WIDE FINANCIAL ANALYSIS

**Statement of Net Position:** As noted earlier, net position may, over time, serve as a useful indicator of the district's financial position. At June 30, 2023, the District's assets exceeded liabilities by \$7,810,976.

### Condensed Statement of Net Position

	Governmental Activities June 30, 2023	Governmental Activities June 30, 2022	Increase (Decrease)
<b>Assets</b>			
Current and other assets	\$ 3,440,096	\$ 2,990,168	\$ 449,928
Capital assets (Net)	9,466,140	9,701,537	(235,397)
Net OPEB Assets - RHIA	37,828	53,192	(15,364)
Right-to-use-asset (Net)	4,615	7,024	(2,409)
<b>Total assets</b>	<b>12,948,679</b>	<b>12,751,921</b>	<b>196,758</b>
<b>Deferred Outflows of Resources</b>	<b>1,119,577</b>	<b>1,342,312</b>	<b>(222,735)</b>
<b>Liabilities</b>			
Current liabilities	120,697	70,109	50,588
Long-term obligations	3,571,720	3,668,965	(97,245)
Other liabilities	2,380,610	1,969,545	411,065
<b>Total liabilities</b>	<b>6,073,027</b>	<b>5,708,619</b>	<b>313,820</b>
<b>Deferred Inflows of Resources</b>	<b>184,253</b>	<b>1,675,459</b>	<b>(1,491,206)</b>
<b>Net Position</b>			
Net Invested in capital assets, Restricted	5,926,922	6,063,276	(136,354)
Unrestricted	830,345	818,475	11,870
	<u>1,053,709</u>	<u>(171,596)</u>	<u>1,225,305</u>
<b>Total Net Position</b>	<b>\$ 7,810,976</b>	<b>\$ 6,710,155</b>	<b>\$ 1,100,821</b>

Most of the District's net position changed due to the shifting of PERS deferrals and increased revenue.

**Governmental Activities:** During the 2022-2023 fiscal year, the District's net position increased by \$1,100,821. The key elements in this change are the following:

- Total assets increased by \$196,748 due to increased savings account interest and additional state funding.
- Total liabilities shifted heavily into pension deferrals due to PERS changes.

	Changes in Net Position		
	Governmental Activities June 30, 2023	Governmental Activities June 30, 2022	Increase (Decrease)
<b>Revenues</b>			
Program Revenues			
Charges for Services	\$ 6,308	\$ 5,105	1,203
Operating Grants & Contributions	445,303	1,145,604	(700,301)
Total Program Revenues	<u>451,611</u>	<u>1,150,709</u>	<u>(699,098)</u>
General Revenues			
Property Taxes	986,590	936,810	49,780
Other Local Sources	49,561	302,005	(252,444)
State School Fund	2,867,375	2,062,145	805,230
Unrestricted Federal	42,187	2,600	39,587
Unrestricted Intermediate	76,284	66,166	10,118
Gain/Loss Assets	12,973	2,190	10,783
Earnings on Investments	73,279	(5,344)	78,623
Total General Revenues	<u>4,108,249</u>	<u>3,366,572</u>	<u>741,677</u>
Total Revenues	<u>4,559,860</u>	<u>4,517,281</u>	<u>42,579</u>
<b>Expenses</b>			
Instructional	1,715,621	1,495,025	220,596
Support Services	1,538,764	2,136,418	(597,654)
Community Services	106,107	110,744	(4,637)
Interest on Long-term Debt	98,547	78,627	19,920
Total Expenses	<u>3,459,039</u>	<u>3,820,814</u>	<u>(361,775)</u>
Change in Net Position	1,100,821	696,467	404,354
Net Position, July 1	<u>6,710,155</u>	<u>6,013,688</u>	<u>696,467</u>
Prior Period Adjustment	-	-	-
Net Position, End of Year	<u>\$ 7,810,976</u>	<u>\$ 6,710,155</u>	<u>\$ 1,100,821</u>

## FINANCIAL ANALYSIS FOR THE DISTRICT'S FUNDS

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

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

Governmental funds report the difference between their assets and liabilities as fund balances, which are classified and reported by the following categories.

- **Non-spendable Fund Balance** – funds which cannot be spent
- **Restricted Fund Balance** – funds subject to externally enforceable legal restrictions (imposed by creditors, grantors, contributors, government regulations, etc.)
- **Committed Fund Balance** – funds constrained by limitations that a government imposes upon itself.
- **Assigned Fund Balance** – funds intended for use as established by the governing body itself, or by an official or officers to which authority is delegated by the governing body.
- **Unassigned Fund Balance** – funds available for any purpose.

At June 30, 2023, the District's governmental funds reported combined ending fund balances of \$3,290,704, an increase of \$398,398 in comparison with the prior year. This is due to improved interest rates, state funding, and grants.

**General Fund:** The General Fund is the chief operating fund of the District. As of June 30, 2023, the fund balance could account for over 75% of the yearly General Fund expenses.

**Special Revenue Fund:** The Special Revenue Fund has a total fund balance of \$939,708, an increase of \$202,645 which the majority comes from transfers for Capital Projects and Textbooks.

**Debt Service Fund:** The Debt Service Fund has a total fund balance of \$33,614, all of which is set aside for the payment of debt service.

**Capital Projects Fund:** The Capital Projects Fund is a place holder for bond projects.

## GENERAL FUND BUDGETARY HIGHLIGHTS

General Fund final budget compared to actual results. Final revenues were \$299,794 higher than expected, and expenses were \$17,565 lower, due to additional state grant funding and staffing shortages. A beginning balance \$89,911 lower than expected, combined with the decreased expenses and increased revenue resulted in a net variance of \$240,421 above the anticipated ending balance.

## CAPITAL ASSET AND DEBT ADMINISTRATION

**Capital Assets:** The District's investment in capital assets includes, land, buildings and improvements, and vehicles and equipment. As of June 30, 2023, the District had \$9,466,140 invested in capital assets, net of depreciation. This is a decrease of \$235,397 due to depreciation.

**Debt Administration:** At the end of the current fiscal year, the District had a total long-term debt outstanding of \$3,539,007. The debt consists of a general obligation bond concluding in 2041.

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

Resources supporting District General Fund operations primarily reflect local and state revenues, with additional income representing federal, county and other resources. The largest segment, which includes state funding and local property taxes, is determined by the State School Fund formula. The majority of funding provided by the State to the District is based on the District weighted average of the daily number of students. The District receives extra weighting for special education students, students in poverty or foster care, and students enrolled in remote schools (weighted average daily membership). In recent years, Mapleton School District's enrollment has remained stable; however, the District has the capacity to serve many more students.

The major expenditure requirements of the District's General Fund are the salaries and benefits of our teachers, support staff, and administration. Salaries and benefits represent 80% of the District's total General Fund operating costs. Salaries and health insurance contribution limits will rise according to adopted collective bargaining agreement. PERS rates will be steady for the biennium.

Issues such as equitable resource allocation, closing the achievement gap, PERS, and use of reserves, are key components of our budget discussions. The District's Budget Committee and School Board will consider all of these factors when preparing and adopting the District's annual budget. Staff and the School Board are actively involved in ongoing strategic planning to continue to lead the district in a fiscally responsible manner.

## **REQUEST FOR INFORMATION**

This financial report is designed to provide a general overview of the District's finances and to demonstrate the District's accountability. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the District's Business Manager, at 10868 East Mapleton Road, Mapleton, Oregon 97453.

*Jeron Ricks*  
Business Manager

*Sue Wilson*  
Superintendent

**LANE COUNTY SCHOOL DISTRICT NO. 32**  
**LANE COUNTY, OREGON**

**BASIC FINANCIAL STATEMENTS**

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LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

STATEMENT OF NET POSITION  
June 30, 2023

	GOVERNMENTAL ACTIVITIES
<b>ASSETS</b>	
Current:	
Cash and Investments	\$ 3,374,272
Receivables - Taxes	32,612
Accounts Receivable	33,212
Total Current	3,440,096
Non-current:	
Net OPEB Asset - RHIA	37,828
Capital Assets, Non-Depreciable	46,410
Capital Assets, Depreciable, Net	9,419,730
Right-to-use-asset, net of amortization	4,615
Total Non-current	9,508,583
Total Assets	12,948,679
<b>DEFERRED OUTFLOW OF RESOURCES</b>	
OPEB Related Deferrals - RHIA	10,715
OPEB Related Deferrals - Implicit Health Subsidy	2,016
Pension Related Deferrals - PERS	1,106,846
TOTAL ASSETS AND PENSION RELATED DEFERRALS	14,068,256
<b>LIABILITIES</b>	
Current:	
Accounts Payable	\$ 106,470
Payroll Liabilities	11,766
Current Lease Liability	2,461
Total Current	120,697
Non-current:	
Long-Term Liabilities:	
due within one year	105,000
due more than one year	3,360,000
Unamortized Bond Premium	74,007
Long-Term Lease Liability	2,365
Net OPEB Liability - Implicit Health Subsidy	30,348
Net Pension Liability - PERS	2,380,610
Total Non-current	5,952,330
Total Liabilities	6,073,027
<b>DEFERRED INFLOW OF RESOURCES</b>	
OPEB Related Deferrals - RHIA	5,171
OPEB Related Deferrals - Implicit Health Subsidy	2,070
Pension Related Deferrals - PERS	177,012
TOTAL LIABILITIES AND PENSION RELATED DEFERRALS	6,257,280
<b>NET POSITION</b>	
Net Investment in Capital Assets	5,926,922
Restricted for:	
Future Debt Payments	33,614
Student Body	95,696
Food Service	6,618
Other Programs	656,589
OPEB - RHIA Asset	37,828
Unrestricted	1,053,709
Total Net Position	\$ 7,810,976

See accompanying notes to the basic financial statements.

LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2023

FUNCTIONS	EXPENDITURES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
Instruction	\$ 1,715,621	\$ -	\$ 215,153	\$ (1,500,468)
Supporting Services	1,538,764	6,308	106,341	(1,426,115)
Community Services	106,107	-	123,809	17,702
Interest on Long-Term Debt	<u>98,547</u>	<u>-</u>	<u>-</u>	<u>(98,547)</u>
Total Governmental Activities	<u>\$ 3,459,039</u>	<u>\$ 6,308</u>	<u>\$ 445,303</u>	<u>(3,007,428)</u>
General Revenues				
Property Taxes Levied				986,590
Earnings on Investment				73,279
Other Local				49,561
State Support				2,867,375
Unrestricted Intermediate				76,284
Unrestricted Federal				42,187
Gain/(Loss) on Sale of Asset				<u>12,973</u>
Total General Revenues				<u>4,108,249</u>
Changes in Net Position				1,100,821
Net Position - Beginning				<u>6,710,155</u>
Net Position - Ending				<u>\$ 7,810,976</u>

See accompanying notes to the basic financial statements.



LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

BALANCE SHEET - GOVERNMENTAL FUNDS  
June 30, 2023

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	TOTALS
<b>ASSETS</b>				
Cash and Investments	\$ 2,400,950	\$ 939,708	\$ 33,614	\$ 3,374,272
Accounts Receivable	33,212	-	-	33,212
Property Taxes Receivables	32,612	-	-	32,612
<b>Total Assets</b>	<b>\$ 2,466,774</b>	<b>\$ 939,708</b>	<b>\$ 33,614</b>	<b>\$ 3,440,096</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 106,470	\$ -	\$ -	\$ 106,470
Payroll Liabilities	11,766	-	-	11,766
<b>Total Liabilities</b>	<b>118,236</b>	<b>-</b>	<b>-</b>	<b>118,236</b>
<b>DEFERRED INFLOW OF RESOURCES</b>				
Unavailable Property Tax Revenue	31,156	-	-	31,156
<b>Total Deferred Inflow of Resources</b>	<b>31,156</b>	<b>-</b>	<b>-</b>	<b>31,156</b>
<b>FUND BALANCES</b>				
Restricted for:				
Future Debt Payments	-	-	33,614	33,614
Student Body	-	95,696	-	95,696
Food Service	-	6,618	-	6,618
Other Programs	-	656,589	-	656,589
Unassigned	2,317,382	180,805	-	2,498,187
<b>Total Fund Balances</b>	<b>2,317,382</b>	<b>939,708</b>	<b>33,614</b>	<b>3,290,704</b>
<b>Total Liabilities, Deferred Inflow, and Fund Balances</b>	<b>\$ 2,466,774</b>	<b>\$ 939,708</b>	<b>\$ 33,614</b>	<b>\$ 3,440,096</b>

See accompanying notes to the basic financial statements.

LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

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

Total Fund Balances - Governmental Funds	\$	3,290,704
<p>The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in government accounting. The Statement of Net Position includes those capital assets among the assets of the District as a whole.</p>		
Net Capital Assets		9,466,140
<p>The Net Pension and OPEB Asset (Liability) is the difference between the total liability and the assets set aside to pay benefits earned to past and current employees and beneficiaries.</p>		
Net Pension Liability - PERS	\$ (2,380,610)	
Net OPEB Liability - Implicit Health Subsidy	(30,348)	
Net OPEB Asset - RHIA	<u>37,828</u>	(2,373,130)
<p>Deferred Inflows and Outflows of resources related to the pension plan include differences between expected and actual experience, changes of assumptions, differences between projects and actual earning, and contributions subsequent to the measurement date.</p>		
Deferred Outflows - PERS	1,106,846	
Deferred Inflows - PERS	(177,012)	
Deferred Outflows - OPEB Implicit Health Subsidy	2,016	
Deferred Inflows - OPEB Implicit Health Subsidy	(2,070)	
Deferred Outflows - OPEB RHIA	10,715	
Deferred Inflows - OPEB RHIA	<u>(5,171)</u>	935,324
<p>Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position.</p>		
Long-Term Liabilities		
Bonds Payable	(3,465,000)	
Premium	<u>(74,007)</u>	(3,539,007)
Unearned revenue related to property taxes		31,156
<p>Right-to-use assets are not financial resources and therefore are not reported in the governmental funds.</p>		
Right-to-use asset, Net		4,615
<p>Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities, both current and long-term, are reported in the statements of Net Position</p>		
Lease Payable		<u>(4,826)</u>
Ending Net Position	\$	<u>7,810,976</u>

See accompanying notes to the basic financial statements.

LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

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

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	TOTALS
<b>REVENUES</b>				
Local Sources	\$ 925,559	\$ 12,894	\$ 201,282	\$ 1,139,735
Intermediate Sources	57,134	19,150	-	76,284
State Sources	2,183,171	689,896	-	2,873,067
Federal Sources	-	456,739	-	456,739
<b>Total Revenues</b>	<b>3,165,864</b>	<b>1,178,679</b>	<b>201,282</b>	<b>4,545,825</b>
<b>EXPENDITURES</b>				
Instruction	1,396,183	563,084	-	1,959,267
Support Services	1,442,295	314,997	-	1,757,292
Enterprise and Community Services	-	121,175	-	121,175
Facilities Acquisition	-	126,778	-	126,778
Debt Service	-	-	195,888	195,888
<b>Total Expenditures</b>	<b>2,838,478</b>	<b>1,126,034</b>	<b>195,888</b>	<b>4,160,400</b>
Excess of Revenues Over (Under) Expenditures	327,386	52,645	5,394	385,425
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds From Sale of Assets	12,973	-	-	12,973
Transfers In	-	150,000	-	150,000
Transfers Out	(150,000)	-	-	(150,000)
<b>Total Other Financing Sources (Uses)</b>	<b>(137,027)</b>	<b>150,000</b>	<b>-</b>	<b>12,973</b>
<b>Net Change in Fund Balance</b>	<b>190,359</b>	<b>202,645</b>	<b>5,394</b>	<b>398,398</b>
<b>Beginning Fund Balance</b>	<b>2,127,023</b>	<b>737,063</b>	<b>28,220</b>	<b>2,892,306</b>
<b>Ending Fund Balance</b>	<b>\$ 2,317,382</b>	<b>\$ 939,708</b>	<b>\$ 33,614</b>	<b>\$ 3,290,704</b>

See accompanying notes to the basic financial statements.

LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
 For the Year Ended June 30, 2023

Total Net Changes in Fund Balances - Total Governmental Funds	\$	398,398
<p>Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlay.</p>		
Capital Asset Additions	\$	84,674
Depreciation Expense		<u>(320,071)</u>
		(235,397)
<p>The PERS Pension income (expense) and OPEB Income (expense) represent the changes in Net Pension Asset (Liability) from year to year due to changes in total pension liability and the fair value of pension plan net position available to pay pension benefits.</p>		
PERS		841,787
OPEB - Implicit Health Subsidy		(3,797)
OPEB - RHIA		<u>(275)</u>
		837,715
<p>Long-term debt proceeds are reported as other financing sources in governmental funds. In the Statement of Net Position, however, issuing long-term debt increases liabilities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability government-wide.</p>		
Bond Payable Principal Payments		95,000
<p>Governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.</p>		
Amortization of bond premiums		4,111
<p>Property taxes that do not meet the measurable and available criteria are not recognized as revenue in the current year in the governmental funds. In the Statement of Activities property taxes are recognized as revenue when levied.</p>		
		1,062
<p>Payment on Lease Liability decreases liabilities in the Statement of Net Position.</p>		
Payment on Lease Liability		2,341
<p>Amortization Expense increases the expenses on the Statement of Activities.</p>		
Amortization Expense		<u>(2,409)</u>
Change In Net Position of Governmental Activities	\$	<u>1,100,821</u>

See accompanying notes to the basic financial statements.

**LANE COUNTY SCHOOL DISTRICT NO. 32**  
**LANE COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Basic Financial Statements of Lane County School District No. 32 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the accounting policies are described below.

A. REPORTING ENTITY

Lane County School District No. 32 is a municipal corporation governed by an elected board, organized under provisions of Oregon Statutes Chapter 332 for the purpose of providing kindergarten through high school education. Accounting principles generally accepted in the United States of America require that these basic financial statements present Lane County School District No. 32 (the primary government) and all component units, if any. Component units, as established by the Governmental Accounting Standards Board (GASB) Statement 61, are separate organizations that are included in the District's reporting because of the significance of their operational or financial relationships with the District. There are no component units.

