

Nestucca Valley School District

Nestucca High School

34660 Parkway Drive ♦ Cloverdale, Oregon 97112 ♦ (503) 392-3194

Board of Director's Meeting

March 8, 2023

6:00 pm - Public Session

Join Zoom Meeting

<https://us02web.zoom.us/j/84922359569?pwd=SS9IMINuekJPbnRkRnJzZVR1b1hmQT09>

Meeting ID: 849 2235 9569

Passcode: 226555

AGENDA

The Nestucca Valley School Board encourages public input. Persons wishing to address the Board on school related issues, are invited to do so, either when the item is presented on the agenda, or under the "Public Comments" section. In the interest of time and order, presentations from the public are limited to three (3) minutes per person, and the total time for individual agenda items shall not exceed twenty (20) minutes. An individual speaker's allotted time may not be increased by a donation of time from members of the public in attendance. If you wish to speak under Public Comments, please complete a Public Comment Form and turn it in to the Assistant to the Superintendent. The Board requests complaints or charges against an employee be held in Executive Session. Individuals who require disability-related accommodations or modifications to participate in the Board meeting should contact the Superintendent in writing prior to the meeting.

1.0 OPENING OF PUBLIC SESSION—High School Cafeteria 6:00 pm

1.1 Public Session Call To Order

1.2 Flag Salute

1.3 Attendance:

___ Linda Fielder Board Vice Chair

___ Bill Hagerty

___ Diane Boisa

___ Shane Stuart-Board Chair

___ Joseph Boyd

___ Misty Wharton, Superintendent

___ Ken Richwine, High School Principal

___ Chad Holloway, Administrator of Facilities and Alternative Education

___ Megan Kellow, Special Programs Administrator

___ Kristina Albin, K8 Director

Approval of Agenda –March 8, 2023

Recommendation: Approval of Agenda

MOTION: _____ 2nd: _____ AYES: _____ NOES: _____ ABSTAIN: _____

2.0 COMMUNITY/SCHOOL PRESENTATIONS

Student Presentation

Pauly, Rogers and Co., P.C. to report on the 2021-2022 Nestucca Valley School District Annual Audit- Brad Turano (Attachment 2.1)

Career Technical Education Exploratory Course- Ken Richwine and Chad Holloway

3.0 PUBLIC COMMENT

***Opportunity for Citizens to address items not on the Agenda. Persons wishing to address the Board on any school related issue not listed elsewhere on the agenda are invited to do so now. Board Members are limited, but not required, to give a brief response to public statements or questions regarding non-agenda items.*

4.0 CONSENT AGENDA—consolidated motion

***The purpose of the Consent Agenda is to expedite action on routine agenda items. These items will be acted upon with one motion, second and approval of the Board, unless a member of the board or public wishes to pull the item for individual discussion and action. All matters listed under Consent Agenda are those on which the board has previously deliberated or can be classified as routine items of business. **There will be no separate discussion of these items prior to the vote by the Board unless members of the Board, staff, or public request specific items to be discussed or pulled from the Consent Agenda.** Members of the public who wish to speak on an item must first fill out a public comment card.*

- 4.1 Board Minutes from February 8, 2023 (Attachment 4.1)
- 4.2 February 2023 Financial Report (Attachment 4.2)
- 4.3 Ratification of Employment (Attachment 4.3)
- 4.4 Licensed Contract Renewal (Attachment 4.4)

MOTION: _____ 2nd: _____ AYES: _____ NOES: _____ ABSTAIN: _____

5.0 ACTION /DISCUSSION

5.1 Action: Recommendation: Approve -For the 2023-2024 school year, the Nestucca Valley School District will be a closed district, granting ten out-of-district transfer spots.

Explanatory Statement: This has been our past practice for the last seven years and serves our district well.

MOTION: _____ 2nd: _____ AYES: _____ NOES: _____ ABSTAIN: _____

5.2 Action: Recommendation: Approve -The Integrated Guidance Plan, draft, as proposed for 2023-2025 Biennium (Attachment 5.2)

Explanatory Statement: This must be submitted to the Oregon Department of Education by March 31, 2023. Our planning team has spent the last year and a half working with all stakeholders to seek input to consider when conducting our needs assessment as a district. As seen by the attached plan all members of the community aligned in identifying what they feel is the greatest need for our school district- Social Emotional Health, Behavior intervention, 9th grade on track, drop out prevention, and early academic exposure and intervention.

MOTION: _____ 2nd: _____ AYES: _____ NOES: _____ ABSTAIN: _____

6.0 INFORMATION/ DIRECTOR QUESTIONS

6.1 Admin Reports (Attachment 6.1)

6.2 Board of Directors Update

6.3 Cycle Oregon

7.0 FURTHER BUSINESS

8.0 ADJOURNMENT

Any documents that are public records and are provided attachments to public session items on this agenda are accessible to the public on the District's Website, with the exception of documents provided at the time of the meeting. Documents that are public records, and are provided at the time of the meeting to a majority of the Board regarding a public session item, will be made available for public inspection upon request to the Superintendent's Assistant.

NESTUCCA VALLEY SCHOOL DISTRICT NO.101J
TILLAMOOK COUNTY, OREGON

COMMUNICATION TO THE GOVERNING BODY

FOR THE YEAR ENDED JUNE 30, 2022



12700 SW 72nd Ave.
Tigard, OR 97223



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November 12, 2022

To the Board of Directors
Nestucca Valley School District
Tillamook County, Oregon

We have audited the basic financial statements of the governmental activities and each major fund of Nestucca Valley School District (the District) for the year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Purpose of the Audit

Our audit was conducted using sampling, inquiries and analytical work to opine on the fair presentation of the basic financial statements and compliance with:

- generally accepted accounting principles and auditing standards
- the Oregon Municipal Audit Law and the related administrative rules
- federal, state and other agency rules and regulations related to expenditures of federal awards

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the basic financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the basic financial statements does not relieve you or management of your responsibilities. Our engagement letter details our nonaudit services we provide; these services do not constitute an audit under Government Auditing Standards.

In planning and performing our audit, we considered internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the basic financial statements and not to provide assurance on the internal control over financial reporting. We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance.

As part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of the basic financial statement amounts. However, providing an opinion on compliance with those provisions is not an objective of our audit. Also in accordance with the Uniform Guidance, we examined, on a test basis, evidence about compliance with the types of compliance requirements described in the OMB's Compliance Supplement applicable to each of the major federal programs for the purpose of expressing an opinion on compliance with those requirements. While our audit provided a reasonable basis for our opinion, it does not provide a legal determination on compliance with those requirements.

Our responsibility for the supplementary information accompanying the basic financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the basic

financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Planned Scope and Timing of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; therefore, our audit involved judgment about the number of transactions examined and the areas to be tested.

Our audit included obtaining an understanding of the District and its environment, including internal control, sufficient to assess the risks of material misstatement of the basic financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the District or to acts by management or employees acting on behalf of the District. We also communicated any internal control related matters that are required to be communicated under professional standards.

Results of Audit

1. Audit opinion letter - an unmodified opinion on the basic financial statements has been issued. This means we have given a “clean” opinion with no reservations.
2. State minimum standards – We found no exceptions or issues requiring comment.
3. Federal Awards - We found no issues of non-compliance and no questioned costs. We have responsibility to review these programs and give our opinion on the schedule of expenditures of federal awards, and tests of the internal control system, compliance with laws and regulations, and general and specific requirements mandated by the various awards.
4. Management letter – No separate management letter was issued.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used are described in Note 1 to the basic financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2022, except for the implementation of GASB Statement No. 87 *Leases*. We noted no transactions entered into during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the basic financial statements in the proper period.

Accounting estimates are an integral part of the basic financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the basic financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most significant estimates in the basic financial statements Management’s estimates of receivables, PERS pension liabilities and deferrals, OPEB Health Insurance and RHIA liabilities/assets and deferrals, capital asset depreciation, and the fair market value of investments, which are based on estimated collectability of receivables, actuarial assumptions, useful lives of assets, and active market values or significant observable inputs. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the basic financial statements taken as a whole.

Pauly, Rogers and Co., P.C.
November 12, 2022

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The basic financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements or determined that their effects are immaterial. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, taken as a whole. There were immaterial uncorrected misstatements noted during the audit which were discussed with management. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even if, in our judgment, such uncorrected misstatements are immaterial to the basic financial statements under audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the basic financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the basic financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards with management each year prior to our retention as the auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Required Supplementary Information

We applied certain limited procedures to the required supplementary information that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the required supplementary information and do not express an opinion or provide any assurance on it, except for the budgetary fund statements included in the required supplementary information.

Supplementary Information

We were engaged to report on the supplementary information, which accompany the basic financial statements but are not required supplementary information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the basic financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves.

Other Information

We were not engaged to report on the other information as listed in the table of contents, or the listing of board members, located before the table of contents, which accompanies the basic financial statements but is not required supplementary information. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Matters – Future Accounting and Auditing Issues

In order to keep you aware of new auditing standards issued by the American Institute of Certified Public Accountants and accounting statements issued by the Governmental Accounting Standards Board (GASB), we have prepared the following summary of the more significant upcoming issues:

GASB 91 – CONDUIT DEBT OBLIGATIONS

This Statement is effective for fiscal years beginning after December 15, 2021, as extended by GASB 95. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

GASB 96 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The effective date for this Statement is for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA.

GASB 97 – CERTAIN COMPONENT UNIT CRITERIA, AND ACCOUNTING AND FINANCIAL REPORTING FOR INTERNAL REVENUE CODE SECTION 457 DEFERRED COMPENSATION PLANS – AN AMENDMENT OF GASB 14 & 84, AND A SUPERSESSION OF GASB 32

The requirements of this Statement that (1) exempt primary governments that perform the duties that a governing board typically performs from treating the absence of a governing board the same as the appointment of a voting majority of a governing board in determining whether they are financially accountable for defined

contribution pension plans, defined contribution OPEB plans, or other employee benefit plans and (2) limit the applicability of the financial burden criterion in paragraph 7 of Statement 84 to defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement 67 or paragraph 3 of Statement 74, respectively, are effective immediately. The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021.

The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

GASB 99 – OMNIBUS 2022

The requirements of this Statement that are effective as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.
- The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

Best Practices – Not Significant Deficiencies

1. Fidelity Insurance Coverage (Employee Honesty)

In reviewing fidelity insurance coverage we noticed that the District often carries cash and investment balances in excess of the insurance coverage amount. We recommend that the Board examine this exposure risk and make a determination as to the amount of insurance coverage they feel is prudent in regard to their oversight.

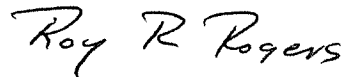
2. 403(b) Compliance Requirements

The Internal Revenue Service (IRS) has published 403(b) regulations providing guidance on several administrative compliance requirements. A third party has been contracted with to outsource compliance with these requirements. Noncompliance subjects the District to potential penalties and fines. Since the third party provider does not provide the District with a SSAE 16 service provider report or internal control report covering their operations, we recommend that the District monitor current practices to determine

Pauly, Rogers and Co., P.C.
November 12, 2022

compliance with accountability requirements for the Section 403(b) plan and consider the sufficiency of documentation received from the third party vendor to reduce the District risks in this area. The District should also consider being named as an additional insured on the vendors' insurance policies.

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

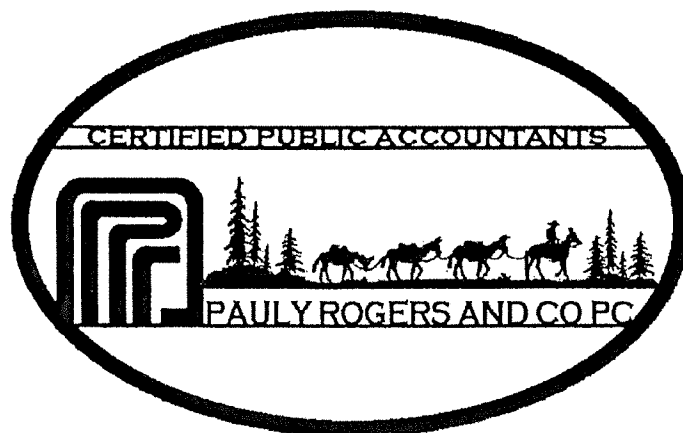
A handwritten signature in cursive script that reads "Roy R. Rogers".

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

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101J
TILLAMOOK COUNTY, OREGON

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2022



12700 SW 72nd Ave.
Tigard, OR 97223

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2022

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NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

BOARD OF DIRECTORS

<u>BOARD OF DIRECTORS</u>	<u>TERM EXPIRES</u>
Bill Hagerty, Chair	June 30, 2023
Linda Fielder	June 30, 2023
Diane Boisa	June 30, 2023
Joseph Boyd	June 30, 2023
Shane Stewart	June 30, 2025

All board members will receive mail at the following address:

36925 Hwy. 101 S.
Cloverdale, Oregon 97112

ADMINISTRATION

Misty Wharton, Superintendent

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NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

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NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

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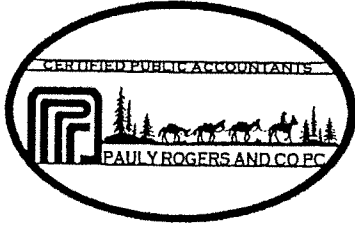
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November 12, 2022

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Nestucca Valley School District No. 101
Cloverdale, Oregon

Opinion

We have audited the accompanying basic financial statements of the governmental activities and each major fund of Nestucca Valley School District No. 101 (the District) as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, the 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, 2022, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Nestucca Valley School District No. 101 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 Districts' 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 management's discussion and analysis, 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 the budgetary statements presented as required supplementary information as listed 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, and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CRF) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as listed in the table of contents, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our reports dated November 12, 2022 on our consideration of the internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of the reports are to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control over financial reporting or on compliance. The reports are an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated November 12, 2022 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, CPA
PAULY, ROGERS AND CO., P.C.

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NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2022

As management of Nestucca Valley School District No. 101 (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2022.

FINANCIAL HIGHLIGHTS

- In the government-wide financial statements, assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at June 30, 2022 by \$9,516,379. Of this amount, \$9,571,561 represents investment in capital assets, net of related debt, \$6,023,779 is restricted for debt service, capital projects, OPEB asset, grants and student activities, and the deficit of \$6,078,961 is unrestricted.
- The District's total net position increased by \$971,763 for the year ended June 30, 2022.
- As of June 30, 2022, the District's governmental funds reported combined ending fund balances of \$7,714,302, a decrease of \$2,060,524 in comparison with the prior year. Approximately 22.0 percent of this total amount, \$1,709,021 is unassigned, available for appropriation at the District's discretion. The remaining fund balances are either nonspendable or restricted: \$5,241,399 for use on capital projects, \$350,854 for debt service, \$364,752 for grants and student activities and \$48,276 for prepaids and inventory.
- At June 30, 2022, the General Fund had an unassigned fund balance of \$1,709,021 or 22.3 percent of total General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

The *Statement of Net Position* presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Activities* presents information showing how the District's net position changed during the most recent fiscal year. 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

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2022

that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

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

Governmental activities. The District's basic functions are shown here, such as regular and special education, child nutrition services, transportation, administration, and facilities acquisition and construction. These activities are primarily financed through property taxes, state timber revenues and other intergovernmental revenues.

The government-wide financial statements can be found on pages 1 and 2 of this report.

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

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

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

The basic governmental fund financial statements can be found on pages 3 and 5 of this report.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 7 – 33 of this report.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2022

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *Required Supplementary Information* consisting of schedules detailing ten years of pension (assets) liabilities, pension contributions, other post employment benefits (OPEB) and budget to actual presentations for required major funds. Required supplementary information can be found on pages 34 - 38 of this report.

Supplementary Information presented on pages 39 – 43, includes the budgetary comparisons for the nonmajor funds and schedules of property tax transactions and balances and the schedule of expenditures of federal awards, *Other Information* including schedules and supplemental information required by the Oregon Department of Education and continuing disclosure information can be found on pages 44 – 52.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted previously, net position, over time, may serve as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources by \$9,516,379 as of June 30, 2022. During the 2021-22 fiscal year, the District's total Net Position increased by \$971,763 as compared to the previous year's net position.

Capital assets, which consist of the District's land, buildings, building improvements, vehicles, and equipment, represent about 81 percent of total assets of governmental activities compared to about 76 percent the previous year. Other assets consist of investments, cash and receivables of property taxes and grants.

The District's largest liability (94 percent) is for the repayment of general obligation and limited tax pension obligation bonds and its proportionate share of the net pension liability. Other liabilities, representing about 6 percent of the District's total liabilities, consist principally of payables on accounts and salaries and benefits.

The District's net position includes \$9,571,561 which reflects its investment in capital assets (land, buildings, vehicles, and equipment) less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to students and other district residents; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities. In addition, \$6,023,779 of the District's net position is restricted for debt service, net OPEB asset – RHIA, capital projects, grants and student activities. The remaining balance in net position, a negative \$6,078,961 is unrestricted.

**NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2022**

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101			
NET POSITION			
	Governmental Activities		Increase (Decrease)
	June 30, 2022	June 30, 2021	
ASSETS			
Current and Other Assets	\$ 10,729,837	\$ 12,468,464	\$ (1,738,627)
Capital Assets, net of depreciation	44,766,254	39,148,737	5,617,517
Total Assets	55,496,091	51,617,201	3,878,890
DEFERRED OUTFLOWS OF RESOURCES			
Net Pension Related Deferred Outflows	2,617,614	2,392,867	224,747
OPEB Related Deferred Outflows - Health Ins	19,710	34,976	(15,266)
OPEB Related Deferred Outflows - RHIA	38,529	11,725	26,804
Deferred charge on refunding	458,702	535,153	(76,451)
LIABILITIES			
Current Liabilities	2,742,085	3,669,872	(927,787)
Long-Term Obligations	43,099,646	41,587,735	1,511,911
Total Liabilities	45,841,731	45,257,607	584,124
DEFERRED INFLOWS OF RESOURCES			
Pension Related Deferred Inflows	3,113,760	669,812	2,443,948
OPEB Related Deferred Inflows - Health Ins	129,926	82,718	47,208
OPEB Related Deferred Inflows - RHIA	28,850	37,169	(8,319)
NET POSITION			
Net Investment in Capital Assets	9,571,561	8,822,623	748,938
Restricted for Debt Service	350,854	517,056	(166,202)
Restricted for Grants & Student Activities	364,752	616,358	(251,606)
Restricted for Capital Projects	5,241,399	4,703,042	538,357
Restricted for Net OPEB asset - RHIA	66,774	101,392	(34,618)
Unrestricted	(6,078,961)	(6,215,855)	136,894
Total Net Position	\$ 9,516,379	\$ 8,544,616	\$ 971,763

Governmental activities. Revenues decreased by \$266,870 in 2021-22 compared to the previous year primarily due to a decrease in investment income as well as a reduction in timber revenue.

Expenditure decreases are primarily attributed to the capital construction projects winding down.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2022

The key elements of the change in the District's net position for the years ended June 30, 2022 and June 30, 2021 are as follows:

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101			
CHANGES IN NET POSITION			
Year Ended June 30,			
	Governmental Activities		Increase
	2022	2021	(Decrease)
REVENUES			
Program Revenues			
Charges for Services	\$ 104,725	\$ 104,725	\$ -
Operating Grants and Contributions	2,285,947	1,768,146	517,801
General Revenues			
Property Taxes Levied for:			
General Purposes	6,650,579	6,356,916	293,663
Debt Service	2,060,453	2,060,772	(319)
Earnings on Investments	53,977	678,261	(624,284)
Gain/(Loss) on Sale of Assets	500	(2,007,506)	2,008,006
Other Local Sources	329,533	862,065	(532,532)
Intermediate Sources	570,887	610,055	(39,168)
State Sources	2,836,424	4,726,461	(1,890,037)
Total Revenues	<u>14,893,025</u>	<u>15,159,895</u>	<u>(266,870)</u>
EXPENSES			
Instruction	5,546,421	4,122,221	1,424,200
Support services	5,836,216	5,933,754	(97,538)
Enterprise and community services	1,044,097	908,242	135,855
Facilities Acquisition and Construction	65,727	2,524,421	(2,458,694)
Interest on long-term debt	1,428,801	1,397,259	31,542
Total expenses	<u>13,921,262</u>	<u>14,885,897</u>	<u>(964,635)</u>
Increase in Net Assets	971,763	273,998	697,765
Net Position, July 1	<u>8,544,616</u>	<u>8,270,618</u>	<u>273,998</u>
Net Position, June 30	<u>\$ 9,516,379</u>	<u>\$ 8,544,616</u>	<u>\$ 971,763</u>

FUND FINANCIAL ANALYSIS

The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2022

To further enhance this analysis, the District implemented GASB Statement No. 54 for fiscal year ended June 30, 2011. This GASB reporting requirement requires an analysis and breakdown of ending fund balance for governmental fund types between five new fund balance categories. For more information on the details behind each fund balance category see Note 1 beginning on page 7 of this report.

At June 30, 2022, the District's governmental funds reported combined ending fund balances of \$7,714,302, a decrease of \$2,060,524 in comparison with the prior year. Of this amount, \$6,005,281 (about 78 percent) of the ending fund balances constitutes nonspendable or restricted ending fund balance, which are amounts that are either not expendable (such as inventory or prepaid expenses) or are legally restricted by outside parties for a specific purpose (such as bonded debt). The remaining \$1,709,021 (22 percent) of the ending fund balances is unassigned and available for spending at the District's discretion.

