VERNONIA SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2022

CERTIFIED PUBLIC ACCOUNTANTS
PAULY ROGERS AND CO PC

12700 SW 72nd Ave.
Tigard, OR 97223

VERNONIA SCHOOL DISTRICT NO. 47
COLUMBIA COUNTY, OREGON

FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2022

VERNONIA SCHOOL DISTRICT NO. 47
COLUMBIA COUNTY, OREGON

BOARD OF DIRECTORS

BOARD OF DIRECTORS	TERM EXPIRES
Stacey Pelster, Chair	June 30, 2025
Susan Wagner, Vice Chair	June 30, 2025
Greg Kintz	June 30, 2023
Amy Cieloha	June 30, 2023
Joanie Jones	June 30, 2025
Javoss McGuire	June 30, 2025
Scott Richard	June 30, 2023

All board members will receive mail at the following address:

Vernonia School District No. 47J
1201 Texas Ave
Vernonia, Oregon 97064

Aaron Miller, Superintendent and Budget Officer
Marie Knight, Business Manager

VERNONIA SCHOOL DISTRICT NO. 47
COLUMBIA COUNTY, OREGON

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COLUMBIA COUNTY, OREGON

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www.paulyrogersandcocpas.com

March 17, 2023

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Vernonia School District No. 47
Columbia County, Oregon

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Vernonia School District No. 47 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Vernonia School District as of June 30, 2022, and the respective changes in financial position and the respective budgetary comparisons for the general fund and major special revenue funds 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 Vernonia School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

The School District adopted new accounting guidance, *GASB Statement No. 87- Leases* during the fiscal year under audit. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and 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.

Supplementary Information

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

Other Information

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

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

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated March 17, 2023 on our consideration of the internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated March 17, 2023, on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

Tara M Kamp, CPA

Tara M. Kamp, CPA
PAULY, ROGERS AND CO., P.C.

VERNONIA SCHOOL DISTRICT 47J
COLUMBIA COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS
Year ended June 30, 2022

As management of Vernonia School District 47J (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 statements, the net position of the District at June 30, 2022 was \$15,555,666. Of this amount, \$20,354,538 represents the District's net investment in capital assets, \$194,675 is restricted for debt service, grants and student body activities and the deficit of \$4,993,547 is unrestricted.

- The District's total net position increased by \$314,104 for the fiscal year.

- The District's governmental funds reported a combined ending fund balance of \$823,407 at June 30, 2022, an increase of \$41,127.

- At the end of the fiscal year ended June 30, 2022, the fund balance for the General Fund was \$564,572, which represents an increase of \$91,440 in comparison with the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

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

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

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 near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The basic governmental fund financial statements can be found on pages 6 and 8 of this report.

The District maintains five individual governmental funds. Information is presented separately in the governmental funds balance sheet and the governmental fund's statement of revenues, expenditures and changes in fund balances for the General Fund, the Capital Reserve Fund, and the Debt Service Fund, which are considered to be major funds. Data from the other two governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the other supplementary information.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found beginning on page 12 of this report.

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 and schedule of changes in other post-employment benefit. Required supplementary information can be found on page 40 and 41 of this report.

Supplementary Information present on pages 42 – 46, includes the budgetary comparisons for the non-major funds and schedules of property tax transactions and balances. *Other Information* including the schedule of expenditures of federal awards, schedules and supplemental information required by the Oregon Department of Education and continuing disclosure information can be found on pages 55-64.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the District, net position was $15,555,666 as of June 30, 2022, an increase of $314,104 during the year.

Capital assets, which consist of the District’s land, buildings, building improvements, vehicles, and equipment, net of accumulated depreciation, represent about 94 percent of total assets. The remaining assets consist mainly of investments, cash, and grants and property taxes receivable.

The District's largest liability, which represents 89.8 percent of total liabilities, is for the repayment of long-term obligations and its proportionate share of the net pension liability. Other liabilities consist primarily of payables on accounts, salaries and benefits, and amounts received but unearned as of June 30, 2022.

A large portion of the District’s net position reflect its investment in capital assets (e.g. land, buildings, vehicles and equipment), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to students and other District residents; consequently, these assets are not available for future spending. Although the District’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources (generally property taxes), since the capital assets themselves cannot be used to liquidate these liabilities.

During the current year, the District’s net position increased by $314,104 compared to the previous year’s net position. The District’s net investment in capital assets increased by $839,038, primarily due principally to payment of related debt during the year. The unrestricted net position decreased by $499,176 due mainly to the increase in the PERS net pension liability and related deferrals.

VERNONIA SCHOOL DISTRICT NO. 47J
STATEMENT OF NET POSITION

	Governmental Activities		
	June 30, 2022	June 30, 2021	Increase (Decrease)
ASSETS			
Current and Other Assets	$ 2,446,647	$ 1,953,660	$ 492,987
Capital Assets, net of depreciation	38,073,267	38,277,864	(204,597)
Total Assets	40,519,914	40,231,524	288,390
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related Deferrals	2,809,952	2,960,466	(150,514)
Total OPEB Related Deferred Outflows	69,945	75,652	(5,707)
Deferred charge on refunding	1,126,510	1,213,165	(86,655)
Total Deferred Outflows of Resources	4,006,407	4,249,283	(242,876)
LIABILITIES			
Current Liabilities	2,543,243	1,741,336	801,907
PERS net pension liability	4,173,093	7,861,447	(3,688,354)
Long-Term Obligations	18,316,370	18,656,685	(340,315)
Total Liabilities	25,032,706	28,259,468	(3,226,762)
DEFERRED INFLOWS OF RESOURCES			
Pension Related Deferrals	3,876,982	943,455	2,933,527
Total OPEB Related Deferred Inflows	60,967	36,322	24,645
Total Deferred Inflows of Resources	3,937,949	979,777	2,958,172
NET POSITION			
Net Investment in Capital Assets	20,354,538	19,515,455	839,083
Restricted	194,675	220,478	(25,803)
Unrestricted	(4,993,547)	(4,494,371)	(499,176)
Total Net Position	$ 15,555,666	$ 15,241,562	$ 314,104