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

Government Wide Financial Statements (GWFS)

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) display information about the District as a whole.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses of assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with GASB Statement No. 33 "Accounting and Financial Reporting for Non-Exchange Transactions." Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

All direct expenses are reported by function in the Statement of Activities. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Program revenues derive directly from the program itself or from parties outside the taxpayers or citizenry, as a whole. Program revenues reduce the cost of the function to be financed from general revenues and 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 and other items not properly included among program revenues are reported instead as general revenues.

In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities.

LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (CONTINUED)**

**Fund Financial Statements**

The accounts are organized and operated on the basis of funds. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. Funds are maintained consistent with legal requirements.

**Governmental Fund Types**

Governmental funds are used to account for general governmental activities. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized as soon as they are 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, which is 60 days. Expenditures generally are recorded when a liability is incurred, except for unmatured interest on general long-term debt which are recognized when due, depreciation and amortization, interfund transactions, compensated absences, claims and judgments, pension and OPEB expenses, which are not recognized as expenditures because they will be liquidated with future expendable financial resources.

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

The following major governmental funds are reported:

**General Fund**

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

**Special Revenue Fund**

This fund primarily accounts for specific revenue sources that are legally restricted to expenditures for specific purposes. The Student Body money is included in this fund.

**Debt Service Fund**

This fund accounts for activities related to the repayment of debt, primarily issued in the form of bonds, used to fund the construction and acquisition of facilities. The primary source of revenue is property taxes.

**Interfund Transfers**

The interfund transfers reported on the combined statement of revenues, expenditures and changes in fund balances are operating transfers. Operating transfers are legally authorized transfers from a fund receiving revenue to the fund where they are to be expended.



LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (CONTINUED)

Property Taxes

Ad valorem property taxes are levied and become a lien on all taxable property as of July 1. Property taxes are payable on November 15. Collection dates are November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15. Property taxes unpaid and outstanding on May 16 are considered delinquent. Property taxes are collected from taxpayers by the Lane County Department of Assessment and Taxation and are remitted to the District.

Uncollected property taxes are shown in the balance sheet. Uncollected taxes are deemed by management to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established.

Grants

Grants are recognized as revenue in the accounting period in which they become both measurable and available and in which all eligibility requirements have been met. When expenditure is the prime factor for determining eligibility, the revenue is recognized when the expenditure is made. Cash received from grantor agencies in excess of related grant expenditures is recorded as a liability on the combined balance sheet.

Inventories of Supplies

Purchased inventory is valued at the lower of cost (first-in, first-out method) or market. Commodities inventory is valued at estimated market value at the date of donation. Inventory consists of commodities and purchased food and supplies. The cost of purchased inventory is recorded as an asset at the time of purchase and expensed when it is consumed in the government-wide financial statements, and expensed when purchased in the fund statements.

Accounts Receivable

The accounts receivable are all current and are considered by management to be fully collectible. Therefore, no provision for uncollectable accounts has been made.

Capital Assets

Capital assets, which include land, buildings and improvements, and equipment, are reported in the government-wide financial statements. Capital assets are defined as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at their estimated fair market value on the date donated. The cost of routine maintenance and repairs that do not add to the value of the assets or materially extend asset lives are charged to expenditures as incurred and not capitalized. The capital assets are depreciated using the straight-line method over the following useful lives:

Buildings and Improvements	15 to 50 years
Furniture	20 years
Vehicles and Equipment	5 to 15 years

LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (CONTINUED)

Use of Estimates

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

Long-Term Obligations

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

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

Retirement Plans

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

Accrued Compensated Absences

Accumulated accrued compensated absences for vacation pay are recorded as liabilities in the government-wide financial statements as the entire amount is expected to be liquidated with expendable available resources. Accumulated sick pay does not vest and therefore, no expense is recorded until leave is taken.

Net Position

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

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

**Restricted** – consists of external constraints placed on assets used by creditors, grantors, contributors or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. There are restricted assets, if any, for Future Debt Payments, Capital Projects, Student Body, Transportation, Food Service, Scholarship, and Other Programs.

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

LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (CONTINUED)

Deferred Outflows/Inflows of Resources

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

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

Lease Assets

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

Leases Payable

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

C. FUND BALANCE

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

- Nonspendable represents amounts that are not in a spendable form.
- Restricted represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).
- Committed represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution.

LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (CONTINUED)

C. FUND BALANCE (CONTINUED)

- Assigned represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body. The authority to classify portions of ending fund balance as Assigned is granted to the Superintendent and the Business Manager. Such assignments cannot exceed the available (spendable, unrestricted, uncommitted) fund balance in any particular fund.
- Unassigned is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

There were no nonspendable, committed, or assigned fund balances as of June 30, 2023. The District has established an unassigned targeted minimum fund balance of ten percent of the annual operating revenues of the General Fund.

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

LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

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2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

A budget is prepared and legally adopted for each governmental fund in accordance with Oregon Local Budget Law. These budgets are all prepared using the modified accrual basis of accounting. The budgetary basis of accounting is substantially the same as generally accepted accounting principles in the United States of America with the exception that capital outlay expenditures are expensed when purchased, depreciation is not recorded, inventories of supplies are budgeted as expenditures when purchased, debt, capital leases and compensated absences are expensed when paid, pension and OPEB costs are not recorded until paid, and property taxes received greater than 60 days after year-end are not considered budgetary resources in the funds.

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

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

Budget amounts shown in the basic financial statements include the original budget amounts and appropriation transfers approved by the Board. Appropriations lapse at the end of each fiscal year.

For the year ended June 30, 2023, expenditures of the various funds were within authorized appropriation levels except for Special Revenue Fund – Instruction which was overexpended by \$210,219, Special Revenue Fund – Enterprise and Community Services which was overexpended by \$2,180 and General Fund - Support Services which was overexpended by \$63,599.

LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

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**3. CASH AND CASH EQUIVALENTS**

**A. DEPOSITS**

Deposits with financial institutions include bank demand deposits. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury. The total bank balance per the bank statements as of June 30, 2023 was \$458,288 of which \$250,000 was covered by federal depository insurance and the remainder was collateralized by the Oregon Public Funds Collateralization Program (PFCP).

At fiscal year-end, cash and equivalents were as follows:

Deposit with Financial Institutions:	
Local Government Investment Pool	\$ 2,946,463
Demand Deposits	<u>427,809</u>
Total Cash and Investments	<u>\$ 3,374,272</u>

**Credit Risk – Deposits**

In the case of deposits, this is the risk that in the event of a bank failure, the deposits may not be returned. There is no deposit policy for custodial credit risk. As of June 30, 2023, none of the bank balances were exposed to custodial credit risk.

**B. INVESTMENTS**

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund appears to be in compliance with all portfolio guidelines at June 30, 2023. The LGIP seeks to exchange shares at \$1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool. We intend to measure these investments at book value since it materially approximates fair value.

The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. As of June 30, 2023, the fair value of the position in the LGIP is 99.63% of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized. The District booked a fair market loss of \$10,902 for the difference between the pool fair market value and the book value.

LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

**3. CASH AND CASH EQUIVALENTS (CONTINUED)**

**B. INVESTMENTS (CONTINUED)**

As of June 30, 2023 the District had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in months)</u>		
		<u>Less than 3</u>	<u>3-18</u>	<u>18-59</u>
State Treasurer's Investment Pool	<u>\$ 2,946,463</u>	<u>\$ 2,946,463</u>	<u>\$ -</u>	<u>\$ -</u>

**Interest Rate Risk - Investments**

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

**Credit Risk - Investments**

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

**Concentration of Credit Risk**

At June 30, 2023, 100% of total investments were in the State Treasurer's Investment Pool. State statutes do not limit the percentage of investments in this instrument. Oregon Revised Statutes require no more than 25 percent of the moneys of a local government to be invested in bankers' acceptances of any qualified financial institution.

**4. RECEIVABLES**

Receivables at June 30, 2023, which are all considered collectable by management, consist of the following:

- A. Property taxes receivable represent delinquent amounts due for property taxes levied in the current and prior years.
- B. Grants receivable represent amounts due for claims for reimbursement of costs under various Federal grant programs.

LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

**5. CAPITAL ASSETS**

The changes in capital assets for governmental activities for the fiscal year ended June 30, 2023 were as follows:

	Balance <u>July 1, 2022</u>	Additions	(Deletions)	Balance <u>June 30, 2023</u>
<b>Non-depreciable:</b>				
Land	\$ 46,410	\$ -	\$ -	\$ 46,410
<b>Total</b>	<u>46,410</u>	<u>-</u>	<u>-</u>	<u>46,410</u>
<b>Depreciable:</b>				
Buildings and Improvements	18,015,317	-	-	18,015,317
Equipment	560,510	21,846	(22,229)	560,127
Vehicles	638,259	62,828	-	701,087
<b>Total</b>	<u>19,214,086</u>	<u>84,674</u>	<u>(22,229)</u>	<u>19,276,531</u>
<b>Accumulated Depreciation:</b>				
Buildings and Improvements	8,962,314	220,119	-	9,182,433
Equipment	331,659	57,281	(22,229)	366,711
Vehicles	264,986	42,671	-	307,657
<b>Total</b>	<u>9,558,959</u>	<u>320,071</u>	<u>(22,229)</u>	<u>9,856,801</u>
<b>Government Activities:</b>				
Capital Assets, Net	<u>\$ 9,701,537</u>			<u>\$ 9,466,140</u>

Deletions represent the disposal of a fully-depreciated phone system, which was sold for proceeds and a gain of \$12,973.