General Fund. The General Fund is the chief operating fund of the District. As of June 30, 2022 the fund balance was \$1,750,008. Of this amount \$1,709,021 of the ending fund balance is unassigned, the remaining \$40,987 is nonspendable. As a measure of the fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. The fund balance represents about 23 percent of total General Fund expenditures. The total fund balance decreased by \$2,177,947 from the prior year, mainly due to lower than anticipated timber revenue and increased expenditure costs due to inflation.

Special Revenue. The Special Revenue Fund accounts for revenue and expenditures of grants restricted for specific educational projects as well as internal funds segregated by the Board for the food service program, student activities, and other activities. Grant revenues are primarily from Federal sources. As of June 30, 2022 the fund balance was \$372,041. Of this amount \$364,752 is restricted, the remaining is nonspendable. The fund balance decreased \$254,732 from the prior year.

Debt Service. The Debt Service Fund has a total fund balance of \$350,854 all of which is restricted for the payment of debt service. The fund balance decreased by \$166,202.

Capital Projects Fund. The Capital Projects Fund has a total fund balance of \$5,241,399, all of which is dedicated for ongoing capital projects. All of the Capital Projects fund balance is restricted for capital improvements and repairs.

CAPITAL ASSETS

The District's investment in capital assets includes land, buildings and building improvements, vehicles and equipment. As of June 30, 2022 the District had invested \$44,766,254 in capital assets, net of depreciation. As shown on the following table, total capital assets net of depreciation increased overall by \$5,617,517, due to completion of construction offset by regular depreciation of assets.

**NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2022**

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101 CAPITAL ASSETS (net of depreciation)			
	Governmental Activities		Increase (Decrease)
	June 30, 2022	June 30, 2021	
Land	\$ 114,403	\$ 114,403	\$ -
Construction in Progress	4,577,521	-	4,577,521
Building and Equipment, net of depreciation	<u>40,074,330</u>	<u>39,034,334</u>	<u>1,039,996</u>
Total Capital Assets, net of depreciation	<u>\$ 44,766,254</u>	<u>\$ 39,148,737</u>	<u>\$ 5,617,517</u>

Long-Term Debt. At the end of the current fiscal year, the District had \$31,907,776 in bonded debt outstanding. This is a decrease of \$1,020,000 from prior year, as the District continued to make payments on outstanding general obligation and limited tax pension obligation bonds. Refer to the footnotes to the basic financial statements for detailed information.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The most important economic factor affecting the District is the stability of the property tax base. As a district that receives little support through the State School Fund, the District's primary source of revenue is restricted by the statutory limits set out by Measures 5 and 50. As market values on real property continue to recover, continued growth of the tax base is anticipated.

Unassigned Ending Fund balance in the General Fund represents 22.3 percent of expenditures for the 2022-23 school year, which provides a contingency in the event of unexpected reductions in revenue or increases in expenditures. The District plans to increase this amount over time is reflected in this balance. During the 2022-23 fiscal year, the district will continue to engage in strategic planning, in order to ensure sustainability of programs and services for students.

Personnel expenses make up over 70 percent of the program costs for the instruction, support and administrative functions. While the District has been able to hold salary costs steady in recent years, associated payroll costs continue to increase. For example, health insurance costs are expected to increase. The premiums for District health insurance plans have increased over the years, consistent with state and national trends, and this trend will likely continue.

Employer rates for the Public Employees Retirement System (PERS) for the 2023-2025 biennium will increase (from 18.42% to 20.14% for Tier 1 and Tier 2 and from 15.31% to 17.3% for OPSRP employees.)

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2022

The pandemic will have a lasting impact upon practices in the day-to-day operations of the school district. Post pandemic needs will continue to be identified in the 2022-2023 school year, but for budgeting purposes, the following areas were considered: alternative education options, technology needs for students, increased building maintenance, social/emotional learning and health, and summer school.

The District's Budget Committee and School Board have considered all these factors while preparing the 2022-23 budget.

Requests for Information

This financial report is designed to present the user (citizens, taxpayers, investors and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Misty Wharton, Superintendent at PO Box 99, Cloverdale, Oregon, 97112.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

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NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

STATEMENT OF NET POSITION
 June 30, 2022

	GOVERNMENTAL ACTIVITIES
ASSETS	
Cash and Investments	\$ 9,071,605
Taxes Receivables	306,327
Other Receivables	1,236,855
Prepaid Expenses	40,987
Net OPEB Asset - RHIA	66,774
Supply Inventory	7,289
Capital Assets:	
Land	4,691,924
Buildings and Equipment, net of depreciation	40,074,330
Total Assets	55,496,091
DEFERRED OUTFLOWS OF RESOURCES	
Pension Related Deferred Outflows - PERS	2,617,614
OPEB Related Deferred Outflows - Health Insurance	19,710
OPEB Related Deferred Outflows - RHIA	38,529
Deferred charge on refunding	458,702
Total Deferred Outflows of Resources	3,134,555
Total Assets and Deferred Outflows	58,630,646
LIABILITIES	
Accounts Payable	1,029,451
Accrued Payroll Liabilities	617,940
Accrued Interest Payable	59,357
Tax Anticipation Note Payable	1,015,000
Unavailable revenue	1,812
Accrued Compensated Absences	18,525
Long-term Obligations:	
Proportionate Share of Net Pension Liability - PERS	3,626,919
OPEB Liability - Health Insurance	234,726
Due within one year	1,775,121
Due in more than one year	37,462,880
Total Liabilities	45,841,731
DEFERRED INFLOWS OF RESOURCES	
Pension Related Deferred Inflows - PERS	3,113,760
OPEB Related Deferred Inflows - Health Insurance	129,926
OPEB Related Deferred Inflows - RHIA	28,850
Total Deferred Inflows of Resources	3,272,536
Total Liabilities and Deferred Inflows	49,114,267
NET POSITION	
Net Investment in Capital Assets	9,571,561
Restricted for Net OPEB Asset - RHIA	66,774
Restricted for Debt service	350,854
Restricted for Special Revenue	364,752
Restricted for Capital Projects	5,241,399
Unrestricted	(6,078,961)
Total Net Position	\$ 9,516,379

See accompanying notes to basic financial statements.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2022

<u>FUNCTIONS</u>	<u>EXPENSES</u>	<u>PROGRAM REVENUES</u>		<u>NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION</u>
		<u>CHARGES FOR SERVICES</u>	<u>OPERATING GRANTS AND CONTRIBUTIONS</u>	
Instruction	\$ 5,546,421	\$ 58,432	\$ 943,749	\$ (4,544,240)
Support Services	5,836,216	46,293	779,957	(5,009,966)
Enterprise and Community Services	1,044,097	-	562,241	(481,856)
Facilities Acquisition and Construction	65,727	-	-	(65,727)
Interest on Long-Term Obligations	<u>1,428,801</u>	<u>-</u>	<u>-</u>	<u>(1,428,801)</u>
Total Governmental Activities	<u>\$ 13,921,262</u>	<u>\$ 104,725</u>	<u>\$ 2,285,947</u>	<u>(11,530,590)</u>

General Revenues

Property Taxes Levied for:

General purposes	6,650,579
Debt service	2,060,453
Earnings on Investments	(37,509)
Other Local Sources	421,019
Intermediate Sources	570,887
State Sources	<u>2,836,424</u>

Total General Revenues 12,501,853

Gain/(Loss) on Disposal of Assets 500

Changes in Net Position 971,763

Net Position - Beginning 8,544,616

Net Position - Ending \$ 9,516,379

See accompanying notes to basic financial statements.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2022

	GENERAL	SPECIAL REVENUE FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTALS
ASSETS					
Deposits and Investments	\$ 2,786,857	\$ -	\$ 18,010	\$ 6,266,738	\$ 9,071,605
Property Taxes Receivable	230,542	-	75,785	-	306,327
Other Accounts Receivable	203,878	1,017,527	15,450	-	1,236,855
Prepaid Expense	40,987	-	-	-	40,987
Supply Inventory	-	7,289	-	-	7,289
Due from Other Funds	550,438	-	312,263	-	862,701
Total Assets	\$ 3,812,702	\$ 1,024,816	\$ 421,508	\$ 6,266,738	\$ 11,525,764
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 215,850	\$ 53,293	\$ -	\$ 760,308	\$ 1,029,451
Payroll Liabilities	617,940	-	-	-	617,940
Unearned Revenue	-	1,812	-	-	1,812
Short Term Debt Note	1,015,000	-	-	-	1,015,000
Due to Other Funds	-	597,670	-	265,031	862,701
Total Liabilities	1,848,790	652,775	-	1,025,339	3,526,904
Deferred Inflows of Resources:					
Unavailable Revenue - Property Taxes	213,904	-	70,654	-	284,558
Fund Balances:					
Nonspendable	40,987	7,289	-	-	48,276
Restricted for:					
Debt Service	-	-	350,854	-	350,854
Grants and Student Activity	-	364,752	-	-	364,752
Capital Projects	-	-	-	5,241,399	5,241,399
Unassigned	1,709,021	-	-	-	1,709,021
Total Fund Balances	1,750,008	372,041	350,854	5,241,399	7,714,302
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 3,812,702	\$ 1,024,816	\$ 421,508	\$ 6,266,738	\$ 11,525,764

See accompanying notes to basic financial statements.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2022

Total Fund Balances - Governmental Funds	\$	7,714,302
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds

Capital Assets, net		44,766,254
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A portion of the District's property taxes are collected after year-end, but are not available soon enough to pay for the current year's operations, and therefore are not reported as revenue in the governmental funds.

Unavailable property taxes		284,558
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The unamortized issuance costs and issue premium for bonds are not available to pay for current period expenditures and therefore are not reported in the governmental funds

Unamortized original issue premium		(3,257,026)
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Deferred Outflows - deferred charges on GO Bond refundings		458,702
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The PERS Net Pension Asset (Liability) is the difference between the total pension liability and the assets set aside to pay benefits earned to past and current employees and beneficiaries.		(3,626,919)
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Deferred Inflows and Outflows of resources related to the pension plan and OPEB include differences between expected and actual experience, changes of assumptions, differences between projects and actual earning, and contributions subsequent to the measurement date.

Deferred Outflows - PERS	\$	2,617,614	
OPEB Deferred Outflows - Health Insurance		19,710	
OPEB Deferred Outflows - RHIA		38,529	
Deferred Inflows - PERS		(3,113,760)	
OPEB Deferred Inflows - Health Insurance		(129,926)	
OPEB Deferred Inflows - RHIA		(28,850)	
		(28,850)	(596,683)

Long term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long term, are reported in the Statement of Net Position.

Long Term Obligations			
General Obligation Bonds	\$	(30,562,776)	
PERS UAL Bond		(1,345,000)	
Full Faith and Credit Obligation		(4,000,000)	
Loan Payable		(23,023)	
Financed Purchases		(50,176)	
OPEB Liability - Health Insurance		(234,726)	
OPEB Asset (Liability) - RHIA		66,774	
Accrued Interest Payable		(59,357)	
Accrued Vacation Payable		(18,525)	
		(18,525)	(36,226,809)

Net Position	\$	9,516,379
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See accompanying notes to basic financial statements.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2022

	GENERAL	SPECIAL REVENUE FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTALS
REVENUES					
Local Sources	\$ 6,700,392	\$ 247,714	\$ 2,236,104	\$ 31,509	\$ 9,215,719
Intermediate Sources	444,678	126,209	-	-	570,887
State Sources	531,637	1,661,500	-	643,287	2,836,424
Federal Sources	-	2,285,947	-	-	2,285,947
Total Revenues	7,676,707	4,321,370	2,236,104	674,796	14,908,977
EXPENDITURES					
Current:					
Instruction	3,768,910	1,709,094	-	-	5,478,004
Support Services	3,787,040	1,966,721	-	63,811	5,817,572
Enterprise & Community Services	-	1,018,197	-	-	1,018,197
Facilities Acquisition and Construction	-	-	-	6,147,628	6,147,628
Debt Service	106,294	-	2,402,306	-	2,508,600
Total Expenditures	7,662,244	4,694,012	2,402,306	6,211,439	20,970,001
Excess of Revenues Over (Under) Expenditures	14,463	(372,642)	(166,202)	(5,536,643)	(6,061,024)
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of capital assets	-	500	-	-	500
Bond Proceeds	-	-	-	4,000,000	4,000,000
Transfers In	-	117,410	-	2,075,000	2,192,410
Transfers Out	(2,192,410)	-	-	-	(2,192,410)
Total Other Financing Sources (Uses)	(2,192,410)	117,910	-	6,075,000	4,000,500
Net Change in Fund Balance	(2,177,947)	(254,732)	(166,202)	538,357	(2,060,524)
Beginning Fund Balance	3,927,955	626,773	517,056	4,703,042	9,774,826
Ending Fund Balance	\$ 1,750,008	\$ 372,041	\$ 350,854	\$ 5,241,399	\$ 7,714,302

See accompanying notes to basic financial statements.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

**Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities
For the Year Ended June 30, 2022**

Net change in fund balances - total governmental funds	\$	(2,060,524)
<p>Amounts reported for government-wide statements in the Statement of Activities are different because of the following:</p> <p>Governmental funds report capital outlays as expenditures while government-wide statements report depreciation expense to allocate those expenditures over the life of the assets. The difference between these two amounts is:</p>		
Capital asset additions, net of adjustments	\$ 6,101,716	
Depreciation expense, net of adjustments	<u>(484,199)</u>	5,617,517
<p>Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds as follows:</p>		
Unavailable property taxes recognized on a full accrual basis		(16,452)
<p>Some expenses reported in the statements do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.</p>		
(Increase) Decrease in accrued compensated absences	\$ 3,168	
(Increase) in accrued interest payable	<u>(1,761)</u>	1,407
<p>The PERS Pension Income (Expense) represents the changes in Net Pension Asset (Liability) from year to year due to changes in total pension liability and the fair value of pension plan net position available to pay pension benefits.</p>		
		217,665
<p>OPEB Income (Expense) - Health Insurance</p>		
		(11,251)
<p>OPEB Income (Expense) - RHIA</p>		
		505
<p>Repayment of long term & short term obligations is an expenditure in the governmental funds, but the repayment reduces debt obligations in the government-wide statements.</p>		
Payments of Long Term Debt		1,081,559
Issuance of Bond Debt		(4,000,000)
<p>Governmental funds report the total costs of bond issuance as a current year expenditure in the year in which the bonds are issued while the government-wide statements amortize them over the life of the bond.</p>		
Amortization of deferred outflows	\$ (76,451)	
Amortization of original issue premium (net)	<u>217,788</u>	<u>141,337</u>
Change in net position of governmental activities	\$	<u><u>971,763</u></u>

See accompanying notes to basic financial statements.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

REPORTING ENTITY

Nestucca Valley School District No. 101 (the District) is a municipal corporation governed by an elected board authorized to transact all business on the District's behalf. The District is a primary government exercising financial accountability for all public education within its boundaries. The Board approves administrative officials. The daily functioning is under supervision of the Superintendent. As required by generally accepted accounting principles, all activities have been included in the basic financial statements.

The basic financial statements include all funds and account groups. The District is not financially accountable for any other governmental entity. Financial accountability is determined in accordance with criteria set forth in GAAP and Governmental Accounting Standards Board (GASB) Statement No. 61. Financial accountability is based primarily on the authority to appoint voting majority of an organization's governing board, ability to impose its will on that organization, the potential for that organization to provide specific financial benefits or impose specific financial burdens and that organization's fiscal dependency. There are no component units.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The Statement of Net Position and Statements of Activities display information about the reporting government as a whole.

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

All direct expenses are reported by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Interest of general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities. In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUND FINANCIAL STATEMENTS

The accounts are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained are consistent with legal and managerial requirements.

GOVERNMENTAL FUND TYPES

Governmental funds are used to account for general government activities. Governmental fund financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are “measurable” and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period which is 60 days. Property taxes and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, pension costs, OPEB expenses, and claims and judgments, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in the governmental funds and proceeds from general long-term debt and acquisitions under financed purchases are reported as other financing sources.

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 School Support Fund.

SPECIAL REVENUE FUND

This fund consists of all special revenue funds established to account for revenues and expenditures related to grants, student activities and other special revenues.

DEBT SERVICE FUND

This fund accounts for the property tax revenues related to debt service and makes the debt service payments on the general obligation bonds.

CAPITAL PROJECTS FUND

This fund accounts for all financial resources and expenditures that are used to fund capital projects.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BUDGETS

A budget is prepared and legally adopted for each governmental fund type on the modified accrual basis of accounting in the main program categories required by Oregon Local Budget Law. The budgets for all budgeted funds are adopted on a basis consistent with generally accepted accounting principles except that property taxes received after year-end are not considered budgetary resources in the funds, inventory is expensed when purchased, capital outlay is reported as an expenditure rather than capitalized, depreciation and amortization are not recorded and debt, pension benefits, OPEB benefits, and vacation pay are expensed when paid instead of when incurred.

The budget process begins early in each fiscal year with the establishment of the budget committee. Recommendations are developed through early spring with the budget committee approving the budget in late spring. Public notices of the budget hearing are generally published in spring with a public hearing being held approximately three weeks later. The Board may amend the budget prior to adoption. However, budgeted expenditures for each fund may not be increased by more than ten percent without re-publication. The budget is then adopted, appropriations are made, and the tax levy declared no later than June 30th.

Expenditure budgets are appropriated at the following levels for each fund: Instruction, Support Services, Enterprise & Community Services, Facilities Acquisition and Construction, Other Uses - Debt Service and Interfund Transfers, and Operating Contingency.

Expenditures cannot legally exceed the adopted appropriation levels except in the case of grants which could not be estimated at the time of budget adoption. Appropriations lapse at the fiscal year-end. Management may amend line items in the budget without Board approval as long as appropriation levels (the legal level of control) are not changed. Supplemental appropriations may occur if the Board approves them due to unforeseen circumstances which could not be determined at the time the budget was adopted.

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.

Expenditures of the various funds were within authorized appropriations for the year ended June 30, 2022.

CASH AND CASH EQUIVALENTS

The cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

FAIR VALUE INPUTS AND METHODOLOGIES AND HIERARCHY

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based up on the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Level 1 – unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Fund has the ability to access

Level 2 – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market–corroborated inputs)

Level 3 – unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Fund’s own assumptions used in determining the fair value of investments)

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

PROPERTY TAXES RECEIVABLE

Uncollected real and personal property taxes are reflected on the statement of net position and the balance sheet as receivables. Uncollected taxes are deemed by management to be substantially collectible or recoverable through liens. All property taxes receivable are due from property owners within the District.

Under state law, county governments are responsible for extending authorized property tax levies, computing tax rates, billing and collecting all property taxes, and making periodic distributions of collections to entities levying taxes. Property taxes become a lien against the property when levied on July 1 of each year and are payable in three installments due on November 15, February 15 and May 15. Property tax collections are distributed monthly except for November, when such distributions are made weekly.

ACCOUNTS AND OTHER RECEIVABLES

Accounts and other receivables are comprised primarily of State school support and claims for reimbursement of costs under various federal and state grants. No allowance for uncollectible accounts has been recorded because all receivables are considered by management to be collectible.

GRANTS

Unreimbursed expenditures due from grantor agencies are reflected in the basic financial statements as receivables and revenues. Grant revenues are recorded at the time eligible expenditures are incurred. Cash received from grantor agencies in excess of related grant expenditures are recorded as unearned revenue on the statement of net position and the balance sheet.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

SUPPLY INVENTORIES

School food and other cafeteria supplies are stated at average invoice cost. Commodities purchased from the United States Department of Agriculture in the Special Revenue Fund are included in inventories at USDA wholesale value. Supplies are accounted for based on the purchase method. Donated commodities consumed during the year are reported as revenues and expenditures. The amount of unused donated commodities at balance sheet date is considered immaterial by management for reporting purposes.

CAPITAL ASSETS

Capital assets are recorded at original cost or estimated original cost. Donated capital assets are recorded at their estimated fair market value on the date donated. Capital assets are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Interest incurred during construction is not capitalized. 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. Capital assets are depreciated using the straight-line method over the following useful lives:

Building and improvements	50 to 100 years
Equipment	5 to 30 years
Buses and Vehicles	5 to 20 years

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 position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense / expenditure) until then. The District has four items that qualify for reporting in this category. One is the deferred charge on refunding reported in the government-wide statement of net position. A Deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Additionally, Pension and Health Insurance OPEB Related Deferrals related to the pension plan and retiree health insurance subsidies include differences between expected and actual experience, changes of assumptions, differences between projections and actual earnings, and contributions subsequent to the measurement date. At June 30, 2022, there were deferred outflows representing PERS pension, OPEB-RHIA, and OPEB-Health Insurance 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, *deferred inflows of resources*, 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 four types of items that qualify for reporting in this category. The first item, unavailable revenue, which is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues 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, 2022, there were also deferred inflows representing PERS pension, OPEB-RHIA, and OPEB-Health Insurance related deferrals reported in the Statement of Net Position.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

COMPENSATED ABSENCES

Full-time employees are permitted to accumulate unused sick leave at the rate of twelve days per year over the working careers. The District does not compensate the employees for unused accumulations upon termination of employment. There is no liability for unpaid accumulated sick leave since there is no policy to pay any amounts when employees separate from service.

It is the policy to permit employees to accumulate earned but unused vacation. All unused vacation pay is accrued, if material, when earned in the government-wide financial statements.

RETIREMENT PLANS

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

USE OF ESTIMATES

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

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 effective interest 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.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NET POSITION

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

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

Restricted – consists of external constraints placed on asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. There is net position restricted for net OPEB asset-RHIA, debt service, grants and student activities, and capital projects.

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

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

FUND BALANCE

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

- Nonspendable fund balance represents amounts that are not in a spendable form. The nonspendable fund balance represents inventories.
- Restricted fund balance represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).
- Committed fund balance represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution.
- Assigned fund balance represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body.
- Unassigned fund balance is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUND BALANCE (CONTINUED)

There are no committed or assigned balances at June 30, 2022.

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

2. CASH AND INVESTMENTS

DEPOSITS

Deposits with financial institutions include bank demand deposits. The total bank balance per the bank statements on June 30, 2022 was \$417,742, of which \$250,000 was covered by federal depository insurance and the balance was collateralized by the Oregon Public Funds Collateralization Program (PFCP). Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury.

INVESTMENTS

State statutes governing cash management are followed. Statutes authorize investing in banker's acceptances, time certificates of deposit, repurchase agreements, obligations of the United States and its agencies and instrumentalities, and the Oregon State Treasurer's Local Government Investment Pool.

Cash and Investments at June 30, 2022 (recorded at fair value) consisted of:

Deposits with Financial Institutions:	
Demand Deposits	\$ 193,841
LGIP	<u>8,877,764</u>
Total	<u>\$ 9,071,605</u>

There were the following investments at June 30, 2022:

Investment Type	Fair Value	Investment Maturities (in months)		
		Less than 3	3-18	18-59
State Treasurer's Investment Pool	\$ 8,877,764	\$ 8,877,764	\$ -	\$ -
Total	\$ 8,877,764	\$ 8,877,764	\$ -	\$ -

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

2. CASH AND INVESTMENTS (CONTINUED)

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, 2022. 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, 2022, the fair value of the position in the *LGIP is 98.98%* 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 value loss of \$91,486, for the difference between the pool fair market value and the book value. This amount was also taken from revenue interest, resulting in a net revenue interest amount of (\$37,509).

[http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-\(OSTF\).aspx](http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-(OSTF).aspx)

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

Credit Risk – Deposits

In the case of deposits, there is a risk that in the event of a bank failure, deposits may not be returned. The District does not have a deposit policy for custodial credit risk. As of June 30, 2022, none of the bank balance was exposed to custodial credit risk.

Interest Rate Risk

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.

Credit Risk – Investments

Oregon Revised Statutes does 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, 2022, 100% of total investments were in the State Treasurer's Investment Pool. State statutes do not limit the percentage of investments in this instrument.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

3. ACCOUNTS/GRANTS RECEIVABLE

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

4. CAPITAL ASSETS

Capital assets activity for the year was as follows:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
Capital assets not being depreciated:				
Land	\$ 114,403	\$ -	\$ -	\$ 114,403
Construction in Progress	-	4,577,521	-	4,577,521
Total capital assets not being depreciated	<u>114,403</u>	<u>4,577,521</u>	<u>-</u>	<u>4,691,924</u>
Capital assets being depreciated:				
Buildings and Improvements	38,597,770	1,115,785	-	39,713,555
Buses and Vehicles	1,458,151	170,276	(39,790)	1,588,637
Equipment	1,646,776	238,134	-	1,884,910
Total capital assets being depreciated	<u>41,702,697</u>	<u>1,524,195</u>	<u>(39,790)</u>	<u>43,187,102</u>
Less total accumulated depreciation for:				
Buildings and Improvements	1,995,178	385,876	-	2,381,054
Buses and Vehicles	537,289	28,537	(39,790)	526,036
Equipment	135,896	69,786	-	205,682
Total accumulated depreciation	<u>2,668,363</u>	<u>484,199</u>	<u>(39,790)</u>	<u>3,112,772</u>
Total capital assets being depreciated, net	<u>39,034,334</u>			<u>40,074,330</u>
Total Capital Assets, Net	<u>\$ 39,148,737</u>			<u>\$ 44,766,254</u>

During the year, the District sold a fully depreciated school bus for \$500 with an original cost of \$39,790.

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

Program:

Instruction	\$ 249,564
Support Services	197,718
Enterprise and Community Services	<u>36,917</u>
	<u>\$ 484,199</u>

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

5. 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/2021-ACFR.pdf>

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

- a. **PERS Pension (Chapter 238).** The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
 - i. **Pension Benefits.** The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.
 - ii. **Death Benefits.** Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following contributions are met:
 - member was employed by PERS employer at the time of death,
 - member died within 120 days after termination of PERS covered employment,
 - member died as a result of injury sustained while employed in a PERS-covered job, or
 - member was on an official leave of absence from a PERS-covered job at the time of death.
 - iii. **Disability Benefits.** A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
 - iv. **Benefit Changes After Retirement.** Members may choose to continue participation in their variable account after retiring and may experience annual benefit fluctuations due to changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

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

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

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

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

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

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

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 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, 2022 were \$943,260, excluding amounts to fund employer specific liabilities.

Pension Asset or Liability – At June 30, 2022, the District reported a net pension liability of \$3,626,919 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2019. 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, 2021 and 2020, the District's proportion was .030 percent and .028 percent, respectively. Pensions income for the year ended June 30, 2022 was \$217,665.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (CONTINUED)

The rates in effect for the year ended June 30, 2022 were:

- (1) Tier 1/Tier 2 – 18.42%
- (2) OPSRP general services – 8.00%

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 339,503	\$ -
Changes in assumptions	907,927	9,545
Net difference between projected and actual earnings on pension plan investments	-	2,684,980
Net changes in proportionate share	352,955	381,866
Differences between District contributions and proportionate share of contributions	73,969	37,369
Subtotal - Amortized Deferrals (below)	1,674,354	3,113,760
District contributions subsequent to measurement date	943,260	-
Deferred outflow (inflow) of resources	\$ 2,617,614	\$ 3,113,760

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, 2023.

Subtotal amounts related to pension as deferred outflows of resources \$1,674,354, or deferred inflows of resources, (\$3,113,760), net to (\$1,439,406) and will be recognized in pension expense as follows:

Year ending June 30,	Amount
2023	\$ (314,353)
2024	(306,514)
2025	(364,821)
2026	(573,648)
2027	119,931
Thereafter	-
Total	\$ (1,439,406)

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated March 1, 2022. Oregon PERS produces an independently audited ACFR which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2021-ACFR.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

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
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NOTES TO BASIC FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (CONTINUED)

earned by the employees during the current service year), (b) an actuarially determined amount for funding a disability benefit component, and (c) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

Actuarial Methods and Assumptions:

Valuation date	December 31, 2019
Experience Study Report	2018, Published July 24, 2019
Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll
Asset valuation method	Market value of assets
Inflation rate	2.40 percent (reduced from 2.50 percent)
Investment rate of return	6.90 percent (reduced from 7.20 percent)
Discount rate	6.90 percent (reduced from 7.20 percent)
Projected salary increase	3.40 percent (reduced from 3.50 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 2018 Experience Study which is reviewed for the four-year period ending December 31, 2018.

Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Debt Securities	15.0%	25.0%	20.0%
Public Equity	27.5%	37.5%	32.5%
Real Estate	9.5%	15.5%	12.5%
Private Equity	14.0%	21.0%	17.5%
Alternatives Portfolio	7.5%	17.5%	15.0%
Opportunity Portfolio	0.0%	5.0%	0.0%
Risk Parity	0.0%	2.5%	2.5%
Total			100.0%

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

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

5. 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.

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%
<i>Assumed Inflation - Mean</i>		2.40%

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

Discount Rate – The discount rate used to measure the total pension liability was 6.90 percent for the Defined Benefit Pension Plan, a reduction approved by the Board from 7.20 percent in the prior fiscal year. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
District's proportionate share of the net pension liability (asset)	\$ 7,122,402	\$ 3,626,919	\$ 702,469

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Changes Subsequent to the Measurement Date

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

There are no changes subsequent to the June 30, 2021 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.

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 \$2,535 per month on January 1, 2021) 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

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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, 2022.

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>

6. 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, 2022. 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 in PERS contributions (see Note 6) for all reporting years and equaled the required contributions each year.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

6. OTHER POST-EMPLOYMENT BENEFIT PLAN - RHIA (CONTINUED)

At June 30, 2022, the District reported a net OPEB asset of \$66,774 for its proportionate share of the net OPEB asset. The OPEB asset was measured as of June 30, 2021, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2019. Consistent with GASB Statement No. 75, paragraph 59(a), the District's proportion of the net OPEB 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, 2021 and 2020, the District's proportion was .02 percent and .05 percent, respectively. OPEB income for the year ended June 30, 2022 was \$505.

Components of OPEB Expense/(Income):

Employer's proportionate share of collective system OPEB Expense/(Income)	\$	10,921
Net amortization of employer-specific deferred amounts from:		
- Changes in proportionate share (per paragraph 64 of GASB 75)		10,991
- Differences between employer contributions and employer's proportionate share of system contributions (per paragraph 65 of GASB 75)		-
Employer's Total OPEB Expense/(Income)	\$	70

Components of Deferred Outflows/Inflows of Resources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ 1,858
Changes in assumptions	1,314	993
Net difference between projected and actual earnings on pension plan investments	-	15,869
Net changes in proportionate share	37,215	10,130
Differences between District contributions and proportionate share of contributions	-	-
Subtotal - Amortized deferrals (below)	38,529	28,850
District contributions subsequent to measurement date	-	-
Deferred outflow (inflow) of resources	\$ 38,529	\$ 28,850

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, 2023.

Subtotal amounts related to OPEB as deferred outflows of resources, \$38,529 and deferred inflows of resources, (\$28,850), net to 9,679 and will be recognized in OPEB expense as follows:

Year ending June 30,		Amount
2023	\$	6,207
2024		12,107
2025		(3,623)
2026		(5,012)
2027		-
Thereafter		-
Total	\$	9,679

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

6. 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, 2021. That independently audited report was dated March 1, 2022 and can be found at:

<https://www.oregon.gov/pers/EMP/Documents/GASB/2022/Oregon%20PERS%20-%20GASB%2075%20RHIA%20Employer%20Schedules%20-%20FY%2006-30-2021.pdf>

Actuarial Methods and Assumptions:

Valuation Date	December 31, 2019
Experience Study Report	2018, Published July 24, 2019
Actuarial cost method	Entry Age Normal
Inflation rate	2.40 percent (reduced from 2.50 percent)
Investment rate of return	6.90 percent (reduced from 7.20 percent)
Discount rate	6.90 percent (reduced from 7.20 percent)
Projected salary increase	3.40 percent (reduced from 3.50 percent)
Retiree healthcare participation	Healthy retirees: 32%; Disabled retirees: 20%
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 2018 Experience Study which is reviewed for the four-year period ending December 31, 2018.

Discount Rate:

The discount rate used to measure the total pension liability as of the measurement dates of June 30, 2021 and 2020 was 6.90 and 7.20 percent, respectively, 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 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 asset.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

6. 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%
<i>Assumed Inflation - Mean</i>		2.40%

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

Sensitivity of the District’s proportionate share of the net OPEB liability/(asset) to changes in the discount rate – The following presents the District’s proportionate share of the net OPEB liability/(asset) calculated using the discount rate of 6.90 percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 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)	\$ 59,052	\$ 66,774	\$ 73,370

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

6. OTHER POST-EMPLOYMENT BENEFIT PLAN - RHIA (CONTINUED)

Changes Subsequent to the Measurement Date

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

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

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

The District's post-retirement health insurance program was established in accordance with ORS 243.303. ORS stipulates that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees. The difference between retiree claims costs, which because of the effect of age is generally higher in comparison to all plan members, and the amount of retiree health insurance premiums, represents the District's implicit employer contribution. The plan is currently unfunded in accordance with GASB Statement No. 75.

At June 30, 2022, the following employees were covered by the benefit terms:

Active Employees	84
Eligible Employees	-
Total Participants	84

The District's total OPEB liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Valuation Date	July 1, 2019 rolled forward to June 30, 2021
Actuarial Cost Method	Entry Age Normal
Discount Rate	2.16% for results as of June 30, 2021 measurement date. These rates reflect the Bond Buyer 20-year General Obligation Bond Index. Reporting Dates follow measurement dates by one full year.
Health Care Cost Trend	Dental and Vision: 4.00% per year Health cost trend affects both the projected health care costs as well as the projected health care premiums.
Annual Premium Increase Rate	6.5% increase in 2016-17 with later increases reducing annually by 0.1% to 5.0% and stable thereafter.
Inflation Rate	2.4% per year, used to develop other economic assumptions
Salary Scale	3.4% per year

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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

Changes in Total OPEB Liability:

Total OPEB Liability at June 30, 2021		\$ 285,949
Changes for the year:		
Service Cost		37,514
Interest		6,915
Changes of Benefit Terms		-
Differences between expected and actual experience		(67,015)
Changes of assumptions or other inputs		(7,370)
Benefit Payments		<u>(21,267)</u>
Net Changes		<u>(51,223)</u>
Total OPEB Liability at June 30, 2022		<u>\$ 234,726</u>

Sensitivity of the total OPEB Liability to changes in discount rate: the following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using a discount rate 1 percentage point higher and lower than the current rate. A similar sensitivity analysis is then presented for changes in the healthcare cost trend assumption.

Discount Rate Sensitivity:

<u>Discount rate:</u>	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total OPEB Liability, as of June 30, 2022	\$ 249,895	\$ 234,726	\$ 220,306

<u>Trend rate:</u>	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
Total OPEB Liability, as of June 30, 2022	\$ 210,245	\$ 234,726	\$ 263,813

Schedule of Deferred Inflows and Outflows of Resources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ -	\$ (111,658)
Changes of assumptions or inputs	11,533	<u>(18,268)</u>
Subtotal	<u>\$ 11,533</u>	<u>\$ (129,926)</u>
Benefits Payments subsequent to measurement date	8,177	-
Total as of June 30, 2021	<u>\$ 19,710</u>	<u>\$ (129,926)</u>

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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

Subtotal amounts related to OPEB deferred outflows of resources, \$11,533, and deferred inflows of resources, (\$129,926), net to (\$118,393) and will be recognized in OPEB expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2023	\$ (24,221)
2024	(22,725)
2025	(22,224)
2026	(22,224)
2027	(11,995)
Thereafter	(15,004)
Total	<u>\$ (118,393)</u>

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

8. SHORT TERM OBLIGATIONS

The following table illustrates changes in short term debt for the fiscal year ended June 30, 2022:

	<u>Interest Rates</u>	<u>Original Issue Date</u>	<u>Balance 7/1/2021</u>	<u>Additions</u>	<u>Balance 6/30/2022</u>
Tax Revenue Anticipated Note	2.74%	6/16/2022	\$ -	1,015,000	\$ 1,015,000
Total Short-term Liabilities			<u>\$ -</u>	<u>\$ 1,015,000</u>	<u>\$ 1,015,000</u>

In the current fiscal year, the district issued a six-month Tax Anticipation Note to adjust for the timing of property tax receipts. The proceeds were used to cover expenses from the date of issuance until the November 2022 tax turnover. The debt is set to be fully paid off in December 2022.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. LONG-TERM OBLIGATIONS

The following table shows changes in general obligation bonds, limited tax bonds, financed purchases, loan payable, and other long-term debt for the fiscal year ended June 30, 2022:

	Outstanding July 1, 2021	Issued	Matured and Redeemed	Outstanding June 30, 2022	Due Within One Year
Bonds Payable:					
General Obligation Bonds	\$ 31,412,776	\$ -	\$ 850,000	\$ 30,562,776	\$ 945,000
PERS/UAL Bond	1,515,000	-	170,000	1,345,000	190,000
Direct Borrowing:					
Financed Purchases	98,578	-	48,402	50,176	50,176
Full Faith & Credit Obligations	-	4,000,000	-	4,000,000	359,000
Loan Payable	36,180	-	13,157	23,023	13,157
Total Principal	33,062,534	4,000,000	1,081,559	35,980,975	1,557,333
Premiums Related to Bonds:					
Unamortized Bond Premiums	3,474,814	-	217,788	3,257,026	217,788
Total Long-Term Debt	\$ 36,537,348	\$ 4,000,000	\$ 1,299,347	\$ 39,238,001	\$ 1,775,121
Loss on Refunding	\$ 535,153	-	\$ 76,450	\$ 458,702	\$ 76,451

General obligation bonds are direct obligations and pledge the full faith and credit of the District. The outstanding general obligation bonds were issued to provide funds for the acquisition and construction of school facilities. There is an issuance from 2012 (originally \$9,700,000) with remaining payments through 2028 at between 3.00-4.00% interest. There is an issuance from 2018 of \$25,697,776 with payments through 2039 at between 4.00-5.00% interest.

Limited pension bonds are direct obligations and pledge the full faith and credit of the District. The outstanding pension were issued to provide funds for the payment of the unfunded pension liability. The original amount of \$2,365,000 has payments remaining through 2028 at between 5.423-5.528% interest.

On April 7, 2022, the District issued a Full Faith and Credit obligation payable over 10 years at a rate of interest of 1.80%, for an original issue amount of \$4,000,000.

Financed purchases are for the acquisition of capital assets, including two buses and food service equipment. Each purchase is executed as a separate finance agreement, distinct from other Property Schedules. All financed purchases will be paid in full by 2023. Default in payment can result in additional charges.

The loan payable was a direct borrowing from Tillamook PUD for the improvement of lighting for a District facility, and is payable over 5 years at 5.00% interest. If the District defaults on any payment, the lender may accelerate the remaining unpaid balance. In addition, the improvements in which the loan was issued for can be recalled by lender if the District defaults on payments.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. LONG-TERM OBLIGATIONS (CONTINUED)

Future maturities of unmatured principal and interest for fiscal years ending June 30 are as follows:

Bonds Payable			Full Faith and Credit Loan		
Fiscal Year Ended	Principal	Interest	Fiscal Year Ended	Principal	Interest
2023	\$ 1,135,000	\$ 1,346,102	2023	359,000	\$ 68,769
2024	1,250,000	1,305,348	2024	376,000	62,154
2025	1,370,000	1,260,113	2025	383,000	55,323
2026	1,500,000	1,207,346	2026	390,000	48,366
2027	1,640,000	1,149,047	2027	397,000	41,283
2028-2032	8,855,000	4,677,189	2028-2032	2,095,000	95,607
2033-2037	13,230,000	2,089,000	2033-2037	-	-
2038-2039	2,927,776	3,802,224	2038-2039	-	-
	<u>\$ 31,907,776</u>	<u>\$ 16,836,369</u>		<u>\$ 4,000,000</u>	<u>\$ 371,502</u>

Financed Purchases			Loans Payable		
Fiscal Year Ended	Principal	Interest	Fiscal Year Ended	Principal	Interest
2023	\$ 50,176	\$ 1,839	2023	\$ 13,157	\$ 1,740
2024	-	-	2024	9,866	1,304
	<u>\$ 50,176</u>	<u>\$ 1,839</u>		<u>\$ 23,023</u>	<u>\$ 3,044</u>

Totals		
Fiscal Year Ended	Principal	Interest
2023	\$ 1,557,333	\$ 1,418,450
2024	1,635,866	1,368,806
2025	1,753,000	1,315,436
2026	1,890,000	1,255,712
2027	2,037,000	1,190,330
2028-2032	10,950,000	4,772,796
2033-2037	13,230,000	2,089,000
2038-2039	2,927,776	3,802,224
	<u>\$ 35,980,975</u>	<u>\$ 17,212,754</u>

Advance Refunding

The District issued \$9,700,000 in general obligation refunding bonds with interest rates ranging from 3.0% to 4.0%. The proceeds were used to advance refund \$9,005,000 of outstanding Series 2005 general obligation bonds which had interest rates ranging from 3.25% to 5.00%. The net proceeds of \$10,357,923 (including a \$657,923 premium and after payment of \$53,350 in underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, the Series 2012 general obligation bonds are considered defeased and the liability for those bonds has been removed from the statement of net position.

The District advance refunded the Series 2005 general obligation bonds to reduce its total debt service payments over 16 years by \$720,886. The economic loss on refunding was \$1,242,324, and is being amortized over the life of the new bonds. At June 30, 2022, \$458,702 remains to be amortized.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

10. RISK MANAGEMENT

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

11. COMMITMENTS AND CONTINGENCIES

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

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 school districts based on pupil counts and other factors in the state school fund revenue formula. Since these projections and pupil counts fluctuate they can cause either increases or decreases in revenue. Due to these future uncertainties at the state level, the future effect on operations cannot be determined.

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.

11. COMMITMENTS AND CONTINGENCIES

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.

12. PROPERTY TAX LIMITATION

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

The 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.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

13. INTERFUND TRANSFERS AND DUE TO/DUE FROM:

Operating transfers between funds were made to fund various programs and activities as follows:

	Transfers Out	Transfers In
General Fund	\$ 2,192,410	\$ -
Special Revenue Fund	-	117,410
Capital Projects Fund	-	2,075,000
Total	\$ 2,192,410	\$ 2,192,410

The internal transfers are budgeted and recorded to show legal and operational commitments between funds such as cost sharing.

The composition of the interfund balances is as follows:

	Due From	Due To
General Fund	\$ 550,438	\$ -
Special Revenue Fund	-	597,670
Debt Service Fund	312,263	-
Capital Projects Fund	-	265,031
Total	\$ 862,701	\$ 862,701

The internal balances are recorded to show legal and operational commitments between funds.