Depreciation was allocated to the following functions:

Instruction	\$ 163,405
Support Services	146,560
Community Services	<u>10,106</u>
<b>Total</b>	<u>\$ 320,071</u>



LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

**6. LONG-TERM OBLIGATIONS**

The following changes occurred in the long-term obligations during the fiscal year ending June 30, 2023:

	Outstanding July 1, 2022	Reductions	Outstanding June 30, 2023	Due Within One Year
GO Bonds	\$ 3,560,000	\$ 95,000	\$ 3,465,000	\$ 105,000
Premium	78,118	4,111	74,007	-
<b>Total</b>	<b>\$ 3,638,118</b>	<b>\$ 99,111</b>	<b>\$ 3,539,007</b>	<b>\$ 105,000</b>

In August 2016, a \$4,000,000 General Obligation bond was issued with a Premium of \$102,784 for 25 years, concluding in 2041 with an interest rate varying from 1.5% to 3.0%. The premium is amortized over the life of the bond on a straight line basis. There are no significant default clauses and the bonds are not subject to acceleration.

Future maturities of long-term obligations are as follows:

Fiscal Year Ending June 30	Bond Principal	Bond Interest
2024	\$ 105,000	\$ 99,500
2025	110,000	97,926
2026	120,000	96,000
2027	125,000	93,900
2028	135,000	90,150
2029-2033	835,000	383,850
2034-2038	1,155,000	240,150
2039-2041	880,000	53,850
<b>Total</b>	<b>\$ 3,465,000</b>	<b>\$ 1,155,326</b>

LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

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**7. PROPERTY TAX LIMITATION**

The voters of the State of Oregon imposed a constitutional limit on property taxes for schools and non-school government operations. School operations include community colleges, local School schools, and education service schools. The limitation provides that property taxes for school operations are limited to \$5.00 for each \$1,000 of property market value. This limitation does not apply to taxes levied for principal and interest on general obligation bonded debt. The result of this requirement has been that school districts have become more dependent upon state funding and less dependent upon property tax revenues as their major source of operating revenue.

The state voters further reduced property taxes by replacing the previous constitutional limits on tax bases with a rate and value limit in 1997. This reduction is accomplished by rolling property values back to their 1995-96 values less 10% and limiting future tax value growth of each property to no more than 3% per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the reductions. The State Constitution sets restrictive voter approval requirements for most tax and many fee increases and new bond issues, and requires the State to minimize the impact to school districts from the impact of the tax cuts.

LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

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**8. DEFINED BENEFIT PENSION PLAN**

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

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

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

- a. **PERS Pension (Chapter 238).** The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
- i. **Pension Benefits.** The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results. A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.
- ii. **Death Benefits.** Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following contributions are met:
- member was employed by PERS employer at the time of death,
  - member died within 120 days after termination of PERS covered employment,
  - member died as a result of injury sustained while employed in a PERS-covered job, or
  - member was on an official leave of absence from a PERS-covered job at the time of death.
- iii. **Disability Benefits.** A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

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**8. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

iv. **Benefit Changes After Retirement.** Members may choose to continue participation in their variable account after retiring and may experience annual benefit fluctuations due to changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.

b. **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.

i. **Pension Benefits.** This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

*Police and fire:* 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.

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

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

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

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

**Contributions** – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2019 actuarial valuation, which became effective July 1, 2021. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2023 were \$454,677, excluding amounts to fund employer specific liabilities. In addition, approximately \$112,183 in employee contributions were paid or picked up by the District in 2022-2023.

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NOTES TO THE FINANCIAL STATEMENTS

**8. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Pension Asset or Liability** – At June 30, 2023, the District reported a net pension liability of \$2,380,610 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2020. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement dates of June 30, 2022 and 2021, the District’s proportion was 0.015 percent and 0.016 percent, respectively. Pension expense for the year ended June 30, 2023 was \$841,787.

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

- (1) Tier 1/Tier 2 – 26.83%
- (2) OPSRP general services – 23.72%

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resource</u>
Difference between expected and actual experience	\$ 115,559	\$ 14,846
Changes in assumptions	373,531	3,413
Net difference between projected and actual earnings on pension plan investments	-	425,607
Net changes in proportionate share	39,988	221,262
Differences between District contributions and proportionate share of contributions	<u>123,091</u>	<u>176,659</u>
Subtotal - Amortized Deferrals (below)	652,169	841,787
District contributions subsequent to measurement date	<u>454,677</u>	<u>-</u>
Deferred outflow (inflow) of resources	<u>\$ 1,106,846</u>	<u>\$ 841,787</u>

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

LANE COUNTY SCHOOL DISTRICT NO. 32  
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NOTES TO THE FINANCIAL STATEMENTS

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**8. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

Subtotal amounts related to pension as deferred outflows of resources \$652,169, and deferred inflows of resources, (\$841,787) net to (\$189,618) and will be recognized in pension expense as follows:

Year Ending June 30,	Amount
2024	\$ (14,449)
2025	(84,722)
2026	(213,410)
2027	151,186
2028	(28,223)
Thereafter	-
Total	<u>\$ (189,618)</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated February 2, 2023. Oregon PERS produces an independently audited ACFR which can be found at:

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

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

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

LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

**8. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Actuarial Methods and Assumptions:**

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

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

**Assumed Asset Allocation:**

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

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

LANE COUNTY SCHOOL DISTRICT NO. 32  
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NOTES TO THE FINANCIAL STATEMENTS

**8. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Long-Term Expected Rate of Return:**

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in 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.

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

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



LANE COUNTY SCHOOL DISTRICT NO. 32  
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NOTES TO THE FINANCIAL STATEMENTS

**8. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Discount Rate** – The discount rate used to measure the total pension liability as of the measurement dates of June 30, 2022 and 2021 was 6.90 percent, for both years, for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
District’s proportionate share of the net pension liability	\$ 4,221,805	\$ 2,380,610	\$ 839,615

**Changes Subsequent to the Measurement Date**

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

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

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

*Plan Description:*

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

LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

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**8. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

*Pension Benefits:*

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

*Death Benefits:*

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

*Contributions:*

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

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

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

LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

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**9. OTHER POST-EMPLOYMENT BENEFIT PLAN - RHIA**

**Plan Description:**

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

**Funding Policy:**

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

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

LANE COUNTY SCHOOL DISTRICT NO. 32  
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NOTES TO THE FINANCIAL STATEMENTS

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

At June 30, 2023, the District reported a net OPEB asset of \$37,828 for its proportionate share of the net OPEB asset. The OPEB asset was measured as of June 30, 2022, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2020. Consistent with GASB Statement No. 75, paragraph 59(a), the District’s proportion of the net OPEB asset is determined by comparing the employer’s actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement dates of June 30, 2022 and 2021, the District’s proportion was 0.011 percent and 0.015 percent, respectively. OPEB income for the year ended June 30, 2023 was \$275.

Employer’s proportionate share of collective system OPEB Expense/(Income)	\$	(5,664)
Net amortization of employer-specific deferred amounts from:		
Changes in proportionate share (per paragraph 64 of GASB 75)		6,199
Differences between employer contributions and employer’s proportionate share of system contributions (per paragraph 65 of GASB 75)		-
<b>Employer’s Total OPEB Expense/(Income)</b>	<b>\$</b>	<b>535</b>

**Components of Deferred Outflows/Inflows of Resources:**

	Deferred Outflow of Resources	Deferred Inflow of Resource
Difference between expected and actual experience	\$ -	\$ 1,025
Changes in assumptions	296	1,261
Net difference between projected and actual earnings on pension plan investments	-	2,885
Net changes in proportionate share	10,419	-
Differences between District contributions and proportionate share of contributions	-	-
Subtotal - Amortized Deferrals (below)	10,715	5,171
District contributions subsequent to measurement date	-	-
Deferred outflow (inflow) of resources	\$ 10,715	\$ 5,171

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

Subtotal amounts related to OPEB as deferred outflows of resources, \$10,715, and deferred inflows of resources, (\$5,171), net to \$5,544 and will be recognized in OPEB income as follows:

Year Ending June 30,	Amount
2024	\$ 5,737
2025	704
2026	(1,821)
2027	924
2028	-
Thereafter	-
Total	\$ 5,544

LANE COUNTY SCHOOL DISTRICT NO. 32  
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NOTES TO THE FINANCIAL STATEMENTS

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

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

<https://www.oregon.gov/pers/EMP/Documents/GASB/2022/GASB-75-RHIA-2022.pdf>

**Actuarial Methods and Assumptions:**

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

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

**Discount Rate:**

The discount rate used to measure the total OPEB liability as of the measurement date of June 30, 2022 and June 30, 2021 was 6.90 percent for both years. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability (asset).