14. TAX ABATEMENTS

As of June 30, 2022, 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, 2022 for any program covered under GASB 77.

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NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

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NESTUCCA VALLEY SCHOOL DISTRICT
TILLAMOOK COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2022

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
2022	0.030 %	\$ 3,626,919	\$ 4,164,197	87.1 %	87.6 %
2021	0.028	6,063,785	3,846,104	157.7	75.8
2020	0.030	5,189,223	3,597,668	144.2	80.2
2019	0.033	4,925,005	3,505,231	140.5	82.1
2018	0.034	4,627,276	3,476,966	133.1	83.1
2017	0.037	5,600,204	3,984,277	140.6	80.5
2016	0.044	2,519,749	3,477,707	72.5	91.9
2015	0.038	(854,562)	3,396,583	(25.2)	103.6
2014	0.038	1,923,910	3,070,026	62.7	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 :

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

SCHEDULE OF CONTRIBUTIONS

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2022	\$ 943,260	\$ 943,260	\$ -	\$ 5,220,714	18.1 %
2021	1,068,779	1,068,779	-	4,164,197	25.7
2020	980,849	980,849	-	3,846,104	25.5
2019	931,096	931,096	-	3,597,668	25.9
2018	707,438	707,438	-	3,505,231	20.2
2017	546,804	546,804	-	3,476,966	15.7
2016	395,648	395,648	-	3,984,277	9.9
2015	417,655	417,655	-	3,477,707	12.0
2014	437,359	437,359	-	3,396,583	12.9

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

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.

NESTUCCA VALLEY SCHOOL DISTRICT
TILLAMOOK COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2022

OPEB - RHIA

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

Year Ended June 30,	(a) District's Proportion of the net OPEB asset/(liability) (NOA/(L))	(b) District's proportionate share of the net OPEB asset/(liability)(NOA/(L))	(c) District's covered payroll	(b/c) NOA/(L) as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2022	0.019 %	\$ 66,774	\$ 4,164,197	1.60 %	183.9 %
2021	0.050	101,392	3,846,104	2.64	150.1
2020	0.029	55,626	3,597,668	1.55	144.4
2019	0.030	33,882	3,505,231	0.97	124.0
2018	0.029	12,063	3,476,966	0.35	108.9
2017	0.032	(8,655)	3,984,277	(0.22)	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

	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	District's covered payroll	Contributions as a percent of covered payroll
2022	N/A	\$ N/A	\$ N/A	\$ 5,220,714	N/A %
2021	N/A	N/A	N/A	4,164,197	N/A
2020	N/A	N/A	N/A	3,846,104	N/A
2019	N/A	N/A	N/A	3,597,668	N/A
2018	N/A	N/A	N/A	3,505,231	N/A
2017	N/A	N/A	N/A	3,476,966	N/A

The amounts presented for each fiscal year were actuarially determined at December 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 p. 34)

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST EMPLOYMENT BENEFITS
June 30, 2022

IMPLICIT BENEFIT (OPEB) - HEALTH INSURANCE BENEFITS
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

Year Ended June 30,	Total OPEB Liability - Beginning	Service Cost	Interest	Changes of Benefit Terms	Changes of Assumptions	Benefit Payments	Total OPEB Liability - End of Year	Estimated Covered Payroll	Total OPEB Liability as a % of Covered Payroll
2022	\$ 285,949	\$ 37,514	\$ 6,915	\$ 0	\$ (74,385)	\$ (21,267)	\$ 234,726	\$ N/A	N/A
2021	238,660	32,264	9,306	0	15,885	(10,166)	\$ 285,949	N/A	N/A
2020	324,808	44,431	13,571	0	(106,667)	(37,483)	238,660	N/A	N/A
2019	309,246	43,336	12,000	0	(4,666)	(35,108)	324,808	N/A	N/A
2018	300,333	44,133	9,341	0	(10,884)	(33,677)	309,246	N/A	N/A

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended June 30,	(a) Actuarially Determined Contribution	(b) Contributions During Year	(b)-(a) Difference	(c) Covered Payroll	(b/c) Contributions as a Percentage of Payroll
2022	\$ 37,514	\$ -	\$ N/A	\$ N/A	N/A
2021	32,264	-	N/A	N/A	N/A
2020	44,431	-	N/A	N/A	N/A
2019	43,336	-	N/A	N/A	N/A
2018	44,133	-	N/A	N/A	N/A

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

The amounts presented for each fiscal year are actuarially determined and rolled forward.

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.

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 ACTUAL AND BUDGET
 For the Year Ended June 30, 2022

	<u>GENERAL FUND</u>			VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
REVENUES				
Local Sources	\$ 6,527,000	\$ 6,527,000	\$ 6,700,392	\$ 173,392
Intermediate Sources	500,000	500,000	444,678	(55,322)
State Sources	640,000	640,000	531,637	(108,363)
Total Revenue	<u>7,667,000</u>	<u>7,667,000</u>	<u>7,676,707</u>	<u>9,707</u>
EXPENDITURES				
Instruction	4,171,657	3,896,657 (1)	3,768,910	127,747
Support Services	3,557,741	3,792,741 (1)	3,787,040	5,701
Debt Service	67,602	107,602 (1)	106,294	1,308
Contingency	600,000	600,000 (1)	-	600,000
Total Expenditures	<u>8,397,000</u>	<u>8,397,000</u>	<u>7,662,244</u>	<u>734,756</u>
Excess of Revenues Over (Under) Expenditures	(730,000)	(730,000)	14,463	744,463
OTHER FINANCING SOURCES (USES)				
Transfer Out	(2,195,000)	(2,195,000) (1)	(2,192,410)	2,590
Total Other Financing Sources (Uses)	<u>(2,195,000)</u>	<u>(2,195,000)</u>	<u>(2,192,410)</u>	<u>2,590</u>
Net Change in Fund Balance	(2,925,000)	(2,925,000)	(2,177,947)	747,053
Beginning Fund Balance	3,690,000	3,690,000	3,927,955	237,955
Ending Fund Balance	<u>\$ 765,000</u>	<u>\$ 765,000</u>	<u>\$ 1,750,008</u>	<u>\$ 985,008</u>

(1) Appropriation Level

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 ACTUAL AND BUDGET
 For the Year Ended June 30, 2022

<u>SPECIAL REVENUE FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)</u>
REVENUES				
Local Sources	\$ 470,000	\$ 470,000	\$ 247,714	\$ (222,286)
Intermediate Sources	-	-	126,209	126,209
State Sources	1,756,000	1,756,000	1,661,500	(94,500)
Federal Sources	1,404,375	1,844,375	2,285,947	441,572
Total Revenue	<u>3,630,375</u>	<u>4,070,375</u>	<u>4,321,370</u>	<u>250,995</u>
EXPENDITURES				
Instruction	1,174,856	1,844,856 (1)	1,709,094	135,762
Support Services	1,496,664	1,496,664 (1)	1,412,472	84,192
Enterprise and Community Services	1,148,855	1,068,855 (1)	1,018,197	50,658
Transits	730,000	580,000 (1)	554,249	25,751
Total Expenditures	<u>4,550,375</u>	<u>4,990,375</u>	<u>4,694,012</u>	<u>296,363</u>
Excess of Revenues Over (Under) Expenditures	(920,000)	(920,000)	(372,642)	547,358
OTHER FINANCING SOURCES (USES)				
Transfer In	595,000	595,000	117,410	(477,590)
Proceeds from Sale of Capital Assets	-	-	500	500
Total Other Financing Sources (Uses)	<u>595,000</u>	<u>595,000</u>	<u>117,910</u>	<u>(477,090)</u>
Net Change in Fund Balance	(325,000)	(325,000)	(254,732)	70,268
Beginning Fund Balance	<u>325,000</u>	<u>325,000</u>	<u>626,773</u>	<u>301,773</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 372,041</u>	<u>\$ 372,041</u>

(1) Appropriation Level

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NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

SUPPLEMENTARY INFORMATION

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NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 ACTUAL AND BUDGET
 For the Year Ended June 30, 2022

<u>DEBT SERVICE FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)</u>
REVENUES				
Local Sources	\$ 2,234,650	\$ 2,234,650	\$ 2,236,104	\$ 1,454
EXPENDITURES				
Long-term Debt Service	2,404,650	2,404,650 (1)	2,402,306	2,344
Net Change in Fund Balance	(170,000)	(170,000)	(166,202)	3,798
Beginning Fund Balance	170,000	170,000	517,056	347,056
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 350,854</u>	<u>\$ 350,854</u>

(1) Appropriation Level

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 ACTUAL AND BUDGET
 For the Year Ended June 30, 2022

<u>CAPITAL PROJECTS FUND</u>				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Local Sources	\$ 150,000	\$ 150,000	\$ 31,509	\$ (118,491)
State Sources	1,000,000	1,000,000	643,287	(356,713)
Total Revenue	<u>1,150,000</u>	<u>1,150,000</u>	<u>674,796</u>	<u>(118,491)</u>
EXPENDITURES				
Support Services	750,000	750,000 (1)	63,811	686,189
Facilities Acquisition and Construction	11,500,000	11,500,000 (1)	6,147,628	5,352,372
Total Expenditures	<u>12,250,000</u>	<u>12,250,000</u>	<u>6,211,439</u>	<u>6,038,561</u>
Excess of Revenues Over (Under) Expenditures	(11,100,000)	(11,100,000)	(5,536,643)	5,920,070
OTHER FINANCING SOURCES (USES)				
Bond Proceeds	-	-	4,000,000	4,000,000
Transfer In	1,600,000	1,600,000	2,075,000	475,000
Total Other Financing Sources (Uses)	<u>1,600,000</u>	<u>1,600,000</u>	<u>6,075,000</u>	<u>4,475,000</u>
Net Change in Fund Balance	(9,500,000)	(9,500,000)	538,357	10,038,357
Beginning Fund Balance	<u>9,500,000</u>	<u>9,500,000</u>	<u>4,703,042</u>	<u>(4,796,958)</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,241,399</u>	<u>\$ 5,241,399</u>

(1) Appropriation Level

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK, OREGON

SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES OF TAXES UNCOLLECTED
For the Year Ended June 30, 2022

<u>GENERAL FUND</u>						
TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED JUNE 30, 2021	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED JUNE 30, 2022
Current:						
2021-22	\$ 6,794,361	\$ 175,373	\$ (48)	\$ 332	\$ 6,489,734	\$ 129,538
Prior Years:						
2020-21	127,342	(2)	(1,646)	483	69,815	56,366
2019-20	62,337	-	(21)	582	35,402	27,496
2018-19	33,022	-	(87)	578	25,227	8,286
2017-18	12,093	-	(222)	281	10,023	2,129
Prior	16,616	1	2,424	309	7,307	12,041
Total Prior	251,410	(1)	448	2,233	147,774	106,318
Total	<u>\$ 7,045,771</u>	<u>\$ 175,372</u>	<u>\$ 400</u>	<u>\$ 2,565</u>	<u>\$ 6,637,508</u>	<u>\$ 230,542</u>

RECONCILIATION TO REVENUE:

Cash Collections by County Treasurers Above	\$ 6,637,508
Accrual of Receivables:	
June 30, 2021	(21,099)
June 30, 2022	16,638
Taxes in Lieu	<u>17,532</u>
Total Revenue	<u>\$ 6,650,579</u>

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK, OREGON

SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES OF TAXES UNCOLLECTED
For the Year Ended June 30, 2022

<u>DEBT SERVICE FUND</u>						
<u>TAX YEAR</u>	<u>ORIGINAL LEVY OR BALANCE UNCOLLECTED JUNE 30, 2021</u>	<u>DEDUCT DISCOUNTS</u>	<u>ADJUSTMENTS TO ROLLS</u>	<u>INTEREST</u>	<u>CASH COLLECTIONS BY COUNTY TREASURER</u>	<u>BALANCE UNCOLLECTED OR UNSEGREGATED JUNE 30, 2022</u>
Current:						
2021-22	\$ 2,100,060	\$ 54,205	\$ (6)	\$ 102	\$ 2,005,915	\$ 40,036
Prior Years:						
2020-21	41,006	(1)	2,285	165	24,041	19,416
2019-20	21,473	-	(466)	195	11,936	9,266
2018-19	11,130	-	(6,294)	84	3,705	1,215
2017-18	1,775	-	2	42	1,501	318
Prior	(651)	-	10,890	42	1,010	9,271
Total Prior	<u>74,733</u>	<u>(1)</u>	<u>6,417</u>	<u>528</u>	<u>42,193</u>	<u>39,486</u>
Total	<u>\$ 2,174,793</u>	<u>\$ 54,204</u>	<u>\$ 6,411</u>	<u>\$ 630</u>	<u>\$ 2,048,108</u>	<u>\$ 75,785</u>

RECONCILIATION TO REVENUE:

Cash Collections by County Treasurers Above	\$ 2,048,108
Accrual of Receivables:	
June 30, 2021	(4,034)
June 30, 2022	5,131
Taxes in Lieu	<u>11,248</u>
Total Revenue	<u>\$ 2,060,453</u>

NESTUCCA VALLEY SCHOOL DISTRICT NO.101
TILLAMOOK COUNTY, OREGON

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
As required by Oregon Department of Education
For the Year Ended June 30, 2022

Federal Grantor/Pass Through Grantor/ Program Title	Pass Through Organization	Federal AL Number	Pass Through Number	Grant Period	Expenditures
U.S. Department of Education					
Rural Education Achievement Program	USDOE	84.358A	5358A202785	2020-2021	\$ 25,150
Total Rural Education Achievement Program					25,150
Title I Grants to Local Educational Agencies	ODE	84.010	67026	2021-2022	132,561
Title I Grants to Local Educational Agencies	ODE	84.010	67990	2021-2022	40,946
Total Title I, Part A					173,507
Special Education Cluster					
Special Education Grants to States	ODE	84.027	53872	2019-2020	57,811
Special Education Grants to States	ODE	84.027	56703	2019-2020	2,049
Special Education Grants to States	ODE	84.027	60705	2021-2022	101,749
Special Education Grants to States	ODE	84.027	68431	2021-2022	19,306
Special Education Grants to States	ODE	84.027	68680	2021-2022	101,199
Total Special Education Grants to States CFDA 84.027					282,114
Special Education Preschool Grants	ODE	84.173	69202	2021-2022	342
Special Education Preschool Grants	ODE	84.173	68958	2021-2022	831
Special Education Preschool Grants	ODE	84.173	60539	2020-2021	1,761
Total Special Education Preschool Grants					2,934
Total, Special Education Cluster					# 285,048
Career and Technical Education - Basic Grants to States	CCC	84.048	n/a	2021-2022	10,021
Total Career and Technical Education - Basic Grants to States					10,021
Title IIA - Improving Teacher Quality State Grants	ODE	84.367	67459	2021-2022	21,405
Total IIA Improving Teacher Quality State Grants					21,405
Title IV-A Student Support and Academic Enrichment	ODE	84.424	66815	2021-2022	10,000
Total IV-A Student Support and Academic Enrichment					10,000
Twenty-First Century Community Learning Centers	ODE	84.287	61156	2018-2023	202,267
Twenty-First Century Community Learning Centers	ODE	84.287	68793	2018-2023	176,013
Total Twenty-First Century Community Learning Centers					378,280
Education Stabilization Fund-State Educational Agency (ESD-SEA)	ODE	84.425A	64634	2020-2021	46,435
Education Stabilization Fund-State Educational Agency (ESD-SEA)	ODE	84.425A	64939	2021-2022	814,237
Total Education Stabilization Fund-State Educational Agency (ESD-SEA)					860,672
Total, U.S. Department of Education					1,764,083
U.S. Department of Health and Human Services					
Vocational Rehabilitation Grants to States	Tillamook SD	84.126	N/A	2021-2023	39,284
Total, U.S. Department of Health and Human Services					39,284
U.S. Department of Agriculture					
Child Nutrition Cluster					
School Breakfast Program	ODE	10.553	N/A	2021-2022	77,803
Total School Breakfast Program					77,803
National School Lunch Program	ODE	10.555	N/A	2021-2022	225,505
National School Lunch Program Supply Chain Assistance	ODE	10.555	N/A	2021-2022	13,462
Total National School Lunch Program CFDA 10.555					238,967
Summer Food Service Program	ODE	10.559	N/A	2021-2022	8,035
Summer Food Service Program Commodities	ODE	10.559	N/A	2021-2022	25,428
Total Summer Food Service Program					33,463
Total, Child Nutrition Cluster					350,233
Child and Adult Food Care Program	ODE	10.558	N/A	2021-2022	110,498
Total Child and Adult Food Care Program					110,498
PEBT Administrative Funds	ODE	10.649	N/A	2021-2022	614
Total PEBT Administrative Funds					614
Total, U.S. Department of Agriculture					461,345
U.S. Department of the Interior					
Youth Conservation Programs	BLM	15.231	L17AC00114	2014-2020	21,235
Total, U.S. Department of the Interior					21,235
Total, Federal Awards					\$ 2,285,947

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NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

OTHER INFORMATION

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Nestucca Valley School District No. 101
Tillamook County, Oregon

REVENUE SUMMARY - ALL FUNDS
YEAR ENDED JUNE 30, 2022

Revenue from Local Sources	Fund 100	Fund 200	Fund 300	Fund 400	TOTAL
1111 Taxes - current year's levy	\$ 6,506,500	\$ -	\$ 2,011,364	\$ -	\$ 8,517,864
1112 Taxes - prior year's levies	160,222	-	49,037	-	209,259
1113 Taxes - county tax sales for back taxes	3,157	-	-	-	3,157
1114 Taxes - payments in lieu of taxes	3,294	-	-	-	3,294
1130 Construction excise tax	-	167,293	-	-	167,293
1190 Penalties and interest on taxes	310	-	52	-	362
1510 Earnings on investments	(74,716)	-	5,698	31,508	(37,510)
1600 Food Service	-	1,358	-	-	1,358
1700 Extracurricular Activities	150	59,536	-	-	59,686
1920 Contributions and donations from private sources	20,104	34,187	-	-	54,291
1960 Recovery of prior year expenditures	13,832	132,090	-	-	145,922
1970 Services Provided to other Funds	-	-	169,953	-	169,953
1980 Fees Charged to Grants	-	147,840	-	-	147,840
1990 Miscellaneous	58,508	(294,589)	-	-	(236,081)
1991 E-rate	9,030	-	-	-	9,030
Total Revenue from Local Sources	6,700,391	247,715	2,236,104	31,508	9,215,718
Revenue from Intermediate Sources					
2101 County school funds	442,082	126,209	-	-	568,291
2102 General Education Service Funds	-	-	-	-	-
2199 Other intermediate sources	2,597	-	-	-	2,597
Total Revenue from Intermediate Sources	444,679	126,209	-	-	570,888
Revenue from State Sources					
3103 Common school fund	52,712	-	-	-	52,712
3104 State managed county timber	441,882	-	-	-	441,882
3199 Other unrestricted sources	26,900	-	-	-	26,900
3299 Other restricted grants-in-aid	10,143	1,661,500	-	643,288	2,314,931
Total Revenue from State Sources	531,637	1,661,500	-	643,288	2,836,425
Revenue from Federal Sources					
4500 Restricted Rev Fed Gov through State	-	2,260,518	-	-	2,260,518
4900 USDA Donated Commodities	-	25,428	-	-	25,428
Total Revenue from Federal Sources	-	2,285,946	-	-	2,285,946
Revenue from Other Sources					
5110 Bond Proceeds	-	-	-	4,000,000	4,000,000
5200 Interfund Transfers	-	117,410	-	2,075,000	2,192,410
5300 Sale/compensation fixed assets	-	500	-	-	500
5400 Resources - Beginning Fund Balance	3,927,955	626,773	517,056	4,703,042	9,774,826
Total Revenue from Other Sources	3,927,955	744,683	517,056	10,778,042	15,967,736
Total	\$ 11,604,662	\$ 5,066,053	\$ 2,753,160	\$ 11,452,838	\$ 30,876,713

Nestucca Valley School District No. 101
Tillamook County, Oregon

GENERAL FUND
EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2022

Fund: 100 General Fund

	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700	TOTAL
Instruction Expenditures								
1111 Primary, K-3	\$ 720,623	\$ 434,267	\$ 577	\$ 37,548	\$ -	\$ 914	\$ -	\$ 1,193,929
1121 Middle/Junior high school programs	173,686	111,432	2,031	6,187	-	750	-	294,086
1122 Middle/Junior high school extracurricular	1,767	458	(670)	3,263	-	170	-	4,988
1131 High school programs	737,334	427,524	6,170	36,591	7,143	2,375	-	1,217,137
1132 High school extracurricular	147,423	36,718	43,964	11,968	12,400	7,928	-	260,401
1220 Restrictive programs for student with disabilities	992	152	-	265	-	-	-	1,409
1250 Less restrictive programs for student with disabilities	329,777	261,357	424	10,651	-	17,704	-	619,913
1272 Title IA/D	-	2,119	-	-	-	-	-	2,119
1280 Alternative education	1,727	1,823	35,000	-	-	2,887	-	41,437
1291 English second language programs	72,290	60,142	-	1,059	-	-	-	133,491
1400 Summer school programs	-	-	-	-	-	-	-	-
Total Instruction Expenditures	2,185,619	1,335,992	87,496	107,532	19,543	32,728	-	3,768,910
Support Services Expenditures								
2110 Attendance Services	-	-	2,520	-	-	-	-	2,520
2120 Guidance services	-	-	-	570	-	-	-	570
2130 Health services	74,273	16,435	445	3,078	-	-	-	94,231
2140 Psychological Services	-	-	11,518	-	-	-	-	11,518
2150 Speech and Audiology Services	-	-	23,035	-	-	-	-	23,035
2160 Other Student Treatment Services	-	-	3,899	-	-	-	-	3,899
2190 Service direction, student support services	95,520	44,394	3,899	116	-	-	-	143,929
2210 Improvement of Instruction Services	-	-	7,880	-	-	-	-	7,880
2220 Educational media services	54,775	48,593	1,652	18,057	-	-	-	123,077
2230 Assessment testing	-	-	-	376	-	-	-	376
2240 Instructional staff development	1,000	18,014	120	-	-	-	-	19,134
2310 Board of education services	-	-	9,220	909	-	305,534	-	315,663
2320 Executive administration services	240,278	121,963	13,275	34,972	-	23,265	-	433,753
2410 Office of the principal services	327,398	188,721	5,379	55,197	-	8,753	-	585,448
2520 Fiscal services	61,471	40,547	2,530	22,014	-	115,330	-	241,892
2540 Operation and maintenance of plant services	239,132	104,258	425,064	78,996	27,535	7,539	-	882,524
2550 Student transportation services	212,686	165,232	3,911	53,033	-	5,487	-	440,349
2570 Internal services	-	-	20,934	-	-	-	-	20,934
2640 Staff services	61,398	32,505	1,758	185	-	10,052	-	105,898
2660 Technology services	166,705	80,406	55,436	11,213	6,620	150	-	320,530
2700 Supplemental Retirement Programs	-	9,880	-	-	-	-	-	9,880
Total Support Services Expenditures	1,534,636	870,948	592,475	278,716	34,155	476,110	-	3,787,040
Other Uses Expenditures								
5100 Debt Service	-	-	38,050	-	-	68,244	-	106,294
5200 Transfers of Funds	-	-	-	-	-	-	2,192,410	2,192,410
Total Other Uses Expenditures	-	-	38,050	-	-	68,244	2,192,410	2,298,704
Total 100 General Fund	\$ 3,720,255	\$ 2,206,940	\$ 718,021	\$ 386,248	\$ 53,698	\$ 577,082	\$ 2,192,410	\$ 9,854,654

Nestucca Valley School District No. 101
Tillamook County, Oregon

**SPECIAL REVENUE FUND
EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2022**

Fund: 200 Special Revenue Fund

	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700	TOTAL
Instruction Expenditures								
1111 Elementary programs	\$ 71,514	\$ 32,807	\$ -	\$ 73,373	\$ -	\$ -	\$ -	\$ 177,694
1113 Elementary extracurricular	\$ -	\$ -	\$ -	\$ 4,196	\$ -	\$ 1,267	\$ -	\$ 5,463
1121 Middle/Junior high school programs	88,354	51,746	-	9,068	-	-	-	149,168
1122 Middle/Junior high school extracurricular	-	-	-	10,816	-	-	-	10,816
1131 High School Programs	80,887	52,209	4,900	82,899	-	-	-	220,895
1132 High school extracurricular	-	-	3,538	77,994	-	-	-	81,532
1140 Pre-kindergarten programs	-	-	147,840	-	-	-	-	147,840
1250 Less restrictive programs for student with disabilities	172,006	109,906	695	10,061	-	-	-	292,668
1271 Remediation	32,650	21,748	43,000	-	-	-	-	97,398
1272 Title IA/D	63,061	38,752	-	-	-	-	-	101,813
1280 Alternative education	131,024	47,457	11,127	66,398	98,261	-	-	354,267
1400 Summer school program	46,431	14,769	-	8,339	-	-	-	69,539
Total Instruction Expenditures	685,927	369,394	211,100	343,144	98,261	1,267	-	1,709,093
Support Services Expenditures								
2113 Social Work Services	\$ 22,504	\$ 15,576	-	-	-	-	-	38,080
2190 Service Direction, Student Support Services	24,107	12,870	-	192	-	-	-	37,169
2120 Guidance Services	273,451	172,389	-	2,995	-	-	-	448,835
2213 Curriculum Development	-	-	19,301	-	-	-	-	19,301
2220 Educational Media Services	-	-	-	-	-	-	-	-
2222 Educational Media Services	-	-	-	2,073	-	-	-	2,073
2240 Instructional Staff Development	-	19,470	1,998	-	-	4,800	-	26,268
2540 Operation and maintenance of plant services	29,658	20,057	186,138	10,300	267,278	1,373	-	514,804
2550 Student Transportation Services	4,674	1,331	-	-	152,878	-	-	158,883
2640 Staff Services	61,000	40,940	-	-	-	-	-	101,940
2660 Technology Services	-	-	-	64,878	-	241	-	65,119
Total Support Services Expenditures	415,394	282,633	207,437	80,438	420,156	6,414	-	1,412,472
Enterprise and Community Services								
3100 Food services	124,001	100,454	7,856	239,061	-	2,558	-	473,930
3300 Community Services	255,975	218,964	45,724	23,459	-	145	-	544,267
Total Enterprise and Community Services	379,976	319,418	53,580	262,520	-	2,703	-	1,018,197
Other Uses Expenditures								
5100 Debt Service	-	-	-	-	-	-	-	-
5200 Transfers of funds	-	-	-	-	-	-	-	-
5210 Transfers of funds	-	-	-	-	-	-	-	-
5300 Apportionment of funds	-	-	-	-	-	-	554,249	554,249
Total Other Uses Expenditures	-	-	-	-	-	-	554,249	554,249
Total 200 Special Revenue Fund	\$ 1,481,297	\$ 971,445	\$ 472,117	\$ 686,102	\$ 518,417	\$ 10,384	\$ 554,249	\$ 4,694,011

Nestucca Valley School District No. 101
Tillamook County, Oregon

**DEBT SERVICE FUND
EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2022**

Fund: 300 Debt Service	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700	TOTAL
Other Uses Expenditures								
5100 Debt Service	-	-	-	-	-	2,402,306	-	2,402,306
Total Other Uses Expenditures	-	-	-	-	-	2,402,306	-	2,402,306
Total 300 Debt Service Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,402,306	\$ -	\$ 2,402,306

Nestucca Valley School District No. 101
 Tillamook County, Oregon

**CAPITAL PROJECTS FUND
 EXPENDITURE SUMMARY
 YEAR ENDED JUNE 30, 2022**

Fund: 400 Capital Projects Fund

	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700	TOTAL
Support Services Expenditures								
2520 Fiscal Services	\$ -	\$ -	\$ 49,000	\$ -	\$ -	\$ 1	\$ -	\$ 49,001
2540 Operation and Maintenance of Plant Services	-	-	-	1,511	13,300	-	-	14,811
Total Support Services Expenditures	-	-	49,000	1,511	13,300	1	-	63,812
Facilities Acquisition and Construction Expenditures								
4110 Service area direction	\$ -	\$ -	\$ 511,335	\$ -	\$ -	\$ -	\$ -	\$ 511,335
4120 Site Acquisition and Development Services	-	-	27,655	-	-	-	-	27,655
4150 Building Acquisition, Construction and Improvement Services	-	-	23,568	70,259	2,874,525	5,184	-	2,973,536
4190 Other Facilities Construction Services	-	-	-	-	2,635,101	-	-	2,635,101
Total Facilities Acquisition and Construction Expenditures	-	-	562,558	70,259	5,509,626	5,184	-	6,147,627
Total 400 Capital Projects Fund	\$ -	\$ -	\$ 611,558	\$ 71,770	\$ 5,522,926	\$ 5,185	\$ -	\$ 6,211,439

NESTUCCA VALLEY SCHOOL DISTRICT
TILLAMOOK COUNTY, OREGON

SUPPLEMENTAL INFORMATION
 As Required by The Oregon Department of Education - Form 3211-C
 For the Year Ended June 30, 2022

A.	Energy bills for heating - all funds:		Objects 325 and 326 & *327
		Function 2540	\$ 213,215
		Function 2550	483
B.	Replacement of equipment - General Fund:		
	Include all General Fund expenditures in Object 542, except for the following exclusions:		Amount
	Exclude these functions:		
	1113, 1122 & 1132 Co-curricular activities 4150 Construction		\$ -
	1140 Pre-kindergarten 2550 Pupil transportation		
	1300 Continuing education 3100 Food service		
	1400 Summer school 3300 Community services		

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

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
ANNUAL OPERATING DATA
 Ending June 30, 2022

General Obligation Bond Debt Capacity - Fiscal Year 2022

Real Market Value (Fiscal Year 2022)	\$	2,017,508,008
Debt Capacity		
General Obligation Debt Capacity (7.95% of Real Market Value)		160,391,887
Less: Outstanding Debt Subject to Limit		(30,562,776)
Remaining General Obligation Debt Capacity		129,829,111
Percent of Capacity Issued		19.06%

Taxable Property Values

Fiscal Year	M5 Real Market Value	Total Assessed Value	Urban Renewal Excess	Net Assessed Value
2022	\$ 2,017,508,008	\$ 1,404,035,411	\$ -	\$ 1,404,035,411
2021	1,801,902,993	1,349,831,512	-	1,349,831,512
2020	1,698,038,639	1,300,464,370	-	1,300,464,370
2019	1,584,619,533	1,244,866,272	-	1,244,866,272
2018	1,475,900,612	1,188,920,506	-	1,188,920,506
2017	1,411,024,911	1,149,867,434	-	1,149,867,434
2016	1,429,413,711	1,115,303,684	-	1,115,303,684
2015	1,359,450,275	1,078,038,802	-	1,078,038,802
2014	1,324,270,053	1,057,426,721	-	1,057,426,721
2013	1,327,316,755	1,031,259,139	-	1,031,259,139

Representative Levy Rate

Fiscal Year	Permanent Rate	Bond Levy	Total
2022	\$ 4.8580	\$ 1.4956	\$ 6.3536
2021	4.8580	1.5557	6.4137
2020	4.8580	1.6309	6.4889
2019	4.8580	1.6234	6.4814
2018	4.8580	0.7056	5.5636
2017	4.8580	0.7200	5.5780
2016	4.8580	0.7041	5.5621
2015	4.8580	0.6117	5.4697
2014	4.8580	0.4728	5.3308
2013	4.8580	0.6884	5.5464

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
ANNUAL OPERATING DATA
Ending June 30, 2022

Debt Ratios - As of June 30 2022

Real Market Value	\$	2,017,508,008	
Estimated Population		4,167	
Per Capital Real Market Value	\$	484,163	
Debt Information		Gross Direct Debt ⁽¹⁾	Net Direct Debt ⁽²⁾
District Direct Debt	\$	35,980,977	\$ 35,980,977
Overlapping Direct Debt		5,171,459	4,779,233
Total Direct Debt	\$	<u>41,152,436</u>	<u>\$ 40,760,210</u>
Bonded Debt Ratios			
District Direct Debt to Real Market Value		1.78%	1.78%
Total Direct Debt to Real Market Value		2.04%	2.02%
Per Capita District Direct Debit	\$	8,635	\$ 8,635
Per Capital Total Direct Debt	\$	9,876	\$ 9,782

(1) Gross Direct Debt includes all unlimited (general obligation bonds) and limited (full faith and credit obligations) taxsupported debt. Limited taxpension obligations are included.

(2) Net Debt is Gross Direct Debt less self-supporting limited and unlimited tax supported debt. (Gross Direct Debt less Debt Service Fund Balance) Beginning in FY 2010, the State changed its classification for pension bonds from self supporting to no-supporting. As a result, they are now included in the Net Direct Debt total.

Historical Average Daily Membership(w) ⁽¹⁾	
2022 ⁽²⁾	708.2
2021 ⁽²⁾	635.8
2020	676.8
2019	684.7
2018	669.8
2017	680.5

(1) Weighted Average Daily Membership is the enrollment figure, adjusted for part time students and students with special needs, that is used to allocate revenue appropriated

(2) Preliminary, subject to change

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
ANNUAL OPERATING DATA
 Ending June 30, 2022

Major Taxpayers - Fiscal Year 2021-22

Tillamook County

Taxpayer	Business/Service	Tax	Assessed Value	Percent of Value
Tillamook PUD	Electrical/Utility	\$ 1,003,941	\$ 91,500,140	1.60%
Tillamook County Creamery AS	Retail	983,806	107,642,973	1.88%
Stimson Lumber Companyy	Wood Products	787,028	70,500,319	1.23%
Lumen Technologies Inc	Telecommunications	389,936	36,275,000	0.63%
Charter Communications	Telecommunications	251,193	22,143,000	0.39%
Store Capital Acquistions LLC	Retail	224,336	19,652,860	0.34%
Hampton Lumber Mills Co	Wood Products	219,873	18,504,760	0.32%
Fred Meyer Stores Inc	Retail	219,326	18,461,690	0.32%
Pelican Brewing Company	Retail	190,460	15,873,560	0.28%
Kiwanda Lodge LLC	Travel	142,087	11,553,080	0.20%
Subtotal - ten of County's largest taxpayers			320,607,242	5.60%
All other County's taxpayers			5,402,533,854	94.40%
Total County			\$ 5,723,141,096	100.00%

Major Taxpayers - Fiscal Year 2021-22

Nestucca Valley School District

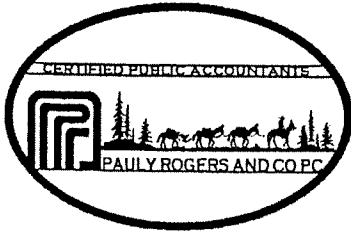
Taxpayer	Business/Service	Tax	Assessed Value	Percent of Value
Tillamook PUD	Electrical/Utility	\$ 249,250	\$ 20,245,520	1.44%
Kiwanda Lodge LLC	Real Estate	167,925	15,125,580	1.08%
Centurylink	Telecommunications	127,575	10,717,548	0.76%
Stimson Lumber Companyy	Wood Products	126,434	11,084,000	0.79%
Kiwanda Properties LLC	Real Estate	83,904	7,033,156	0.50%
L & C Tree Farms LLC		76,325	6,495,740	0.46%
Sahhali South LLC	Real Estate	58,874	4,814,090	0.34%
Nestucca Forests LLC	Wood Products	42,902	3,794,190	0.27%
Thousand Trails Inc	Real Estate	39,436	3,185,800	0.23%
Elemar LLC		36,591	3,242,340	0.23%
Subtotal - ten of District's largest taxpayers			85,737,964	6.11%
All other District's taxpayers			1,318,297,447	93.89%
Total District			\$ 1,404,035,411	100.00%

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NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

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November 12, 2022

Independent Auditor's Report Required by Oregon State Regulations

We have audited the basic financial statements of Nestucca Valley School District No. 101 for the year ended June 30, 2022, and have issued our report thereon dated November 12, 2022. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

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

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

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered 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 internal control over financial reporting.

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

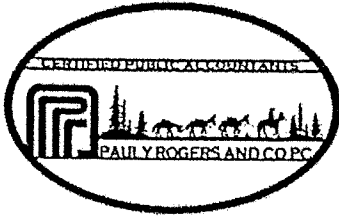
Roy R Rogers

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

NESTUCCA VALLEY SCHOOL DISTRICT NO. 101
TILLAMOOK COUNTY, OREGON

GRANT COMPLIANCE REVIEW

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November 12, 2022

To the Board of Directors
Nestucca Valley School District No. 101
Tillamook County, Oregon

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the governmental activities and each major fund of the Nestucca Valley School District No. 101 as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated November 12, 2022.

Report on Internal Control over Financial Reporting

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

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

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

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

Report on Compliance and Other Matters

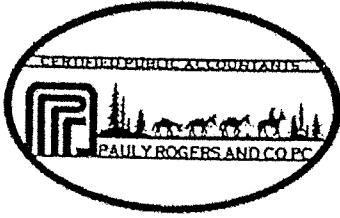
As part of obtaining reasonable assurance about whether the basic financial statements are free from material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



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



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November 12, 2022

To the Board of Directors
Nestucca Valley School District No. 101
Tillamook County, Oregon

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Nestucca Valley School District No. 101's (the District) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2022. The major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of compliance with the compliance requirements referred to above.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of compliance.

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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

Roy R Rogers

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

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NESTUCCA VALLEY SCHOOL DISTRICT
TILLAMOOK COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2022

SECTION I – SUMMARY OF AUDITORS’ RESULTS

FINANCIAL STATEMENTS

Type of auditors’ report issued

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

yes no

Significant deficiency(s) identified that are not considered to be material weaknesses?

yes none reported

Noncompliance material to financial statements noted?

yes no

Any GAGAS audit findings disclosed that are required to be reported in accordance with section 515(d)(2) of the Uniform Guidance?

yes no

FEDERAL AWARDS

Internal control over major programs:

Material weakness(es) identified?

yes no

Significant deficiency(s) identified that are not considered to be material weaknesses?

yes none reported

Type of auditors’ report issued on compliance for major programs:

Unmodified

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

yes no

NESTUCCA VALLEY SCHOOL DISTRICT
TILLAMOOK COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2022

IDENTIFICATION OF MAJOR PROGRAMS

<u>AL NUMBER</u>	<u>NAME OF FEDERAL PROGRAM CLUSTER</u>
84.425A	COVID-19 Education Stabilization Fund

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

Auditee qualified as low-risk auditee? yes no

SECTION II – FINANCIAL STATEMENT FINDINGS

None

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. BASIS OF PRESENTATION

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Board of Directors Meeting

Minutes – February 8, 2023

OPENING OF PUBLIC SESSION

The meeting was called to order by Board Chair Stuart at 6:00 pm. Board Chair Stuart led the Pledge of Allegiance.

Attendance:

- X - Shane Stuart-Board Chair
- X - Linda Fielder-Board Vice Chair
- X - Bill Hagerty
- X - Diane Boisa
- X - Joseph Boyd
- X - Misty Wharton, Superintendent
- X - Ken Richwine, High School Principal
- X - Chad Holloway, Administrator of Facilities and Alternative Education
- X - Megan Kellow, Special Programs Administrator
- X – Kristina Albin, K8 Director –Not present

Patrons, Students and Staff: Shelley Stoll, Mary Hurliman, Sonya Kazen, Adriana Gisler, Tevin Gianella, Natasha Durgan, Greg Woods, Jennifer Collins, Melanie Merryman, Bronson Gaine

Approval of Agenda – February 8, 2023

MOTION: Diane Boisa 2nd: Joseph Boyd AYES: 5 NOES: 0 ABSTAIN: 0

COMMUNITY/SCHOOL PRESENTATIONS

Student body president, Bronson Gaine, was able to attend via Zoom while at a class at TBCC. Bronson shared that he was able to wear the new mascot suit last night at the basketball game. The suit looks really good and will fit a variety of people, he said. There were a lot of positive comments and compliments regarding the suit.

Student council is busy planning the Nestucca games, where classes will compete against each other. Bronson said that last week they took a few of the middle school student council

members to the community center and showed them how to set up for a dance. The High School student council hosted a dance later that night for the middle school. This was their first dance of the year, he added. The following day they were already partially set up for their winter formal that evening.

Bronson said the student council is looking to purchase new speakers. The current speakers are old and starting to hiss he said. They are hoping to have new speakers purchased by prom in April. The juniors are hosting the senior prom at the Hydrangea Ranch. They have rented one of the barns for the event.

The student council is requesting a way to be able to view student body account balances.

Bronson mentioned the CIS (Career Information System) they are currently using is really giving students and staff a lot of trouble. They feel it takes up valuable time and steers them in a direction they may not want to go. Mrs. Wharton said they are looking into other programs.

PUBLIC COMMENT

There were no requests for public comment.

CONSENT AGENDA – consolidated motion

- Board Minutes from January 11, 2023
- January 2023 Financial Report
- Ratification of Employment

MOTION: Linda Fielder 2nd: Diane Boisa AYES: 5 NOES: 0 ABSTAIN: 0

ACTION /DISCUSSION

There were no actions this month.

INFORMATION / DIRECTOR QUESTIONS

Superintendent Wharton shared they are currently working on budget shaping and planning. There are no more ESSER funds available and the timber revenue has been down significantly. We received a recent timber revenue check of \$150,000 in comparison to \$800,000 during the same time two years ago. They will receive the next check in May.

Mrs. Wharton said negotiations with classified staff will start very soon.

Superintendent Wharton gave a shout out to Hampton Lumber, who donated and delivered wood for the dugouts.

Mrs. Wharton said we recently have contracted with Murray Rau for our truancy needs. Mr. Rau was contracted with NWRESD previously and they are no longer providing those services. Mr. Rau will be able to do home visits and cite on scene if needed.

The High School is putting on Shrek the musical, Mrs. Wharton said, and there are quite a few students at the K8 who will be participating in the musical.

Mrs. Wharton said we currently have 55 slots for Preschool Promise. The classrooms are currently at capacity, so we will be asking for the same amount of slots next year.

We are starting to look at who is planning on retiring/resigning, so that we can determine what type of positions we may be posting for.

Mrs. Wharton said that everyone's admin reports are in the packet, but asked if any of them had anything they would like to say?

Mr. Richwine shared the girls varsity basketball team did clinch the league championships last night.

Mr. Holloway shared the plan for introductory classes for the CTE program this spring. Students will be broken up into groups. There will be a one hour session each Wednesday covering three trades. For example, a student in group A would go to electrical one week, concrete the next, and drywall the following week. This allows each student to rotate through as many trades as possible to receive the greatest amount of exposure.