LANE COUNTY SCHOOL DISTRICT NO. 32  
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NOTES TO THE FINANCIAL STATEMENTS

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

**Long-Term Expected Rate of Return:**

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

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

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

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

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
District’s proportionate share of the net OPEB liability (asset)	\$ (34,094)	\$ (37,828)	\$ (41,030)

**Changes Subsequent to the Measurement Date**

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

LANE COUNTY SCHOOL DISTRICT NO. 32  
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NOTES TO THE FINANCIAL STATEMENTS

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**10. OTHER POST-EMPLOYMENT BENEFIT PLAN - IMPLICIT HEALTH SUBSIDY**

**Plan Description**

The District provides subsidized health benefits to retirees under age 65, as required by ORS 243.303. The plan provides postretirement healthcare benefits for eligible retirees and their dependents through the District's group health insurance plans. The plan covers both active and retired participants. As of the actuarial valuation date, there were 23 active participants and no retirees in the ORS allowed plan 243.303 which states, in part, that for the purposes of establishing healthcare premiums, the calculated rate must be based on the cost of all plan members, including both active employees and retirees. Because claim costs are generally higher for retiree groups than for active employees, the premium amount does not represent the full cost of coverage for retirees. The resulting additional cost, or implicit subsidy, is required to be valued under GASB Statement 75 related to Other Post-Employment Benefits (OPEB). Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations of the OPEB plan reflect a long-term perspective.

**Funding Policy**

The District has not established a trust fund to finance the cost of Post-employment Health Care Benefits related to implicit rate subsidies. Premiums are paid by retirees based on the rates established for active employees. Additional costs related to an implicit subsidy are paid by the District on a pay-as-you go basis in all funds. There is no obligation on the part of the District to fund these benefits in advance.

**Net Other Post-employment Benefit Liability**

The net other post-employment benefit liability (NOL) was measured as of June 30, 2021, and the total other post-employment benefit liability was determined by an actuarial valuation as of July 1, 2021.

At June 30, 2021, the following employees were covered by the benefit terms:

Active participants	20
Inactive participants or beneficiaries receiving benefits	<u>0</u>
	<u>20</u>

**Actuarial Methods and Assumptions**

The District engaged an actuary to perform a valuation as of July 1, 2021 using the Entry age normal, level percent of salary Actuarial Cost Method.

LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

**10. OTHER POST-EMPLOYMENT BENEFIT PLAN - IMPLICIT HEALTH SUBSIDY (CONTINUED)**

The total other post-employment benefit liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	July 1, 2021
Actuarial Cost method	Entry Age Normal, level percent of salary
Investment Return assumption (Interest discount)	2.25% per year, based on all years discounted at municipal bond rate (based on Bond Buyer 20-Bond General Obligation Index as of the date of this report)
Plan participation	40% assumed will elect coverage at retirement if eligible for District paid insurance
Medical premium annual trend rate	3.5% in 2021 and fluctuating between 4.5% and 6.0% thereafter
Inflation rate	2.0% per year
Annual salary rate increase	3.0% per year
Health care Premium	
Beginning in 2018 a 40% excise tax will be imposed under the affordable care act on employers if the aggregate value of medical coverage exceeds a threshold limit. This excise tax is not included in the calculations because it is believed to be immaterial in regard to the OPEB plan	

Mortality rates were based on the Pub-2010 teachers table, separate Employee/Healthy Annuitant, sex distinct, generational. Improvement scale was Unisex Social Security Data Scale (60 year average), Active employee/retiree adjustments was set back 12 months for males, no setback for females.

Turnover rates were based on percentages developed for the valuation of benefits under Oregon PERS and vary by years of service.

Disability rates were based on percentages developed for the valuation of benefits under Oregon PERS and vary by employee age.

Retirement rates were based on percentages developed for the valuation of benefits under Oregon PERS and vary by age and years of service. Of the active employees potentially eligible to receive District-paid health benefits, 40% of those currently enrolled are assumed to be enrolled at retirement and 70% of those retirees are assumed to cover a spouse, as well. Current and future retirees are assumed to remain enrolled in the plans in which they are currently enrolled, with a 2.0% assumed drop rate per year. There was an assumption of no impact of dependent children on the implicit subsidy.

The discount rate used to measure the total pension and total other post-employment benefit liabilities was 2.25%, based on all years discounted at the municipal bond rate.



LANE COUNTY SCHOOL DISTRICT NO. 32  
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NOTES TO THE FINANCIAL STATEMENTS

**10. OTHER POST-EMPLOYMENT BENEFIT PLAN - IMPLICIT HEALTH SUBSIDY (CONTINUED)**

**Changes in the Net Other Post-employment Benefit Liability**

	<u>Total OPEB Liability</u>
Total OPEB Liability Balance 6/30/2022	<u>\$ 26,021</u>
Changes for the Year	
Service Cost	3,659
Interest	668
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of Assumptions or other input	-
Benefit payments	-
Net Change in total OPEB liability	<u>4,327</u>
Total OPEB Liability Balance 6/30/2023	<u>\$ 30,348</u>

**Sensitivity of the Net Other Post-employment Benefit Liability to changes in the discount and trend rates**

The following presents the net other post-employment benefit liability (NOL) of the District, calculated using the discount rate of 2.25 percent, as well as what the District's NOL would be if it was calculated using a discount rate that is 1-percentage-point lower (1.25 percent) or 1-percentage-point higher (3.25 percent) than the current rate:

	<u>1% Lower 1.25%</u>	<u>Current Discount Rate 2.25%</u>	<u>1% Higher 3.25%</u>
Total OPEB Liability	\$ 32,895	\$ 30,348	\$ 27,968

The following presents the net other post-employment benefit liability (NOL) of the District, calculated using the trend rate of 5.0 percent graded up to 6 percent, as well as what the District's NOL would be if it was calculated using a trend rate that is 1-percentage-point lower (4.0 percent graded up to 5%) or 1-percentage-point higher (6.0 percent graded up to 7.0%) than the current rate:

	<u>1% Lower</u>	<u>Current Healthcare Trend Rates</u>	<u>1% Higher</u>
Total OPEB Liability	\$ 26,273	\$ 30,348	\$ 35,321

LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

**10. OTHER POST-EMPLOYMENT BENEFIT PLAN - IMPLICIT HEALTH SUBSIDY (CONTINUED)**

**Other Post-employment benefits Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Other Post-employment Benefits**

For the year ended June 30, 2023, the District recognized Other Post-employment Benefit expense of \$3,797.

At June 30, 2023, the District reported deferred outflows and deferred inflows of resources, related to Other Postemployment benefits from the following sources:

<u>Deferral Source</u>	<u>Deferred Outflows of resources</u>	<u>Deferred Inflows of resources</u>
Differences between expected & actual experience	\$ -	\$ 642
Changes of assumptions or other inputs	1,527	1,428
Contribution subsequent to the measure date	489	-
Totals	<u>\$ 2,016</u>	<u>\$ 2,070</u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB liability in the fiscal year ending June 30, 2024. Subtotal amounts reported as deferred outflows of \$2,016 and deferred inflows of (\$2,070), net to (\$543) and will be recognized in Other Post-employment benefit expense as follows:

Year ended June 30,	
2024	\$ (41)
2025	(41)
2026	(41)
2027	(41)
2028	(41)
Thereafter	<u>(338)</u>
Total	<u>\$ (543)</u>

**11. RISK MANAGEMENT**

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

LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

**12. LEASE LIABILITY (RIGHT-TO-USE-ASSET)**

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

On 07/02/2020 the District entered into a 60 month lease as Lessee for the use of a Sharp Copier. An initial lease liability was recorded in 2021-22 with the implementation of GASB 87 in the amount of \$9,433. As of 06/30/2023, the value of the lease liability is \$4,826. The District is required to make a monthly fixed payment of \$221. The lease has an interest rate of 5.00%. The value of the right to use asset as of 06/30/2023 is \$9,433 with accumulated amortization of \$4,818.

	<u>Outstanding 7/1/2022</u>	<u>Issued</u>	<u>Matured and Redeemed</u>	<u>Outstanding 6/30/2023</u>	<u>Due Within One Year</u>
Equipment	\$ 7,167	\$ -	\$ 2,341	\$ 4,826	\$ 2,461
Total	<u>\$ 7,167</u>	<u>\$ -</u>	<u>\$ 2,341</u>	<u>\$ 4,826</u>	<u>\$ 2,461</u>

Year Ended	<u>June 30,</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 2,461	\$ 185	
2025	2,365	60	
	<u>\$ 4,826</u>	<u>\$ 245</u>	

**13. RIGHT TO USE ASSET**

The right to use asset applies to the lease disclosure in Note 12.

	<u>Balance 7/1/2022</u>	<u>Additions</u>	<u>Balance 6/30/2023</u>
<b><u>Right-to-Use Asset</u></b>			
Equipment	\$ 9,433	\$ -	\$ 9,433
Total	<u>9,433</u>	<u>-</u>	<u>9,433</u>
<b><u>Accumulated Amortization</u></b>			
Equipment	2,409	2,409	4,818
Total	<u>2,409</u>	<u>2,409</u>	<u>4,818</u>
Net Right-to-Use Assets	<u>\$ 7,024</u>		<u>\$ 4,615</u>

LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

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**14. COMMITMENTS AND CONTINGENCIES**

A substantial portion of operating funding is received from the State of Oregon. State funding is determined through state wide revenue projections that are paid to individual District districts based on pupil counts and other factors in the state school fund revenue formula. Since these projections and pupil counts fluctuate they can cause increases or decreases in revenue. Due to these future uncertainties at the state level, the future effect on operations cannot be determined.