Mrs. Wharton said the Tillamook Education Consortium is working on a strategic plan for K-14, for college prep. TBCC is currently developing a nursing program. We will work together looking through the same lens, and have a year long goal of developing a strategic plan, she said. Goals for our younger students K-5, would be soft skills such as how to answer a phone and shake hands. Mrs. Wharton said that Mr. Richwine sits in on those meetings with her. TBCC has just hired a new CTE Director.

Ms. Kellow shared that they are currently in audit season. There is a lot of tedious paperwork, but we are getting it done, she said. Ms. Kellow wanted to give a shout out to Autum Marsh and Amy Gianella for all their work for the YTP program. The students have started a little business within district. You can pay a one time fee and every Monday they will bring you a new vase of flowers. They are also looking into a couple of other business ideas.

The School District calendar is created two years at a time, Mrs. Wharton explained. The district is looking at the possibility of moving the K8 back to semesters next year and keeping the High School on trimesters. The district calendar may also be affected by Cycle Oregon coming to the K8 campus in September. Mrs. Wharton said they might have the kids off school during that time. This would also allow some of them to help at the event if they wanted. Mrs. Wharton said this will be a really good way to get exposure to the district's biking endeavors, as well as bring a lot of business to the surrounding communities.

Mrs. Wharton said they have been working on Integrated Guidance, which has a submission date for the end of March. It will be available on the website for parents and families to view before it gets submitted to the state for approval.

The district is contracting with American Fidelity for their Oregon Paid Family Leave.

Mr. Holloway said the IT Techs at the Sheriff's department have set up for their substation at the K8. He said we are ready for them whenever they are.

Mr. Stuart shared that while at the monthly Nestucca Valley Chamber of Commerce meeting, he was talking about fundraising for a new pitching mound. He said there were a lot of positive comments at that meeting regarding the district's facilities and programs. Mr. Stuart commented on the soccer program starting again and all of the other programs that are going on. His daughter is playing basketball right now and for a small district, we have a lot going on at the K8 and the High School. Mr. Stuart thanked administration for allowing all of that to happen.

Mrs. Wharton said that Aaron Miller, the athletic director at the K8, has been working on a parent handbook. He has a draft going that will be brought to the Board to look at in May.

FURTHER BUSINESS

There was no further business.

ADJOURNMENT

The meeting was adjourned by Board Chair Stuart at 6:25 pm.

**Nestucca Valley School District
Financial Report
2022-2023**

For Period Ending February 28, 2023

General Fund - Revenue & Expenditures by Object Code

	Budget	Actual	Encumbrances	Variance
Revenue:				
1111 Current Taxes	\$ 6,570,000	\$ 6,349,213	\$ -	\$ (220,787)
1112 Prior Taxes	150,000	68,884	-	(81,116)
1190 Interest on Taxes	1,000	-	-	(1,000)
1510 Interest	15,000	133,716	-	118,716
1790 Extra Curricular Activities	-	3,114	-	3,114
1910 Rentals		400		400
1920 Contributions & Donations	5,000	9,850	-	4,850
1960 Recovery of Expenditures	20,000	4,581	-	(15,419)
1990 Miscellaneous Revenue	25,000	3,020	-	(21,980)
1991 E-Rate Reimbursement	-	18,128	-	18,128
Total Local Revenue	6,786,000	6,590,906	-	(195,094)
2101 County School Fund	500,000	234,899	-	(265,101)
2102 General Education Service District	-	75,000	-	75,000
2199 Other Intermediate Sources	-	491	-	491
Total Intermediate Revenue	500,000	310,390	-	(189,610)
3103 Common School Fund	45,000	29,501	-	(15,499)
3104 State Timber Revenue	565,000	162,557	-	(402,443)
3199 Unrestricted Revenue	30,000	-	-	(30,000)
Total State Revenue	640,000	192,058	-	(447,942)
5400 Beginning Fund Balance	2,300,000	1,750,008	-	(549,992)
Total Other Sources	2,300,000	1,750,008	-	(549,992)
Total Revenues	\$ 10,226,000	\$ 8,843,362	\$ -	\$ (1,382,638)

Expenditures:				
100 - Salaries	3,863,311	2,331,319	1,702,990	\$ (170,998)
200 - Benefits	2,533,824	1,470,902	1,191,735	(128,813)
300 - Purchased Services	\$ 886,465	\$ 515,424	\$ 188,323	182,718
400 - Supplies & Materials	384,000	313,428	116,674	(46,102)
600 - Other Objects	518,400	443,446	15,077	59,877
700 - Transfers	1,420,000	1,066,800	353,200	-
800 - Operating Contingency	320,000	-	-	320,000
800 - Unappropriated EFB	300,000	-	-	300,000
Total Expenditures	\$ 10,226,000	\$ 6,141,319	\$ 3,567,999	\$ 516,682

**Nestucca Valley School District
Financial Report
2022-2023**

For Period Ending February 28, 2023

Special Revenue Funds - Revenue & Expenditures by Object Code

	Budget	Actual	Encumbrances	Variance
Revenue:				
Local Revenue	460,000	136,288	\$	(323,712)
State Revenue	1,982,500	421,173		(1,561,327)
Federal Revenue	\$ 1,387,500	\$ 228,100	\$ -	(1,159,400)
Interfund Transfers	370,000	75,000	-	(295,000)
Beginning Fund Balance	500,000	372,041	-	(127,959)
Total Revenues	\$ 4,700,000	\$ 1,232,602	\$ -	\$ (3,467,398)
Expenditures:				
100 - Salaries	\$ 1,215,699	\$ 772,264	\$ 480,891	\$ (37,456)
200 - Benefits	845,619	469,399	341,502	34,718
300 - Purchased Services	577,944	75,648	35,692	466,604
400 - Supplies & Materials	905,738	246,344	95,687	563,707
500 & 600 - Capital & Other Objects	425,000	102,603	48,864	273,533
700 - Transits	730,000	202,876	301,524	225,600
Total Expenditures	\$ 4,700,000	\$ 1,869,134	\$ 1,304,160	\$ 1,526,706

**Nestucca Valley School District
Financial Report
2022-2023**

For Period Ending February 28, 2023

General Fund - Revenue & Expenditures by Function Code

	Budget	Actual	Encumbrances	% Remaining	Variance
Revenue:					
Local Revenue	\$ 6,786,000	\$ 6,590,906	\$ -	2.87%	\$ (195,094)
Intermediate Revenue	500,000	310,390	-	37.92%	(189,610)
State Revenue	640,000	192,058	-	69.99%	(447,942)
Beginning Fund Balance	2,300,000	1,750,008	-	23.91%	(549,992)
Total Revenues	\$ 10,226,000	\$ 8,843,362	\$ -	13.52%	\$ (1,382,638)
Expenditures:					
1000- Instruction	\$ 4,114,969	\$ 2,164,528	\$ 1,860,203	2.19%	\$ 90,238
2000- Support Services	3,953,631	2,834,222	1,349,587	-5.82%	(230,178)
5100- Debt Service	117,400	75,769	5,009	31.19%	36,622
5200- Transfers	1,420,000	1,066,800	353,200	0.00%	-
6100- Operating Contingency	320,000	-	-	100.00%	320,000
7000- Unappropriated EFB	300,000	-	-	100.00%	300,000
Total Expenditures	\$ 10,226,000	\$ 6,141,319	\$ 3,567,999	5.05%	\$ 516,682

For Period Ending February 28, 2023

Special Revenue Funds - Revenue & Expenditures by Function Code

	Budget	Actual	Encumbrances	% Remaining	Variance
Revenue:					
Local Revenue	\$ 460,000	\$ 136,288	\$ -	70.37%	\$ (323,712)
State Revenue	1,982,500	421,173	-	78.76%	(1,561,327)
Federal Revenue	1,387,500	228,100	-	83.56%	(1,159,400)
Interfund Transfers	370,000	75,000	-	79.73%	(295,000)
Beginning Fund Balance	500,000	372,041	-	25.59%	(127,959)
Total Revenues	\$ 4,700,000	\$ 1,232,602	\$ -	73.77%	\$ (3,467,398)
Expenditures:					
1000- Instruction	\$ 1,696,771	\$ 730,900	\$ 466,403	29.44%	\$ 499,468
2000- Support Services	1,089,788	400,640	245,422	40.72%	443,726
3000- Community Services	1,183,441	534,718	290,811	30.24%	357,912
5300- Transits	730,000	202,876	301,524	0.00%	225,600
Total Expenditures	\$ 4,700,000	\$ 1,869,134	\$ 1,304,160	32.48%	\$ 1,526,706

NESTUCCA VALLEY SCHOOL DISTRICT
March 8, 2023

APPROVE RENEWALS/EXTENSIONS AND NON-EXTENSIONS OF TEMPORARY, PROBATIONARY,
AND CONTRACT TEACHERS AND ADMINISTRATORS

Resolved, that the Board of Directors accept the Superintendent’s recommendation for the renewal of probationary teachers and administrators and for the issuance of contracts to contract teachers and administrators.

- 1. Current **First-Year Probationary Teachers** being **non-renewed**:
DEWAR, AMY

- 2. Current **First-Year Probationary Teachers and Administrators** being recommended for one-year contracts July 1, 2023 to June 30, 2024 to **Second Year Probationary status**:

Teachers

ALBIN, CARISSA
BROWN, ZACHARY
ELDER, JESSICA

MACDONALD, PAMELA
MANNEN, TANNER
SCHIEWE, MCKENZI

- 3. Current **Second-Year Probationary Teachers and Administrators** being recommended for one-year contracts July 1, 2023 to June 30, 2024 to **Third-Year Probationary status**:

Teachers

COMPTON HALL, CHRISTINE
EICHELBERGER, CHRISSEY
HOOGENDIJK, DAMMES

SHRINER, LINDSEY
SKINNER, TODD

- 4. Current **Third-Year Probationary Teachers** being recommended for a two-year contract for July 1, 2023 to June 30, 2025, to **Contract Teacher status**:

Teachers

ENSMINGER-STAPP, SHARMAN
GREEN, JENNI

PEARN, AARON
SOUSA, JOHN

- 5. Current **Contract Teachers** being recommended for a two-year contract for July 1, 2023 to June 30, 2025, at **Contract Teacher status**:

ALBIN, KRISTINA
BENTLEY, TYLER
BROWN, HEATHER
FILOSI, KEVIN
GIANELLA, AMY
GIANELLA, TEVIN
HILL, CAROLYN
HULBERT, DANA
LEJA, SYDNEY
MORENO GUTIERREZ, DANIELA

PENA, MEESHA
ROBERTS, ALYSSA
ROYSTER, NICOLE
SCHIEWE, JEFFREY
SCHULTZ, HEIDI
SERVEN, KATHLEEN
SILKWOOD, MADLEN
STIRLING, BOBBIE
WINESBURGH, CHRISTAL

6. Current **Contract Administrators** being recommended for three-year contracts July 1, 2023 to June 30, 2026:

HOLLOWAY, CHAD
KELLOW, MEGAN

RICHWINE, KENNETH

School Board Report

TOPIC: 2023-27 Integrated Application

SUMMARY:

The district must submit an integrated application for aligned program funding in March 2023 that includes Student Investment Account (SIA), High School Success (HSS/M98), Early Indicator and Intervention Systems (EIS), and Career and Technical Education (CTE). The integrated application and programs require the district to have community engagement, and longitudinal performance growth targets (LPGTs).

BOARD ACTION:

- March 8 , 2023: Public presentation and approval

BACKGROUND:

Integrated Guidance

On February 8, 2022 the Oregon Department of Education (ODE) released Aligning for Student Success: Integrated Guidance for Six ODE Initiatives to create efficiency for districts and communities. ODE is operationally integrating six programs with similar requirements into one application for funding and a unified progress monitoring system. The programs include:

- High School Success (HSS)
- Student Investment Account (SIA)
- Career and Technical Education - Perkins V (CTE)
- Continuous Improvement Planning (CIP)
- Every Day Matters (EDM)
- Early Indicator and Intervention Systems (EIS)

Integration is possible for these six programs because of what they have in common. The Integrated Application brings together what has historically been separate, so schools and districts can leverage multiple strategies and funding sources to implement more cohesive plans that positively impact students. Moving forward, the outcomes and strategies for each initiative will come together into a single strategic plan that supports the common goals. The aim is to build these goals into the entire educational system to embed the work at all levels and ensure sustainability.

Needs Assessment

District leadership worked to complete the requirements of the Integrated Application. In the summer of 2023 District Leadership, The Board of Directors, staff and community stakeholders will engage in the revision of the current district strategic plan, resulting in a proposed strategic plan for 2023-2028 school year. Starting in the Spring of 2022, staff met regularly to analyze multiple measures of data including demographics, student learning, perception, and school processes. Using the District's Equity Lens embedded in analysis tools, the needs assessment process resulted in some of the following areas of need:

1. Social and Emotional Health
2. Early Academic Intervention
3. Behavior Intervention and Support
4. Creation of CTE opportunities for students to increase attendance, graduation rate and decrease drop out rate
5. Multi Tiered approach to regular school attendance Prek-12

Community Engagement

To ensure the updated strategic plan and Integrated Application reflect the needs and interests of the broader Nestucca Valley School District Community and focal groups, the District leveraged engagement practices from the 2019 SIA grant cycle and deepened opportunities for input. These practices include:

1. Listening sessions will all staff and students in the spring of 2022
2. Empathy interviews of all 9th grade students in September of 2022
3. Health and Wellness Survey- Staff, students and greater community
4. District strengths and weakness survey for staff, students, and community
5. In person opportunities for parent feedback during parent teacher conferences in November 2022.

In 2022, the District leveraged the established community engagement strategies and expanded opportunities for staff to provide input. Staff were specifically engaged early in the process with a district wide staff meeting where an overview explaining the integrated application and strategic plan process. Then in the fall, the district prioritized staff engagement with a survey that staff provided real-time feedback and areas for additional support.

Integrated Application

Each strategy is tied to specific programmatic investments outlined below. **\$\$664,301.68** in the Integrated Application for the 2023-24 School Year.

Program and Aligned Strategies	Allocation and Investments
Student Investment Account (SIA)	\$ \$446,144.46
Maintain full-time pre-kindergarten	Early Learning Teacher Early Learning Assistants
Increase behavior specialist support and sustain/Increase counseling support	K-8 Counselor High School Counselor
Early academic intervention for the top two tier of learners K-8	Licensed Academic .5 FTE Intervention K-8
CSI/TSI K8	\$ \$52,445.98

Early academic intervention for the top two tier of learners K-8	Licensed Academic .5 FTE Intervention K-8
Early Indicator and Intervention Systems (EIS)	\$ \$1,424.01
Strengthen data team meetings (100%, 20%, and CARE)	NWRESD Data Supports
High School Success (HSS)	\$ \$164,287.24
Increase opportunities for student clubs and activities for all students at all schools	CTE Student Club Support
Targeted interventions and increased support for math, reading, speech	Intervention Specialist Instructional Assistant
Robust CTE programs with clear career pathways and opportunities for work-based learning	CTE Construction Trades Teachers CTE Supplies and Modernization Projects Program Curriculum and Student Licenses CTE Professional Development Online Courses Middle School CTE Support
9 th Grade on track staff mentorship team that provide enrichment opportunities and coaching for 9 th grade students. Continued refinement of Advisory Period for all high School Students focused on graduation and post high school goals	Instructional Assistant Salary

NEXT STEPS:

The Nestucca Valley School Board of Directors and community will provide feedback on the Integrated Application draft that will be taken into account as the plan is finalized.

In early March, ODE will support districts in developing the draft Longitudinal Performance Growth Targets (LPGTs) that will be required as part of the formalized grant agreement with ODE for funding. The LPGTs will develop baseline and growth targets for student performance for the following metrics:

- 3rd grade reading
- Regular attendance
- 9th grade on track
- 4 year graduation rates
- 5 year completion rates

The district will include draft LPGTs for the board to review during the regular monthly board meeting on April 12, 2023.

After the board approves the Integrated Application and budget on March 8th, staff will submit the application and board minutes to ODE. Over the summer, ODE will finalize the grant agreement and begin the process for implementation and grant monitoring.

ATTACHMENTS:

1. Integrated Guidance Application For Review

Meeting #1 Questions:

(1.2) Upload the equity lens or tool you used to inform and/or clarify your plan & budget. Describe how you used this tool in your planning. Note: You must provide evidence (narrative) that the equity tool/lens was used to inform the plan.

The Nestucca Valley School District is committed to academic excellence and personal success for all students. We commit to a comprehensive, rigorous, equitable, and inclusive education to ensure high levels of learning for all. We actively build relationships with students and families to be responsive to the needs of our community. Our commitment to equity supports fostering an inclusive and barrier-free environment. This equity lens is designed to ensure equitable decisions are made that provide for each student's needs. The following are the equity questions that are considered for planning and decision making, including the integrated guidance process, at the district level:

1. Does this decision/action align with the district mission and equity belief?
2. Are those being affected by the decision, policy, or program included in the process?
 - a. How have those being affected been intentionally involved in the process?
3. Does the proposed action address barriers to equitable outcomes or create new barriers?
 - a. If new barriers are created, how does the proposal address these barriers?
4. What information/data are you basing your decision or action upon?
5. How will the impact or outcome be measured?
6. Is this decision/outcome sustainable?
7. Did the action produce the desired outcome?

This equity lens was used throughout the IG Planning process in several different ways, including: Administrative meetings, One-on-one meetings (staff, students, community stakeholders), empathy interviews, Board meetings, online surveys, parent teacher conferences to name a few.

Needs Assessment

Please offer a description of the comprehensive needs assessment process you engaged in and the high level results of that needs assessment. Include a description of the data sources you used and how that data informs equity-based decision making, including strategic planning and resource allocation.

Nestucca organized a district community engagement team that was comprised of the Superintendent, SPED Director, building administrators and community leaders. Beyond this leadership team, at the community engagement and feedback level, we engaged voices of students, certified and classified staff, parents, community members and school board.

Participants were engaged in multiple formats and structures, including in-person and virtual meetings, listening sessions, and staff and community survey, empathy interviews with focal groups and empathy interview with a wide-representation of staff. The district also increased it's presence at community functions and festivals with booths dedicated to the Nestucca School District.

This level of engagement allowed us to gain a clear understanding of what our staff, students, families and community want from our schools.

We analyzed the information we collected from our community engagement and disaggregated student outcome data targeting focal student groups (i.e. OSAT results, attendance rates, graduation rates) to drive our decision making.

These data sets tell us the community desires that we focus on social emotional health, and our outcomes indicate we need to improve with early academic success for students and high school programming that engages students in planning for post high school outcomes. The community expressed that until we have addressed the strong need for social and emotion support for all students, behavior will continue to be challenging and academics will struggle.

The needs assessment reinforced that spending should occur in the areas identified in the budget.

Your plan summary will help reviewers get quick context for your plan and the work ahead. In the coming months, you may also use this process to quickly explain to the community, local legislators, media, and other partners how you are braiding and blending these investments. Please share the exact needs or issues the investments will address as outlined in your four year plan and as it relates to the purposes stated in law for all applicable programs, and what processes you'll put in place to monitor progress toward addressing those needs.

Like many school districts across the United States, NVSD has identified student's social/emotional health as an issue that needs to be addressed. At recently as 2020, we had one counselor that served all students K-12, including our one private school (Neskowin Valley School). Based on data collected from families, staff and students, having one counselor is not meeting the current needs of our students. We plan to use funds to continue to employ a school counselor at each of our buildings. This will allow counselors to provide better services to our focal groups (for example: IEP service minutes, 504 plans), as well as allow time to work with our general education population more frequently by engaging in small social groups and providing social-emotional lessons (Character Strong) in all classrooms. Having a counselor at both the K-8 and high school will allow for "drop-in" time, providing students the ability to access support through the school day and is critical to the social-emotional development of our students.

On top of having a full-time counselor at our K-8 and high school, we also plan to continue to employ a secondary Career/Collage Counselor. Being a small, rural community, we often are faced with limited resources. This position allows us to provide support, advice and provide resources as our high school student prepare to transition out of high school. This individual works closely with our YTP Coordinator, Special Education Case Managers and McKinney-Vento to create equitable support and access for all students in our district.

Monitoring student outcomes and progress is a very important aspect of this plan moving forward. We will assure that the way we have addressed the identified needs is effective via empathy interviews, graduation rates, attendance rates, academic monitoring systems (MAP), discipline trackers (SWISS), IEP/504 data collection/progress towards individualized goals, state testing (SBAC,ELPA), parent teacher conferences, parent and student input (surveys, for example).

(3) (1.1) What strengths do you see in your district or school in terms of equity and access?

Being a small, rural community, our ability to engage with our families and community has always been successful and a strength of our district. We engage each individual family including those who are in our focal groups, while making sure that we are also reaching out to staff, students and community member without school age children.

Our staff have done a great deal to provide new supports and resources for our students, creating an individualized education for each of them. They have worked tirelessly, despite the complications related to COVID, to create/launch their programs and reach as many students/families as possible.

(4) (1.1) What needs were identified in your district or school in terms of equity and access?

With only one counselor (and no college/career counselor) serving all of our students district wide, including students at our private school, we feel like at times are short of staff for meeting the needs of all of our students. Similar to many districts in the state, we have become very aware of the importance of our student's mental and emotional health, as well as the impact it has on student success as a whole. With the addition of a second general counselor and career/college counselor through generous support from the state, we expect to see a decrease in behavioral incidents, expulsions and drop out, with an increase in students on track to graduate with a plan in place.

(6) (1.3) Describe the potential academic impact for all students AND focal student groups based on your use of funds in your plan.

By adding two full time counseling positions, we are striving to better prepare our students, especially those in focal groups, for their lives after high schooling (career and college counselor) and creating more accessibility for our K-8 students.

We want to make sure that we are able to provide our students with as many options as possible when making important decisions regarding their post high school plans. Our career and college counselor will have the knowledge and resources to communicate this important information and support all students and families to make the best decision for themselves. This person will also be positioned to help encourage and facilitate first-generation college attenders as they transition into college.

At the K-8 level, students are given regular exposure to social-emotional curriculum, lessons and small group/individual support with a licensed counselor. It is our belief that by providing this important resource to our students, they will be able to address some lagging skills, as well as be given strategies that promote personal and academic success

(7) (1.4) What barriers, risks or choices are being made that could impact the potential for focal students to meet the Longitudinal Performance Growth Targets you've drafted, or otherwise experience the support or changes you hope your plan causes?

Many of the students in the Nestucca School District face the challenge of generational poverty and lack of priority being placed on school. It takes time to change the mentality of the value of education for some families. If we can get all families to buy into the value and importance of education, then we feel like with their help we'll be able to meet the stated objectives with each and every student.

(8) (1.5) What policies and procedures do you implement to ensure activities carried out by the district do not isolate or stigmatize children and youth navigating homelessness?

The confidentiality of students that qualify for support services under the McKinney-Vento program is obviously very important. As a district with well over 70% of student living at, or below, the poverty level, one of our biggest priorities is to make sure that our students have everything they may need to be successful at school. Our office staff and district Homeless Liaison are trained to identify and provide support to families that may need help, with the understanding that all information is to remain confidential.

Staff working with students on the McKinney-Vento list attend trainings (through ODE and ESD) to ensure that the policies and procedures are adhered to, while also regularly reaching out to families that have been identified or that have self-identified. Because we have relationships with our families, it is more common for families to ask for help, as there is a level of comfort and familiarity. Our families view the district as a place to come to access resources.

It should also be mentioned that the Nestucca Valley School District has qualified for Community Eligibility Provision (CET), so all students are provided with free breakfast, lunch, supper and snack. Programs like this allow students to be able to access services, while not standing out amongst their peers.

(9) (1.6) What strengths do you see in your CTE Programs of Study in terms of equity and access?

Nestucca high school does not require prerequisites to access CTE courses; students are only required to be currently enrolled in the high school. Students have choices in which classes they can take and may enter the CTE programs based on personal interests. Additionally, students with IEPs or who need English Language development may be enrolled in CTE courses and are provided with appropriate support to access instruction.

The district is part of the regional Tillamook Education Consortium and this connection supports student access to more programs of study and course offerings. Participating in the consortium also ensures staff have opportunities to collaborate and learn from other educators and industry leaders in the area. These collaborations support critical review of programs and instruction to ensure equitable access. Further, all CTE teachers have access to and are required to participate in progressive professional development that supports industry-relevant, equity-focused, instructional practices.

(10) (1.6) What needs were identified in your CTE Programs of Study in terms of equity and access?

The district and Consortium continually analyze student and system data to understand how the CTE Programs of Study address equity and access. Students reported they learn about

options through their teachers, counselors, announcements, and school emails. There is an opportunity for teachers and counselors to do targeted and intentional outreach to students who do not currently participate in CTE. Staff should consider the underrepresented groups of students by gender, race/ethnicity, and disability when approaching this strategy. Currently, the enrollment in CTE programs is fairly representative of the focal group population, but not entirely, so there is still work to do.

(11) (1.7) What is your recruitment strategy, and how does it ensure equitable access and participation in CTE Programs of Study?

Nestucca recruits most of the CTE students through classroom connections with teachers and through students' knowledge of CTE programs through experience. Teachers also seek out and recruit students who want to pursue their industry cluster for future job prospects. Staff work with community partners to help recruit students as well. Some outreach takes place at career events where all students participate in the career-related activities. The dual credit opportunities provided by the district are desirable to students and all CTE teachers offer dual credit courses. The Tillamook Education Consortium is currently paying for a Juntos Coordinator (in partnership with OSU, Tillamook School District, Neah-Kah-Nie School District, and Tillamook Bay Community College) to make sure families know they have access to the CTE options. The Juntos Coordinator helps provide opportunities for Latino/a/x families to see and experience what CTE courses and programs of study have to offer.

(12) (1.8) How will you ensure equal access and participation in your CTE Programs of Study among focal student groups? How will you ensure there is no discrimination for focal student groups?

Staff will conduct an empathy interview with each 8th grade and 9th grade student, which includes all focal group students. During this process, staff will gain a better understanding of the student's interest. From there, staff will be able to explain offerings available to that student, in their area of interest and what supports can be put into place based on their individual needs.

Through the interview process, staff will also try to engage the student in seeking out new experiences in CTE. The district is currently working to develop a five-year strategic plan specifically targeting CTE pathway from Prek-14th grade. This will mean early exposure to CTE offering in the district for all students. The plan will be to develop an individualized pathway for every student in the district, tied to CTE and career college readiness.

(13) (2.1) Describe your approach to providing students a well-rounded education. What instructional practices, course topics, curriculum design, and student skills development are part of this approach? Describe the approaches by grade band (elementary, middle, and high).

Students at the K-8 building receive daily/weekly Math, Language Arts, Science, Social Studies, Health and Homeroom (depending on grade level.) All core courses utilize approved curriculum aligned to state standards with additional supplemental programs to better support subgroups (for example: IXL, Imagine Learning).

Additionally, K-5 students participate in music, library, and PE, while middle school students are offered a wider variety of electives such as Greek Mythology, Oceanography and surfing on top of the basic offerings.

At our High School, we provide multiple sections and levels of core classes in English, Math, Science, health Social Studies. The district uses the Accellus program to supplement and offer credit recovery. College courses are also made available to our high school students via Tillamook Bay Community College. TBCC has a building on our high school campus.

Our courses follow ODE approved state standards. Students are assessed on these standards in each course using a variety of assessment techniques. High school students are offered a range of electives from band/music to computer-based application courses. Upon completion of our new CTE facility, students will be able to engage in more course offerings that align with their individual needs and interests.

(14) (2.2) Which disciplines (theater, visual arts, music, dance, media arts) of the arts are provided, either through an integration of content or as a separate class?

We do our very best to offer our students options that would appeal to a wide variety of interests that our students may have, while maintaining a focus on “whole child” instruction. The district supports the idea that all students should have the opportunity to grow in every area, making for a well-rounded educational experience. At our K-8, students have access to music class, band, art literacy and summer school camps that focus on the arts.

At the high school level, we offer Choir, band and art (which beyond drawing and painting also provides students exposure to media arts, sculpting, pottery, technology and much more). The district puts on a fall play, as well as a Spring musical (which often has parts available to our K-8 students).

The district also supports a diverse selection of clubs from Anime club to computer-based arts. At the K-8, we offer an after-school program that supports academics, while also providing students creative opportunities (art projects).

We are fortunate to have a partnership with Sitka Center for Art and Ecology, which helps students and our community expand their understanding of the relationship between art, ecology and humanity. Sitka supports our art programs, provides art instructors (art literacy), guest artists presentations for school while also playing a big role with the creation and planning of our summer school.

(15) (2.2) How do you ensure students have access to strong library programs?

Our libraries (one at K-8 and one at the high school) are staffed with individuals that are knowledgeable and support all student learning. They are able to provide a variety of resources and tools to promote learning and literacy. We make an effort to make sure that high interest resources found in the library meet the needs of all student populations while maintaining cultural relevancy. Students in the K-8 building have access to the library each morning, during lunch and at least 30 minutes per week. Students at the high school access the library before and after school, at lunch and in many of their classes for both research and to enhance the joy of reading.

(16) (2.2) How do you ensure students have adequate time to eat, coupled with adequate time for movement and play?

Administration works closely with teams of classifieds and certified staff to create student schedules that ensure student's school days provide required academic minutes, time to eat (breakfast, snack, lunch and supper), while still allowing for access to recess (on recently updated playground and fields), PE, music and time on our nature trail/school garden (K-8). All K-8 students receive a minimum of 20 minutes for breakfast, plus additional time in class as needed. These students also receive 20 minutes to each lunch, along with time to exercise and play immediately before or after. PE is also built into the regular schedule of each K-8 student. At the high school level, students receive much of the same opportunities, with lunch periods lasting at least 30 minutes daily. As an additional resource, the district is currently in the process of building a pump track for bikes. The district will also be providing bikes in order for all students to have access to this exciting new resource.

(17) (2.2) Describe how you incorporate STEAM (Science, Technology, Engineering, Arts, and Math) instructional practices, including project-based learning, critical thinking, inquiry, and cross-disciplinary content.

NVSD recognizes the importance of this unique educational approach to learning that uses a wide variety of educational subjects in order to teach and guide students towards inquiry, creativity and critical thinking. We have been able to incorporate STEAM and encourage our students with more project-based learning. We are able to offer our students programs like art literacy (Sitka), K-5 science classroom, Nature trail on campus, 1-on-1 computer/tech for all students, after school robotics club, summer programs with a hands-on arts and science theme, exposure to professionals/experts within our community and a 12-week CTE exploration programs for our high school students. The district plans to create, encourage and expand STEAM offerings for all students in the future.

(18) (2.3) Describe your process for ensuring the adopted curriculum (basal and supplemental) consists of a clearly stated scope and sequence of K-12 learning objectives and is aligned to all state and national standards.

All District teachers in grades PRE K-12 have district approved instructional maps based on the stated adopted standards as well as the core curriculum that the District has adopted. The materials are studied to ensure that the curriculum we adopt has a stated scope and sequence of PREK-12 learning objectives and is aligned to Oregon and national standards. The District provides late start every Monday for staff to collaborate in PLT's and review instructional maps on a weekly, monthly, and annual basis. Administrators review the instructional maps and use an observational protocol to provide staff support.

(19) (2.3) Describe your process for ensuring classroom instruction is intentional, engaging, and challenging for all students.

The most important step to this process is hiring effective, highly qualified teachers. This can be a challenge due to our small size and rural community that sometimes lacks resources (like housing for example) that would draw people to our community.

The district takes the hiring process very seriously and looks to maintain teachers that have high expectations for all students, understand the importance of developing positive relationships and are intentional about their teaching (use varied instructional strategies, support their students with clear goals related to the what, how, when and why in each lesson they teach). These standards for teaching staff, paired with the curriculum maps, weekly lesson plans, an understanding of differentiation and relevant professional development allow our classroom teachers to support all students, including focal group students, in reaching their academic goals.

(20) (2.4) How will you support, coordinate, and integrate early childhood education programs?

Our preschool program joined our school district for the '20-'21 school year and does an excellent job working with our youngest community members to make sure they are ready for kindergarten and beyond. Because all of our programs are now working together, communication has improved and families with students 3–21-years-old are able to get consistent information from one source.

We are also able to provide supports (academic, social-emotional, new equipment/materials) that our 3 and 4 years have not had access to in the past. They now have access to a free, public education that allows our school district to start our work with students at an earlier age. We strongly believe that students that attend The Nestucca Valley Early Learning Center are much better prepared to make to the transition to our K-8 program. Additionally, for

students that come with ECSC plans and require school-age identifications/IEPs, we meet with staff from the preschool programs and ESD to make sure that plans are in place and our school age program is able to meet the needs of our new Kindergarten students.

(21) (2.5) What strategies do you employ to help facilitate effective transitions from middle grades to high school and from high school to postsecondary education?

The size of our district has both advantages and disadvantages. At this time, we transition 8th grade students to our High School (9-12). We are able to do this successfully, as the high school teachers already know many of the transitioning students via sports/extracurricular programs, summer school and our after-school program. In fact, an added bonus is that many of our high school students work in the K-8 after school program, allowing our middle school students to get to know the older students better, which works as an informal mentorship program. Additionally, our middle school teachers and high school teachers have transition meetings at the end of each school year and we hold 8th grade transition night for parents and students wishing to learn more about what to expect when entering the high school.

The transition from high school to postsecondary education/work force is more challenging for a district of our size. We lack many of the transition programs and opportunities that are typical in larger school districts. In addition, there are limited employment opportunities in our community, which makes joining the workforce right out of high school, or attempting to save money for college, challenging. We do make sure that our high school students are informed of opportunities outside of our small community by participating in activities/programs such as 9th grade on track, transition planning with homeroom teachers/counselor, YTP for qualifying students, career interest surveys, Junior Career Exploration projects and job/college fair field trips. Additionally, the local community college (Tillamook Bay CC) has a campus (one building) on our high school campus and offers our high school students college level courses.

(22) (2.6) How do you identify and support the academic needs of students who are not meeting or exceeding state and national standards, particularly for focal student groups?

Nestucca Valley runs a student data team process (K-8) that allows us to identify and support the academic needs of our students, including those who are part of focal groups. The district uses the Maps program to progress monitor all students K-8 at least three times per school year (Fall, Winter and Spring). For those students not yet meeting grade level standards, we provide individualized interventions, leveled grouping, differentiated instruction and small group instruction. From there, we progress monitor them on a bi-weekly schedule in order to determine if the interventions are effective or if we need to try something else. In some cases, the students will be referred to our special education team for a potential evaluation.

The process is similar for students that exceed grade level standards. When a student consistently demonstrates skills above their grade level, the classroom teacher refers the student for testing in order to determine if the student qualifies for our Talented and Gifted

Program. Whether they qualify for TAG or not, these students benefit from the individualized attention and focus that a small district like ours is able to provide.

(23) (2.6) What systems are in place for supporting the academic needs of students, including for focal student groups, who have exceeded state and national standards?

As stated previously, when a student consistently demonstrates skills above their grade level, the classroom teacher refers the student for testing in order to determine if the student qualifies for our Talented and Gifted Program. Whether they qualify for TAG or not, these students benefit from the individualized attention and focus that a small district like ours is able to provide. Many of the students who benefit from these services fall into identified focal groups.

(24) (2.7) How do you provide career exploration opportunities, including career information and employment opportunities, and career guidance and academic counseling before and during CTE Program of Study enrollment?

All Nestucca students are introduced to the CTE programs that are available at the high school level during one-on-one discussions both during their 8th grade and 9th grade years. Student are highly encouraged to participate in programs that are non-traditional, high wage and high demand. Girls are given the opportunity to attend the Women in trades events that are available as they enter high school. Nestucca has listened to our focal student groups and female students in our effort to re-work our CTE program to make the equitable work -based learning experiences

(24.B) (2.7) How will students from focal groups and their families learn about CTE course offerings and Programs of Study that are available?

NVSD staff has worked very hard to develop strong relationships and communication with all families in our community. As a result, when we invite families into our buildings, or we have a new program/opportunity we would like to introduce, our community really shows up. A few ways we communicate effectively with all students and their families is via Parent-Teacher Conferences (95-100 % attendance), Open houses, parent information nights, social media “blasts”, Friday folders and mailings. As we move forward with our new CTE programs, the district will also share our new CTE Pathways Handbook (currently being completed), showcase our new CTE facility at the high school and further establish norms for communication specifically targeting our focal groups.

(25) (2.7) How are you providing equitable work-based learning experiences for students?

As an active member of the Tillamook Education Consortium, Nestucca students benefit from regional support for work-based learning experiences. The Tillamook Works Coordinator meets with each high school in the consortium to support student placement in internships and job shadows. The Works Coordinator, has a systematic approach. They speak to entire classes, often during the advisory periods to ensure every student has exposure. Then they meet with each student to develop a career plan and help students with placements. There are no prerequisites to participate in this program. To increase awareness of different local careers and opportunities for work-based learning, students get to hear from regular career guest speakers who come in during the advisory period.

Nestucca does not charge any fees for CTE courses, in order to break down barriers for focal groups and the district is actively recruiting more diverse students to explore internships and work-based learning experiences.

(26) (2.8) Describe how students' academic and technical skills will be improved through integrated, coherent, rigorous, challenging and relevant learning in subjects that constitute a well-rounded education, including opportunities to earn postsecondary credit while in high school.

At Nestucca, teachers are highly encouraged to work together in collaboration across content areas to create common lessons that bring together consistent learning objectives. The district uses state approved curriculum with supplemental materials to adjust for where every student is currently at. Teachers work toward effectively creating a learning environment that puts targeted universalism into action. Finally, Teachers and specialists help students to make connections between different subjects, activate curiosity and improve critical thinking and problem-solving skills.

A good example of this is the district's late start Mondays. This has been an effective way to prioritize PLTs, so that all staff have the opportunity to contribute ideas and expertise across grade levels in order to provide the best education possible for all students. It is so valuable for educators of all subjects and grade levels to meet and create unique, but streamlined learning opportunities. Collaboration is key to this process.

We do have additional opportunities at the high school level to earn post-secondary credit. Tillamook Bay Community College has a program on our high school campus, which allows our students to easily access college level courses while they are still in high school. It should also be mentioned that our YTP program (specifically aimed at subgroups) creates opportunities for work-based learning experiences that often can translate into postsecondary credit.

(27) (2.7) What activities will you offer to students that will lead to self-sufficiency in identified careers?

Our goal is that all students K-12 will engage in career and college ready activities with the thought being that the younger our students are when they are introduced to this concept, the more opportunities there will be for exploring, confidence building and creativity. Paired with the ability to access these types of activities and information, the more comfortable the students will feel when they reach transition age. A few ways we currently do this is participation in 5th-12th grade Group Trails, job fairs (locally and outside our community), interest surveys, one-on-one career/college counseling, 12-week CTE exploration and presentations/ work experience opportunities from exposure to current workforce and professions.

(28) (2.9) How will you prepare CTE participants for nontraditional fields?

The size of our student population allows us the luxury of being able to work with our students one-on-one and individualize their plan or experience. If the student expresses an interest in a non-traditional field/profession (and we have no related offering), we would establish an independent study opportunity for that student. The district would provide supports necessary (based on individual needs of the student) for that student to pursue all fields of interest that could lead future employment tailored to that student's strengths.

(29) (2.10) Describe any new CTE Programs of Study to be developed.

The district's focus for CTE programs of study is currently focused on agriculture, as that naturally lends itself to the strengths and resources of Tillamook county. As we move towards the completion of our new CTE facility, we plan to expand our offerings in areas such as hospitality, culinary arts and business. Our current offerings are as followed:

- Intro to Agriculture A
- Intro to Agriculture B
- Ag Biology A
- Ag Biology B
- Horticulture
- Animal Science
- Agricultural Leadership
- Environmental Science
- Ag Mechanics A
- Ag Mechanics B
- Adv Ag Mechanics A
- Adv Ag Mechanics B
- Autocad A
- Autocad B
- Engineering A
- Engineering B

(29) (3.1) If the goal is meaningful, authentic and ongoing community engagement, where are you in that process? What barriers, if any, were experienced and how might you anticipate and resolve those issues in future engagement efforts?

The small size of our district allows us to reach the majority of our stakeholders very quickly and easily. Our goal was to make sure our community was informed of this opportunity for their students and to gain insight on what they believe the district should prioritize while discussing how to spend funds in a way that meet the needs of all students, including our focal students. Much of this feedback was gained through face-to-face interaction with parents/community members. Also, because our parent-teacher conferences are highly attended, we felt this was the best opportunity to reach the majority of our school community. The small percentage that does not attend conferences are still informed via our other methods of communication (Friday folders, fliers, emails, phone calls, blackboard messages from administration etc.,). A community survey was also used as an effective way to gain insight to what is important to our parents, students and staff. The district's social media presence was also a key avenue for reaching parents and community members in both disseminating information and in receiving valuable feedback.

The greatest barrier we face at Nestucca is getting people to take the time to provide constructive feedback on a consistent basis. In many cases, we don't hear from the community until they have an issue with a decision. Opening up these lines of communication will help create better involvement at the community level, but also will help improve the district.

(30) (3.1) What relationships and/or partnerships will you cultivate to improve future engagement?

The district has strong relationships with our community and together we make sure our students are given every opportunity possible, despite being a small district without a lot of resources, that you would see in larger district. Our focus is maintaining our strong personal relationships and expand upon them.

In the future, we would like to further cultivate our relationships with individuals and businesses outside the South Tillamook County area. Although this represents a 30–40-minute drive to these outside towns, we have been fortunate to work with people in Lincoln County and Tillamook. The Sitka Center, for example, is in Lincoln County and we have strong partnership with them.

(31) (3.1) What resources would enhance your engagement efforts? How can ODE support your continuous improvement process?

It would be helpful if ODE provided a bank of possible community engagement questions and discussion topics that could be used in surveys and community forums. If the state could develop a bank of survey questions that would then feed into a district specific data bank that a small district like Nestucca could access on a yearly basis, we would then have year-to-year data that would show trends around how our community feels about their schools.

(32) (3.2) How do you ensure community members and partners experience a safe and welcoming educational environment?

The size of our district does give us some advantages in this area, as we really know our families and community members. The school district acts as a central hub for our community, so we always have a lot of parent and community presence in our buildings. We engage all families, while making sure that we are also reaching out to staff, students and community members without school age children. The following are the activities the district has engaged in to make sure that our community has been able to provide input that allows us to make important decisions regarding funding and priorities: Board Meetings (in person and zoom option), District wide open houses, flyers/info sent out via social media and district new letters, parents teacher conferences, surveys, parent/community member committees (site counsel, budget committee, empathy interviews).