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

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

**15. INTERFUND TRANSFERS AND BALANCES**

There were no interfund balances at year end. Interfund transfer amounts during the fiscal year were comprised of the following:

	<u>Transfers Out</u>	<u>Transfers In</u>
General Fund	\$ 150,000	\$ -
Special Revenue	-	150,000
	<u>\$ 150,000</u>	<u>\$ 150,000</u>

Interfund transfers are used to pay administrative services and provide operational resources.

**16. TAX ABATEMENTS**

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

**LANE COUNTY SCHOOL DISTRICT NO. 32**  
**LANE COUNTY, OREGON**

**REQUIRED SUPPLEMENTARY INFORMATION**

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LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

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

GENERAL FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FROM FINAL BUDGET</u>
<b>REVENUES</b>				
Local Sources	\$ 809,327	\$ 809,327	\$ 925,559	\$ 116,232
Intermediate Sources	43,950	43,950	57,134	13,184
State Sources	<u>2,012,793</u>	<u>2,012,793</u>	<u>2,183,171</u>	<u>170,378</u>
Total Revenue	<u>2,866,070</u>	<u>2,866,070</u>	<u>3,165,864</u>	<u>299,794</u>
<b>EXPENDITURES</b>				
Instruction	1,477,347	1,477,347 (1)	1,396,183	81,164
Support Services	<u>1,378,696</u>	<u>1,378,696 (1)</u>	<u>1,442,295</u>	<u>(63,599)</u>
Total Expenditures	<u>2,856,043</u>	<u>2,856,043</u>	<u>2,838,478</u>	<u>17,565</u>
Excess of Revenues Over (Under) Expenditures	10,027	10,027	327,386	317,359
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds From Sale of Assets	1,000	1,000	12,973	11,973
Transfers Out	<u>(150,000)</u>	<u>(150,000) (1)</u>	<u>(150,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(149,000)</u>	<u>(149,000)</u>	<u>(137,027)</u>	<u>11,973</u>
Net Change in Fund Balance	(138,973)	(138,973)	190,359	329,332
Beginning Fund Balance	<u>2,216,934</u>	<u>2,216,934</u>	<u>2,127,023</u>	<u>(89,911)</u>
Ending Fund Balance	<u>\$ 2,077,961</u>	<u>\$ 2,077,961</u>	<u>\$ 2,317,382</u>	<u>\$ 239,421</u>

(1) Appropriation level

LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

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

SPECIAL REVENUE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FROM FINAL BUDGET
<b>REVENUES</b>				
Local Sources	\$ 41,450	\$ 41,450	\$ 12,894	\$ (28,556)
Intermediate Sources	12,800	12,800	19,150	6,350
State Sources	255,870	255,870	689,896	434,026
Federal Sources	<u>525,335</u>	<u>525,335</u>	<u>456,739</u>	<u>(68,596)</u>
Total Revenues	<u>835,455</u>	<u>835,455</u>	<u>1,178,679</u>	<u>343,224</u>
<b>EXPENDITURES</b>				
Instruction	352,865	352,865 (1)	563,084	(210,219)
Support Services	501,171	501,171 (1)	314,997	186,174
Enterprise and Community Services	118,995	118,995 (1)	121,175	(2,180)
Facilities Acquisition Request	<u>150,000</u>	<u>150,000 (1)</u>	<u>126,778</u>	<u>23,222</u>
Total Expenditures	<u>1,123,031</u>	<u>1,123,031</u>	<u>1,126,034</u>	<u>(3,003)</u>
Excess of Revenues Over (Under) Expendi	(287,576)	(287,576)	52,645	346,227
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	<u>150,000</u>	<u>150,000 (1)</u>	<u>150,000 (2)</u>	<u>-</u>
Total Other Financing Sources	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	<u>-</u>
Net Change in Fund Balance	(137,576)	(137,576)	202,645	340,221
Beginning Fund Balance	<u>853,000</u>	<u>853,000</u>	<u>737,063</u>	<u>(115,937)</u>
Ending Fund Balance	<u>\$ 715,424</u>	<u>\$ 715,424</u>	<u>\$ 939,708</u>	<u>\$ 224,284</u>

(1) Appropriation level

(2) Included in this transfer from the General Fund is the required state revenue match the District must transfer \$725 for National School Lunch Support in order to meet the general cash assistance match.



LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS**  
June 30, 2023

Annual OPEB Cost and Net OPEB Obligation relating to Early Retirement Plan: Healthcare

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

Year Ended June 30,	Total OPEB Liability - Beginning	Service Cost	Interest	Changes of Benefit Terms	Changes of Assumptions	Differences Between Expected and Actual	Benefit Payments	Total OPEB Liability - End of Year	Estimated Covered Payroll	Total OPEB Liability as a % of Covered Payroll
2023	\$ 26,021	\$ 3,659	\$ 668	\$ -	\$ -	\$ -	\$ -	\$ 30,348	\$ 1,157,312	3%
2022	24,657	3,739	635	-	(1,836)	(826)	(348)	26,021	1,123,604	2%
2021	18,659	2,950	756	-	2,292	-	-	24,657	1,144,462	2%
2020	15,178	2,850	631	-	-	-	-	18,659	1,105,760	2%

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

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.

LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION  
June 30, 2023

**PERS**

**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) Employer's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.016 %	\$ 2,380,610	\$ 1,855,322	128.3 %	84.5 %
2022	0.016	1,969,545	1,656,964	118.9	87.6
2021	0.016	3,528,975	1,553,105	227.2	75.8
2020	0.018	3,037,579	1,524,771	199.2	80.2
2019	0.017	2,611,035	1,372,132	190.3	82.1
2018	0.020	2,632,185	1,337,826	196.8	83.1
2017	0.022	3,325,857	1,292,375	257.3	80.5
2016	0.027	1,564,706	1,349,278	116.0	91.9
2015	0.030	(676,515)	1,276,094	(53.0)	103.6
2014	0.030	1,523,066	1,511,738	100.7	92.0

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

**SCHEDULE OF CONTRIBUTIONS**

	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2023	\$ 454,677	\$ 454,677	\$ -	\$ 1,841,618	24.7 %
2022	412,792	412,792	-	1,855,322	22.2
2021	452,877	452,877	-	1,656,964	27.3
2020	419,126	419,126	-	1,553,105	27.0
2019	379,170	379,170	-	1,524,771	24.9
2018	333,682	333,682	-	1,372,132	24.3
2017	253,064	253,064	-	1,337,826	18.9
2016	256,028	256,028	-	1,292,375	19.8
2015	289,375	289,375	-	1,349,278	21.4
2014	276,038	276,038	-	1,276,094	21.6

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.

LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION  
June 30, 2023

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

Year Ended June 30,	(a) Employer's proportion of the net OPEB liability (asset) (NOL/(A))	(b) Employer's proportionate share of the net OPEB Liability/ (asset) (NOL/(A))	(c) Employer's covered payroll	(b/c) NOL/(A) as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2023	0.011 %	\$ (37,828)	\$ 1,855,322	(2.0) %	194.6 %
2022	0.015	(53,192)	1,656,964	(3.2)	183.9
2021	0.022	(43,826)	1,553,105	(2.8)	150.1
2020	0.015	(29,684)	1,524,771	(1.6)	144.4
2019	0.012	(13,231)	1,372,132	(1.0)	124.0
2018	0.012	(5,166)	1,337,826	(0.4)	108.9
2017	0.013	3,641	1,292,375	0.3	90.0

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

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

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

**SCHEDULE OF CONTRIBUTIONS FOR RHIA**

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2023	\$ N/A	\$ N/A	\$ N/A	\$ 1,841,618	N/A %
2022	N/A	N/A	N/A	1,855,322	N/A
2021	N/A	N/A	N/A	1,656,964	N/A
2020	N/A	N/A	N/A	1,553,105	N/A
2019	N/A	N/A	N/A	1,524,771	N/A
2018	N/A	N/A	N/A	1,372,132	N/A
2017	N/A	N/A	N/A	1,337,826	N/A

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

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

All statutorily required contributions were made and are included within PERS contributions (see pg. 40).