Our goal in the recent and ongoing community engagement activities is to make sure our community is informed of the opportunity available for their students and to gain insight on what they believe the district should prioritize in spending that meet the needs of all students.

(33) (3.3) If you sponsor a public charter school, describe their participation in the planning and development of your plan.

N/A

(34) (3,4, 3.5, 3.6) Who was engaged in any aspect of your planning processes under this guidance?

- X Students of color
- X Students with disabilities
- X Students who are emerging bilinguals
- X Students who identify as LGBTQ2SIA+
- X Students navigating poverty, homelessness, and foster care
- X Families of students of color
- X Families of students with disabilities
- X Families of students who are emerging bilinguals

- X Families of students who identify as LGBTQ2SIA+
- X Families of students navigating poverty, homelessness, and foster care
- X Licensed staff (administrators, teachers, counselors, etc.)
- X Classified staff (paraprofessionals, bus drivers, office support, etc.)
- X Community-Based Organizations (non-profit organizations, civil rights organizations, community service groups, culturally specific organizations, etc.)
- Tribal members (adults and youth)
- X School volunteers (school board members, budget committee members, PTA/PTO members, booster club members, parent advisory group members, classroom volunteers, etc.)
- X Business community
- X Regional Educator Networks (RENs)
- X Local Community College Deans and Instructors
- X Local University deans and instructors
- X Migrant Education and McKinney-Vento Coordinators
- X Local Workforce Development and/or Chambers of Commerce
- X CTE Regional Coordinators
- X Regional STEM / Early learning Hubs
- X Vocational Rehabilitation and pre-Employment Service Staff
- X Justice Involved Youth
- X Community leaders
- Other _Faith Organizations???

(35) How were they engaged?

- X In-person forum(s)
- X Focus group(s)
- X Roundtable discussion
- X Community group meeting
- X Collaborative design or strategy session(s)
- X Community-driven planning or initiative(s)
- X Website
- X CTE Consortia meeting
- X Email messages
- X Newsletters
- X Social media
- X School board meeting
- X Partnering with unions
- X Partnering with community-based partners
- X Partnering with faith-based organizations
- X Partnering with business
- Other _____

(37) (3.9) Why did you select these particular artifacts to upload with your application? How do they show evidence of engaging focal student populations, their families and the community?

We have found that listening sessions and empathy interviews have been the best way to receive candid and relevant information from our students, staff and community. This gives individuals the ability to express what is most important to them, thus creating data patterns that drive future decision making at the district level. Additionally, these types of interactions also provide administration and educators access to a different perspective that they may not have previously considered. Although being small is a detriment in many cases, it is a huge advantage when you have a District where you can actually talk to EVERY student, rather than a sampling of students.

(38) (3.7) Describe at least two strategies you executed to engage each of the focal student groups and their families present within your district and community. Explain why those strategies were used and what level of the Community Engagement spectrum these fell on.

One of the most effective ways to engage our focal student groups was engaging in empathy interviews. At the high level, our counselor, with the assistance from an instructional assistant and/or our YTP Coordinator, interviewed students and documented their responses. Particular focus was placed upon our ninth-grade students (ninth grade on track program). This year, we also had some student interns engage with their peers by also leading several student empathy interviews. The district believes that talking with our students, as well as staff and community members, is effective because it is face-to-face in an environment that allows for the individuals to provide thoughtful feedback and follow up. Empathy interviews fall within the “consult” engagement method on the community engagement spectrum, but could fall under “involve” (fosters both a voice and power shift) and “collaborate” (working together and allow our educational community to be heard).

The district also engaged in Listening sessions. These sessions gave students, staff, families and community members the ability to both hear from and speak directly to district leadership. This process has been both in-person (in a community meeting format, but also in classrooms of students of all ages), as well as via zoom (continues to be an option for those that can't make the sessions in person). On the community engagement spectrum, listening sessions are example of “consult”, but it could be argued, they could also be included in “collaborate”.

(39) (3.8) Describe at least two strategies you executed to engage staff. Explain why those strategies were used. Explain why those strategies were used and what level of the Community Engagement spectrum these fell on.

Similar to the strategies used to engage student focal groups and the greater community, we have found that simply asking and have reciprocal discussions are the best and most effective

way to engage our staff. The strategies we have used has been staff surveys (can be done on their own time, allows for think time) and listening sessions. These processes are low stakes/pressure and allow for all staff to communicate with administration regarding what is working and what could be improved upon. In looking at the community engagement spectrum, these practices fall within the consult, involve and collaborate sections. These forms of engagement fall under the “consult” and “involve” levels but also the “collaborate” and “defer to” as staff help guide thinking and decisions regarding this work.

(40) (3.10) Describe and distill what you learned from your community and staff. How did you apply that input to inform your planning?

When the district was determining our plan moving forward, administration spent time going over each interview and survey (as well as other feedback). Our goal was to identify data patterns and where staff, students and community priorities aligned. The obvious pattern that emerged was the need for more resources/support in the social emotional realm, especially for our students who are most in need.

We also found that developing and maintaining a district preschool program for our youngest community members was a top priority. Families needed an affordable and accessible program and our district wanted to start supporting future students at a younger age, which is beneficial on several levels (ie., streamlined community education program, easier transition to K-8, more resources, tech and equipment for all children in our community).

(41) (3.11) How will you intentionally develop partnerships with employers to expand work-based learning opportunities for students?

Nestucca School District is a long-time partner and active member of the Tillamook Education Consortium which has intentionally develop partnerships with employers in the region through multiple strategies. The Tillamook Works Coordinator is one of the primary relationship builders for the region, connecting employers with all of the participating district programs. The coordinator works with local businesses to identify internships and work-based opportunities. The high school guidance counselors partner with Tillamook Bay Community College to facilitate curriculum, assessments, and partnerships between high school and college teachers.

The district also participates in the consortium advisory committees focused mainly on the CTE programs that are offered. These advisor committees represent regional colleges, businesses, industry leaders, and workforce specialists.

42. If you are a district that receives greater than \$40k in Title VI funding or have 50% or more American Indian/Alaska Native Students, you are required to consult with your local tribal government. As evidence of your consultation, you will be asked to upload documentation of

your meeting(s) containing signatures from tribal government representatives as well as School District representatives. As this consultation includes all aspects of the Integrated Plan you will be asked to upload the "Affirmation for Tribal Consultation" within this application.

N/A

(43) How do you recruit, onboard, and develop quality educators and leaders? How are you recruiting and retaining educators and leaders representative of student focal groups?

Our district leadership team have been long time members of NVSD, as well as of the community. Several administrators graduated from the Nestucca Valley School District. A "grow your own" model has been utilized in identifying leaders, supporting them through licensure and offering mentorships from former retired school leaders. The same is true of our certified staff.

The district is continually looking for qualified staff who represent our current students, but especially those who are members of varied focal groups. We have attended job fairs, worked with colleges and advertised in various areas to try to attract minority staff. Unfortunately, we've found that unless they have a connection with the community, it's hard to get diverse staff to Nestucca, and if we do, it's even harder to keep them here.

(44) (4.1) What processes are in place to identify and address any disparities that result in students of color, students experiencing poverty, students learning English and students with disabilities being taught more often than other students by ineffective, inexperienced, or out-of-field teachers?

Nestucca Valley uses several systems that allow us to monitor our identified focal group students for any disparities in areas such as attendance (Synergy), behavioral data (SWIS) and academics (MAPS). As a staff, we work together, as well as with the ESD and other community resources (local counseling center, medical clinics, interpreters etc.,) to ensure we are addressing the needs of our subgroups and/or high-risk population. Because we are a Title 1 district, we have always made it a priority to hire teaching staff that are considered "highly qualified" in the area in which they teach. We also make sure that our specialists (Speech Language Pathologist, ESL Teacher, Special Education Teacher etc.,) work collaboratively with our general education staff in order ensure that all students are getting their needs met. Because of our management of individual student schedules, we are able to ensure that the highest need students are receiving instruction from the most skilled and capable staff as much as is possible.

(45) (4.2) How do you support efforts to reduce the overuse of discipline practices that remove students from the classroom, particularly for focal student groups?

Nestucca Valley continues to make improvements to our discipline practices in order to limit the amount of time students are out of their classrooms. We have made it a priority to train our staff on trauma informed practices, ACES, 321 Insight, PBIS, Character Strong, sensory room and professional book clubs (reading books related to working with students with challenging behaviors). Additionally, we track patterns of behavior via our SWIS data system and classroom data provided by our classroom teachers. If a student is struggling with behavior, we ensure that the student is part of small social group, which is overseen by a counselor.

(46) (4.3) How do you align professional growth and development to the strengths and needs of the school, the teachers, and district leaders?

Our district often solicits online surveys (needs assessments) and uses that data to gain a better understanding of the needs of our teaching and administrative staff. Additionally, due to our small size, we are able to really individualize a lot of our professional development opportunities. This gives us an advantage, as it ensures that our teachers are receiving professional develop that is really tailored to what they need or want to incorporate into their teaching practices.

Because the staff is small at each of our buildings, it is also easy to create and implement building level staff development, as well as a district-wide focus. Examples of the district-wide staff development we have done in the past are, trauma informed practices, ACE's

(47) (4.3) How do you provide feedback and coaching to guide instructional staff in research-based improvement to teaching and learning?

The administration team ensures that all teachers have access to relevant professional development on a regular basis (ACES, Character Strong, Trauma Informed practices). We also provide half-day subs so that our teaching staff can observe their peers and receive peer feedback on their own teaching practices. Finally, we implemented a "late-start" Monday schedule, so that our certified and classified staff are able to meet in Professional Learning Teams (PLTs).

(48) (4.4) What systems are in place to monitor student outcomes and identify students who may be at risk of academic failure? How do you respond and support the student(s) when those identifications and observations are made?

Nestucca Valley runs a student data team process that allows us to identify and support the academic needs of our students. The district uses the MAP program as our primary Early

Indicator and Intervention System to progress monitor all students K-8 at least three times per school year (Fall, Winter and Spring). Map, which stands for Measures of Academic Progress, allows us to measure a student's academic achievement and growth over time in reading, math, language usage and science. For students not yet meeting grade level standards, we provide individualized interventions, leveled grouping, differentiated instruction and small group instruction.

From there, we progress monitor them on a bi-weekly schedule in order to determine if these basic interventions are effective or if we need to try something else. If a student fails to make progress despite supports and interventions, the students will be referred via our HEART team who will work with general education teachers, specialists (ELL for example), counselors and parents to determine areas of concerns and create a plan of action that may lead to the student being evaluated by a school psychologist for special education identification. The student may also qualify for a 504 plan.

The process is similar, although referrals are much less frequent at the high school level.

(49) (4.5) How do you facilitate effective transitions between early childhood education programs and local elementary school programs; from elementary to middle grades; from middle grades to high school; and from high school to postsecondary education?

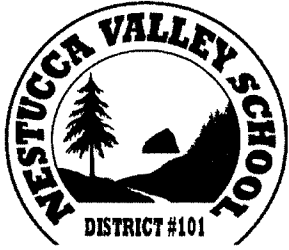
In 2021, NVSD took over our preschool program. This has made the transition process to our K-8 program much smoother. We offer information nights to preschool parents including Kindergarten "fly up" night in which new Kinder students visit our K-8, register, meet staff, see classroom spaces and are able to ask questions. For students that come with ECSC plans and require school-age identifications/IEPs, we meet with staff from the preschool programs and ESD to make sure that plans are in place and our school age program is able to meet the needs of our new Kindergarten students.

We transition 8th grade students to our High School (9-12). We are able to do this successfully, as the high school teachers already know many of the transitioning students via sports/extracurricular programs, summer school and our after-school program. In fact, an added bonus is that many of our high school students work in the K-8 after school program, allowing our middle school students to get to know the older students better, which works as an informal mentorship program. Additionally, our middle school teachers and high school teachers have transition meetings at the end of each school year and we hold 8th grade transition night for parents and students wishing to learn more about what to expect when entering the high school.

The transition from high school to postsecondary education/work force is more challenging for a district of our size. We lack many of the transition programs and opportunities that are typical in larger school districts. In addition, there are limited employment opportunities in our community, which makes joining the workforce right out of high school, or attempting to save money for college, challenging. We do make sure that our high school students are informed of

opportunities outside of our small community by participating in activities/programs such as 9th grade on track, transition planning with homeroom teachers/counselor, YTP for qualifying students, career interest surveys, Junior Career Exploration projects and job/college fair field trips. The recent addition of a career and college counselor has also streamlined this process considerably and has provided a valued resource for our students. Additionally, the local community college (Tillamook Bay CC) has a campus (one building) on our high school campus and offers our high school students college level courses.

6.1



NESTUCCA VALLEY SCHOOL DISTRICT

P.O. Box 99, Cloverdale, Or. 97112 503-392-3194
*Inspiring individual excellence, instilling diligence,
and initiating life-long learning.*

Misty Wharton
Superintendent

Megan Kellow
Special Programs Administrator

Kim Seals
Fiscal Admin. Assist.

Ursula McVittie
Human Resources Specialist

Sarah Lewis
*Executive Assistant
Board of Directors Secretary*

NESTUCCA VALLEY SCHOOL DISTRICT MARCH 8, 2023 REGULARLY SCHEDULED BOARD MEETING

ENROLLMENT-

Grades K-8: 358

Grades 9-12: 160 Total- 518

BUDGETING-Working with the NWRESA we have completed our first draft of the budget for the 2023-24 SY. As we have discussed we will be needing to make some cuts as a result of underperforming timber revenue. I will detail these changes in my Superintendent Message for the draft budget document, and as per past practice will be using the districts strategic plan ordered objectives, as the guide for sound fiscal decisions to meet the needs of our students.

SUMMER SCHOOL- We are in the early stages of planning for a four week summer school session. The session will run July 10-August 3, Monday-Thursday, 8:00am-12:30pm. We have worked to partner with Food Roots, Juntos (An OSU Extension Program for Spanish speaking families), Sitka Center for Art and Ecology. The focus will, once again be science and art and we will try to engage multiple community partners

CLASSIFIED NEGOTIATIONS- We launched negotiations with the classified union on Tuesday March 7. This week is also classified appreciation week. Thank you classified staff members for always going the extra bit for our students.

NOTES FROM NESTUCCA HIGH SCHOOL

March 8, 2023

Recent Activities:

- The girl's basketball team made it to state playoffs, but unfortunately were eliminated against Colton. The girls fought hard!
- Our wrestlers had two placers at State this year: Zak Chatelain took 2nd place, and Jacob Whittles placed 4th. They took 5 wrestlers – Dillon Prock, Draven Marsh, and Quin Hill. They represented Nestucca very well.
- Our spring sports practices have begun! In fact March 13th will be the first softball game at home; March 14th will be the first baseball game at home, and March 16th will be the first track and field meet at home.
- We have been working on the MAP testing and hope to finish that next week. Due to school cancellations and late starts, we had to extend the deadline a little.
- Our Band is participating in a band festival in Astoria Tuesday of this week.
- We had 4 students participate in Solo Ensemble in Scappoose this last weekend.

Upcoming Activities:

- Our Spring Musical, *Shrek the Musical*, is underway. We have students from the K-8 school as well as high school students all participating in the production. We also have a stagecraft class this year, so I think the set will be fantastic! Look for information on tickets soon.
- Our FFA group will be heading to the state convention March 16th through the 19th in Redmond. This is an opportunity for them to learn from hands on sessions to leadership sessions. It's really nice to see the kids so excited about something that, for some of them, is outside their comfort zone.
- The ASVAB (a test that is required to enlist in the military) will be administered at Nestucca on March 14th. As of right now, we have three seniors that will be going into the military after graduation.
- Our Speech team has their District Tournament on March 18th, and if everything goes right, we should have a couple of them heading to State.

Board Report

3/8/2023

We will be having a health fair with communities partner on Thursday March 16, 2022 from 3 pm to 7 pm. The organizations include Tillamook Community Health Centers, Columbia Pacific CCO, Nehalem Bay Health Cetner, Tides of Change, Adventist Health, Consejo Hispano, Department of Human Serices, Juntos, Healthy Families, Tillamook Family Counseling Center, Tillamook County Library, and CARE Inc. A big thank you to Rachel Koljesky from Tillamook Community Health Centers for spear heading this.

Our new attendance officer Murray Rau has been making home visits and helping us to improve attendance.

We had an assembly at the K8 where TORTA presented us with a \$10,000 check for the bike projects we have going at the K8. They show a clip from a movie related to mountain biking in South Tillamook County which the students really enjoyed.

If you have not noticed we are in the process of putting up dugouts on the Varsity Baseball and Softball Fields. The dugouts will be a great addition to the fields. A big thank you to NVASI for helping fund these dugouts.

On March 15 we will be kicking off our Nestucca High Spring Exploratory CTE Classes. These classes will be taking place from 8 am to 9 am every Wednesday during third trimester. A community partner will be making a short presentation about their trade/presentation followed by a short hands on activity related to the trade/presentation. Currently we have a good group of community partners. However, we are always looking for me.

I am starting to learn about School Medicaid Reimbursement Program. This is a program where there is a potential reimbursement by Medicaid for some of the services we provide our students. More to come later.

We have hired a new Janitor Blanca Nieves. We are Happy to have her on board.

We had our first meeting with Bike Oregon lasts week. This is scheduled to happen at the K8 Campus September 11 and 12. This a great opportunity for the District and Community. There will be more news to come on this.

Superintendent Wharton and I had an opportunity to meet with a representative from the Hazeldine Betty Ford Foundation regarding the programs they offer for substance abuse prevention and education. Hazeldine Betty Ford Foundation is one of the top organizations in their field and they have some excellent materials that we may be able to utilize in the District. Also, this is an opportunity we could fund through grant money available from Adventist Health. A big thank you to Nicole Vertner for facilitating this for us.

Chad C. Holloway
Administrator of Facilities and Alternative Education
Nestucca Valley School District #101

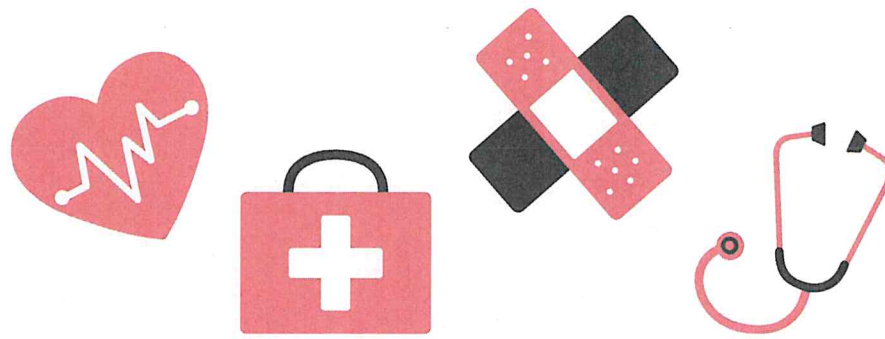
Special Programs-Kellow

Board Meeting -3/8/23

1. Special Education numbers continue to grow. We have currently have 87 students receiving SPED services and three more that are currently in the evaluation process. The team is working hard to get through these evaluations, while maintaining service to those students already identified.
2. We are still waiting to hear back from the state regarding our SPED Audit (cyclical monitoring). As previously mentioned, this is a new process for all school districts and ODE has been challenged to receive, organize and provide feedback for all 187 districts. They have assured us they are working diligently to complete the process. Stay tuned.

We are also waiting to hear back from the state regarding our ELL audit. It has been quite some time since ODE went through the process with districts (10 years for us) and report being short staffed in the ELL department of ODE, so there is not a concrete timeline for feedback on this either. That said, I am confident that we will pass both program audits and will work with ODE to make improvements when, and if, needed.

3. One of my new roles this year is Director/Admin of the YTP (youth transition program) for Tillamook County (serves NVSD, TSD and NKN). Because I am new to this and still have much to learn, I am attending the Oregon Statewide Transition conference in Eugene from March 16-17. Amy Gianella (High school SPED teacher) and Autum Marsh (NVSD YTP Coordinator) will be joining me. It is a great opportunity for us to engage as a county team with the goal of learning more about how we can best support our students as they transition into their post-secondary lives.
4. This week I will be meeting with NWRESD to discuss services for the '23-'24 school year. Finding specialists (physical therapy, occupational therapy, psychology, vision, hearing etc.,) that are willing to serve our small coastal districts is always a challenge. We start the discussion early as it often takes months to locate and hire these individuals (and sometimes we have to create temporary situations if we aren't able to find anyone before the beginning of the year). We are hoping to move away from online/zoom services and use our services credits in a way that positively benefits our students and community the most.



NESTUCCA VALLEY FAMILY RESOURCE FAIR

Local resources brought directly to
South County! Happening during the
Parent-Teacher Conferences

MARCH 16TH, 2023

3 PM TO 7 PM

NESTUCCA K-8 CAFETERIA

PARTICIPATING ORGANIZATIONS:

- Tillamook County Community Health Centers
- Columbia Pacific CCO
- Nehalem Bay Health Center
- Tides of Change
- Adventist Health
- Consejo Hispano
- Department of Human Services
- Juntos
- Healthy Families
- Tillamook Family Counseling Center
- Tillamook County Library
- CARE inc
- And more!

For questions, call 503-392-3194 or go to
<https://www.nestucca.k12.or.us/es/index.php>