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**LANE COUNTY SCHOOL DISTRICT NO. 32**  
**LANE COUNTY, OREGON**

**SUPPLEMENTARY INFORMATION**

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LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

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

DEBT SERVICE FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FROM FINAL BUDGET</u>
<b>REVENUES</b>				
Local Sources	\$ 195,925	\$ 195,925	\$ 201,282	\$ 5,357
Total Revenue	<u>195,925</u>	<u>195,925</u>	<u>201,282</u>	<u>5,357</u>
<b>EXPENDITURES</b>				
Debt Service:				
Debt Services	<u>213,939</u>	<u>213,939 (1)</u>	<u>195,888</u>	<u>18,051</u>
Total Expenditures	<u>213,939</u>	<u>213,939</u>	<u>195,888</u>	<u>18,051</u>
Net Change in Fund Balance	(18,014)	(18,014)	5,394	23,408
Beginning Fund Balance	<u>18,014</u>	<u>18,014</u>	<u>28,220</u>	<u>10,206</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,614</u>	<u>\$ 33,614</u>

(1) Appropriation level

LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

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

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED July 1, 2022	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED/ UNSEGREGATED June 30, 2023
<b>ALL FUNDS</b>						
<b>CURRENT</b>						
2022-23	\$ 1,014,394	27,138	(1,315)	244	969,560	\$ 16,625
<b>PRIOR YEARS</b>						
2020-21	16,638	96	(1,079)	477	8,986	6,954
2020-21	8,692	103	(798)	430	4,398	3,823
2019-20	5,655	99	(862)	519	3,818	1,395
2018-19	1,432	(8)	(599)	278	523	596
Prior Years	1,172	(1)	2,102	226	282	3,219
Total Prior	33,589	289	(1,236)	1,930	18,007	15,987
Total	\$ 1,047,983	\$ 27,427	\$ (2,551)	\$ 2,174	\$ 987,567	\$ 32,612

RECONCILIATION OF REVENUE:

Cash Collections by County Treasurer, Above	\$ 987,567
Accrual of Receivables	
June 30, 2023	1,456
June 30, 2022	(3,495)
Changes from Prior year Unavailable Revenue, see page 6	1,062
<b>Total Revenue</b>	<b>\$ 986,590</b>



**MAPLETON SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended June 30, 2023**

<b>Program Title</b>	<b>Pass Through Organization</b>	<b>Federal AL Number</b>	<b>Pass Through Entity Number</b>	<b>Period Covered</b>	<b>Expenditures</b>
<b>U.S. Department of Education:</b>					
Small, Rural School Achievement Program	NA	84.358A	NA	7/1/2022-6/30/2023	\$ 10,750
Title I Grants to Local Educational Agencies	Oregon Department of Education	84.010	72511	7/1/2022-6/30/2023	83,558
<b>Total Title I Grants to Local Education Agencies</b>					<u>83,558</u>
Title II A - Teacher Quality	Oregon Department of Education	84.367	72748	7/1/2022-6/30/2023	11,906
<b>Total Title II A - Teacher Quality</b>					<u>11,906</u>
Special Education -- Grants to States	Oregon Department of Education	84.027	74064	7/1/2022-6/30/2023	53,960
COVID-19 Special Education -- Equipment Grant	Oregon Department of Education	84.027	68419	7/1/2022-6/30/2023	2,682
<b>Total Special Education - Grants to States</b>					<u>56,642</u>
Title IV-A	Oregon Department of Education	84.424	72945	7/1/2022-6/30/2023	10,763
COVID-19 ESSER III - Emergency Relief Fund	Oregon Department of Education	84.425	64925	7/1/2022-6/30/2023	186,557
<b>Total U.S. Department of Education</b>					<u>360,176</u>
<b>U.S. Department of Agriculture:</b>					
<b>Child Nutrition Cluster:</b>					
Donated Commodities (Non-Cash Assistance)	Oregon Department of Education	10.553/555	NA	7/1/2022-6/30/2023	8,160
School Breakfast Program	Oregon Department of Education	10.553	NA	7/1/2022-6/30/2023	25,238
National School Lunch Program	Oregon Department of Education	10.555	NA	7/1/2022-6/30/2023	56,797
Fresh Fruit and Vegetable Program	Oregon Department of Education	10.582	75014	7/1/2022-6/30/2023	4,459
COVID-19 Summer Food Service Program	Oregon Department of Education	10.539	NA	7/1/2022-6/30/2023	7,418
<b>Total Child Nutrition Cluster</b>					<u>102,072</u>
<b>Total U.S. Department of Agriculture</b>					<u>102,072</u>
<b>Total Grants Expended or Passed Through to Subrecipients</b>					<u>462,248</u>
<b>TOTAL FEDERAL FINANCIAL ASSISTANCE</b>					<b>\$ 462,248</b>
<b>Reconciliation to Statement of Revenues, Expenses, and Changes in Fund Balances:</b>					
Federal Expenditures Recognized					\$ 462,248
Accruals / Deferrals					(5,509)
Federal Revenue on Statement of Revenues, Expenses, and Changes in Fund Balances					<u>\$ 456,739</u>

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**LANE COUNTY SCHOOL DISTRICT NO. 32**  
**LANE COUNTY, OREGON**

**OTHER INFORMATION**

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LANE COUNTY SCHOOL DISTRICT NO. 32  
LANE COUNTY, OREGON

SUPPLEMENTAL INFORMATION  
 AS REQUIRED BY THE OREGON DEPARTMENT OF EDUCATION  
 For the Year Ended June 30, 2023

A. ENERGY BILLS FOR HEATING - ALL FUNDS:

	Objects 325, 326 & 327	
Function 2540	\$	98,599
Function 2552		1,598
	<u>\$</u>	<u>100,197</u>

B. REPLACEMENT FOR EQUIPMENT - General Fund:

\$ -

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

Exclude These Functions

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

**2022-23 DISTRICT AUDIT REVENUE SUMMARY**  
**Lane County School District #32**

	FUND						
	000	200	300	400	500	600	700
<b>Revenue from Local Sources</b>							
1110 Ad Valorem Taxes Levied by District	\$ 742,990	\$ -	\$ 266,627	\$ -	\$ -	\$ -	\$ -
1190 Penalties and Interest on Taxes	1,858	-	255	-	-	-	-
1500 Earnings on Investments	75,279	-	-	-	-	-	-
1600 Food Service	-	844	-	-	-	-	-
1700 Extracurricular Activities	1,063	-	-	-	-	-	-
1810 Rentals	5,348	-	-	-	-	-	-
1920 Contributions and Donations From Private Sources	12,859	17,290	-	-	-	-	-
1960 Recovery of Prior Years' Expenditures	9,594	-	-	-	-	-	-
1990 Miscellaneous	19,271	-	-	-	-	-	-
<b>Total Revenue from Local Sources</b>	\$925,559	\$17,894	\$267,242	\$0	\$0	\$0	\$0
<b>Revenue from Intermediate Sources</b>							
2101 County School Funds	\$ 10,855	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2102 General ESD Revenue	45,585	-	-	-	-	-	-
2191 Other Intermediate Sources	714	-	-	-	-	-	-
2200 Restricted Revenue	-	18,150	-	-	-	-	-
<b>Total Revenue from Intermediate Sources</b>	\$57,154	\$18,150	\$0	\$0	\$0	\$0	\$0
<b>Revenue from State Sources</b>							
3101 State School Fund - General Support	\$ 2,340,752	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3102 State School Fund - School Lunch Match	-	725	-	-	-	-	-
3103 Common School Fund	18,781	-	-	-	-	-	-
3104 State Managed County Timber	17,220	-	-	-	-	-	-
3106 State School Fund - Accrual	-	184,588	-	-	-	-	-
3199 Other Unrestricted Grants-in-Aid	5,438	-	-	-	-	-	-
3299 Other Restricted Grants-in-Aid	-	504,605	-	-	-	-	-
<b>Total Revenue from State Sources</b>	\$2,387,191	\$689,896	\$0	\$0	\$0	\$0	\$0
<b>Revenue from Federal Sources</b>							
4500 Restricted Revenue From the Federal Government Through the State	\$ -	\$ 456,739	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Revenue from Federal Sources</b>	\$0	\$456,739	\$0	\$0	\$0	\$0	\$0
<b>Revenue from Other Sources</b>							
6200 Interfund Transfers	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -
6300 Sale of or Compensation for Loss of Fixed Assets	12,873	-	-	-	-	-	-
6400 Resources - Beginning Fund Balance	2,177,023	737,063	28,120	-	-	-	-
<b>Total Revenue from Other Sources</b>	\$2,189,896	\$887,063	\$28,120	\$0	\$0	\$0	\$0
<b>Grand Totals</b>	\$5,305,850	\$2,065,792	\$295,502	\$0	\$0	\$0	\$0

**2022-23 DISTRICT AUDIT EXPENDITURE SUMMARY**  
**Leone County School District R32**

Fund 100

	Object Code									
	Total	000	100	200	300	400	500	600	700	800
<b>Instruction Expenditures</b>										
1111 Elementary, K-5 or K-8	\$ 435,843	\$ -	\$ -	\$ 435,843	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1122 Middle/Junior High School Extracurricular	17,517	-	-	-	17,517	-	-	-	-	-
1131 High School Programs	588,345	-	-	-	-	-	-	588,345	-	-
1132 High School Extracurricular	67,424	-	-	-	-	-	-	67,424	-	-
1250 Less Restrictive Programs for Students with Disabilities	287,254	287,254	-	-	-	-	-	-	-	-
<b>Total Instruction Expenditures</b>	<b>\$1,386,183</b>	<b>\$287,254</b>	<b>\$0</b>	<b>\$435,843</b>	<b>\$17,517</b>	<b>\$0</b>	<b>\$0</b>	<b>\$663,549</b>	<b>\$0</b>	<b>\$0</b>
<b>2100 Health Services</b>	<b>\$ 847</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 430</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 417</b>	<b>\$ -</b>	<b>\$ -</b>
2210 Improvement of Instruction Services	6,572	6,572	-	-	-	-	-	-	-	-
2310 Board of Education Services	34,271	34,271	-	-	-	-	-	-	-	-
2320 Executive Administration Services	74,551	74,551	-	-	-	-	-	-	-	-
2410 Office of the Principal Services	848,870	-	-	252,587	-	-	-	194,402	-	-
2520 Fiscal Services	129,808	129,808	-	-	-	-	-	-	-	-
2540 Operation and Maintenance of Plant Services	477,795	477,795	-	-	-	-	-	-	-	-
2550 Student Transportation Services	348,855	348,855	-	-	-	-	-	-	-	-
2640 Staff Services	783	783	-	-	-	-	-	-	-	-
2660 Technology Services	33,542	33,542	-	-	-	-	-	-	-	-
<b>Total Support Services Expenditures</b>	<b>\$1,442,295</b>	<b>\$1,095,478</b>	<b>\$0</b>	<b>\$131,937</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$194,829</b>	<b>\$0</b>	<b>\$0</b>
<b>Other Uses Expenditures</b>										
5200 Transfers of Funds	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Other Uses Expenditures</b>	<b>\$150,000</b>	<b>\$150,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Grand Total</b>	<b>\$2,978,478</b>	<b>\$1,532,732</b>	<b>\$0</b>	<b>\$567,840</b>	<b>\$17,517</b>	<b>\$0</b>	<b>\$0</b>	<b>\$858,378</b>	<b>\$0</b>	<b>\$0</b>

**2022-23 DISTRICT AUDIT EXPENDITURE SUMMARY**  
**Lane County School District #32**

Fund 200

Instructional Expenditures	Object Code									
	Total	000	100	200	300	400	500	600	700	800
1113 Elementary Educator	\$ 51,187	\$ -	\$ -	\$ 51,187	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1131 High School Programs	76,900	-	-	-	-	-	-	76,900	-	-
1148 Pre-Kindergarten Programs	155,501	-	-	155,501	-	-	-	-	-	-
1250 Less Restrictive Programs for Students with Disabilities	58,861	58,861	-	-	-	-	-	-	-	-
1271 Remediation	21,732	21,732	-	-	-	-	-	-	-	-
1272 Title I	88,557	88,557	-	-	-	-	-	-	-	-
1280 Alternative Education	98,172	98,172	-	-	-	-	-	-	-	-
1298 Other Programs	22,689	22,689	-	-	-	-	-	-	-	-
<b>Total Instruction Expenditures</b>	<b>\$853,084</b>	<b>\$280,096</b>	<b>\$0</b>	<b>\$204,688</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$78,900</b>	<b>\$0</b>
2110 Attendance and Social Work Services	\$ 10,483	\$ 10,483	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2120 Guidance Services	120,018	120,018	-	-	-	-	-	-	-	-
2110 Improvement of Instruction Services	5,159	5,159	-	-	-	-	-	-	-	-
2220 Educational Media Services	10,750	10,750	-	-	-	-	-	-	-	-
2240 Instructional Staff Development	158,185	158,185	-	-	-	-	-	-	-	-
2520 Fiscal Services	19,402	19,402	-	-	-	-	-	-	-	-
<b>Total Support Services Expenditures</b>	<b>\$314,997</b>	<b>\$314,997</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Enterprise and Community Services Expenditures</b>	<b>Total</b>	<b>000</b>	<b>100</b>	<b>200</b>	<b>300</b>	<b>400</b>	<b>500</b>	<b>600</b>	<b>700</b>	<b>800</b>
3100 Fuel Services	\$ 121,175	\$ 121,175	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Enterprise and Community Services Expenditures</b>	<b>\$121,175</b>	<b>\$121,175</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Facilities Acquisition and Construction Expenditures</b>	<b>Total</b>	<b>000</b>	<b>100</b>	<b>200</b>	<b>300</b>	<b>400</b>	<b>500</b>	<b>600</b>	<b>700</b>	<b>800</b>
4180 Building Acquisition, Construction, and Improvement Services	\$ 126,776	\$ 126,776	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4180 Other Capital Items	-	-	-	-	-	-	-	-	-	-
<b>Total Facilities Acquisition and Construction Expenditures</b>	<b>126,776</b>	<b>126,776</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$0</b>	<b>\$0</b>
<b>Grand Total</b>	<b>\$1,126,034</b>	<b>\$841,046</b>	<b>\$0</b>	<b>\$206,688</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$78,900</b>	<b>\$0</b>



**2022-23 DISTRICT AUDIT EXPENDITURE SUMMARY**  
**Lane County School District #32**

Fund: 200

**Object Code**

**Other Uses Expenditures**

5100 Debt Service

Total Other Uses Expenditures

Grand Total

Total	000	100	200	300	400	500	600	700
\$ 195,888	\$ 195,888	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$195,888	\$195,888	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$195,888	\$195,888	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**2022-23 DISTRICT AUDIT EXPENDITURE SUMMARY**  
**Lane County School District #32**

Fund: All

	Object Code								
	Total	000	100	200	300	400	500	600	700
<b>Instruction Expenditures</b>									
1111 Elementary, K-5 or K-6	\$ 435,843	\$ -	\$ -	\$ 435,843	\$ -	\$ -	\$ -	\$ -	\$ -
1113 Elementary Extracurricular	51,187	-	-	51,187	-	-	-	-	-
1122 Middle/Junior High School Extracurricular	17,517	-	-	-	17,517	-	-	-	-
1331 High School Programs	658,445	-	-	-	-	-	-	658,445	-
1131 High School Extracurricular	67,424	-	-	-	-	-	-	67,424	-
1140 Pre-K/Kindergarten Programs	155,501	-	-	155,501	-	-	-	-	-
1250 Less Restrictive Programs for Students with Disabilities	341,215	341,215	-	-	-	-	-	-	-
1271 Remediation	21,732	21,732	-	-	-	-	-	-	-
1274 Title I	83,557	83,557	-	-	-	-	-	-	-
1280 Alternative Education	98,177	98,177	-	-	-	-	-	-	-
1295 Other Programs	22,689	22,689	-	-	-	-	-	-	-
<b>Total Instruction Expenditures</b>	<b>\$1,959,267</b>	<b>\$567,350</b>	<b>\$0</b>	<b>\$642,531</b>	<b>\$17,517</b>	<b>\$0</b>	<b>\$0</b>	<b>\$733,609</b>	<b>\$0</b>
<b>2110 Attendance and Social Work Services</b>	<b>\$ 10,483</b>	<b>\$ 10,483</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
2120 Guidance Services	120,018	120,018	-	-	-	-	-	-	-
2130 Health Services	847	-	-	430	-	-	-	417	-
2210 Improvement of Instruction Services	33,732	33,732	-	-	-	-	-	-	-
2130 Educational Media Services	10,750	-	-	-	-	-	-	-	-
2140 Instructional Staff Development	349,185	349,185	-	-	-	-	-	-	-
2110 Board of Education Services	24,271	24,271	-	-	-	-	-	-	-
2120 Executive Administration Services	74,551	74,551	-	-	-	-	-	-	-
2410 Office of the Principal Services	145,870	-	-	111,667	-	-	-	134,408	-
2520 Plant Services	139,010	139,010	-	-	-	-	-	-	-
2540 Operation and Maintenance of Plant Services	477,795	477,795	-	-	-	-	-	-	-
2550 Student Transportation Services	148,355	148,355	-	-	-	-	-	-	-
2640 Staff Services	783	783	-	-	-	-	-	-	-
2660 Technology Services	10,542	10,542	-	-	-	-	-	-	-
<b>Total Support Services Expenditures</b>	<b>\$1,757,292</b>	<b>\$1,410,175</b>	<b>\$0</b>	<b>\$151,997</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$194,820</b>	<b>\$0</b>
<b>Enterprise and Community Services Expenditures</b>									
3100 Food Services	\$ 121,175	\$ 121,175	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Enterprise and Community Services Expenditures</b>	<b>\$121,175</b>	<b>\$121,175</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Facilities Acquisition and Construction Expenditures</b>									
4150 Building Acquisition, Construction, and Improvement Services	\$ 126,778	\$ 126,778	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Facilities Acquisition and Construction Expenditures</b>	<b>\$126,778</b>	<b>\$126,778</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Other Uses Expenditures</b>									
5100 Debt Service	\$ 195,000	\$ 195,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5280 Transfers of Funds	150,000	150,000	-	-	-	-	-	-	-
<b>Total Other Uses Expenditures</b>	<b>\$345,000</b>	<b>\$345,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Grand Total</b>	<b>\$4,310,400</b>	<b>\$2,571,666</b>	<b>\$0</b>	<b>\$794,528</b>	<b>\$17,517</b>	<b>\$0</b>	<b>\$0</b>	<b>\$828,429</b>	<b>\$0</b>

**LANE COUNTY SCHOOL DISTRICT NO. 32**  
**LANE COUNTY, OREGON**

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

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**PAULY, ROGERS, AND CO., P.C.**  
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www.paulyrogersandcocpas.com

November 28, 2023

### **Independent Auditors' Report Required by Oregon State Regulations**

We have audited the basic financial statements of Lane County School District No. 32 as of and for the year ended June 30, 2023, and have issued our report thereon dated November 28, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards.

#### **Compliance**

As part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised 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 the basic financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

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

In connection with our testing nothing came to our attention that caused us to believe Lane County School District No. 32 was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations except as follows:

1. Expenditures of the various funds were within authorized appropriations except as noted on page 13 of this report.

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

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

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



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