Statement of Activities. During the current fiscal year, the District's net position increased by $314,104. The key elements of the change in the District's net position for the year ended June 30, 2022 are as follows:

- Operating grants and contributions increased by $750,486, mainly due to state and local grants.
- State sources revenue increased $225 thousand primarily due to an increase in the State School Fund allocation

- Overall changes in expenses increased by $259 thousand, primarily to increase in salaries and benefits and pension expenses and a decrease of $322 thousand in interest expense for bonded debt.

VERNONIA SCHOOL DISTRICT NO. 47J
CHANGES IN NET POSITION
Year Ended June 30,2022

	Governmental Activities 2022	Governmental Activities 2021	Increase (Decrease)
REVENUES			
Program Revenues			
Charges for Services	$ 93,544	$ 72,506	$ 21,038
Operating Grants and Contributions	2,553,938	1,803,452	750,486
Capital Grants and Contributions	-	30,275	(30,275)
General Revenues			
Property Taxes Levied for:			
General Purposes	3,177,235	3,001,206	176,029
Debt Service	100,550	980,453	(879,903)
Earnings on Investments	10,118	22,126	(12,008)
Other Local Sources	1,091,174	69,007	1,022,167
Intermediate Sources	71,367	88,800	(17,433)
State Sources	4,554,831	4,329,344	225,487
Total revenues	11,652,757	10,397,169	1,255,588
EXPENSES			
Instruction	6,037,141	5,991,448	45,693
Support services	4,764,693	4,487,754	276,939
Enterprise and Community Services	394,908	458,254	(63,346)
Interest on Long-Term Debt	141,911	464,871	(322,960)
Total expenses	11,338,653	11,402,327	(63,674)
Increase (Decrease) in Net Position	314,104	(1,005,158)	1,319,262
Net Position - Beginning	15,241,562	16,246,720	(1,005,158)
Net Position - Ending	$ 15,555,666	$ 15,241,562	$ 314,104

Financial Analysis of the District's Funds

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

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

At June 30, 2022, the District's governmental funds reported combined ending fund balances of $823,407 an increase of $41,127.

General Fund. The General Fund is the primary operating fund of the District. As of June 30, 2022, fund balance is $564,572. The fund balance increased by $91,440 during the current fiscal year. As a measure of the fund's liquidity, it may be useful to compare general fund balance to the total general fund expenditures. The fund balance represents 6.9 percent of the total General Fund expenditures.

Special Revenue Fund. The Special Revenue Fund accounts for revenue and expenditures of monies restricted for future school programs, grants, the food service program, student activities and other activities. Revenues primarily consist of federal and state grants. As of June 30, 2022 the ending fund balance is $224,105. Of this amount $190,670 is restricted and $33,435 is non-spendable. The fund balance decreased $8,310 during the current fiscal year.

Debt Service Fund. The Debt Service Fund has a total fund balance of $4,005, all of which is restricted for the payment of debt service. The fund balance decreased $8,971 during the current fiscal year.

Capital Projects Fund. The Capital Projects Fund has a total fund balance of $30,725, all of which is dedicated for ongoing capital projects. All of the capital projects fund balance is restricted for capital improvements and repairs. The fund balance decreased $33,032 during the current fiscal year.

General Fund Budgetary Highlights

The Board adopted the budget for the General Fund on June 10, 2021. The Board approved Resolution Number 2022-04 to adjust the original budget on June 9, 2022.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The District's investment in capital assets includes land, buildings and improvements, vehicles and equipment. As of June 30, 2022, the District had invested $38,073,267 in capital assets, net of depreciation, as shown in the following table, total capital assets net of depreciation decreased overall by $204,598, due to an increase of $49,166, for capital improvements and construction in progress, and an increase of $1,091,217 in intangible leased vehicles and equipment offset by $1,317,981 in depreciation of buildings, vehicles, equipment, and Intangible leased vehicles and equipment.

VERNONIA SCHOOL DISTRICT NO 47J
CAPITAL ASSETS
(net of depreciation)

	Governmental Activities		
	June 30, 2022	June 30, 2021	Increase (Decrease)
Land	$ 1,528,510	$ 1,528,510	$ -
Construction in Progress	-	11,448	(11,448)
Building and improvements	35,452,023	36,391,780	(939,757)
Vehicles and equipment	346,606	346,126	480
Intangible leased vehicles and equipment	746,127	-	746,127
Total Capital Assets, net of depreciation	$ 38,073,266	$ 38,277,864	$ (204,598)

Additional information regarding the District's capital assets can be found in the notes to the financial statements of this report.

Long-term Debt. At the end of the current fiscal year, the District had $18,995,878 in outstanding debt. This is a decrease of $60,144 from prior year, as the District is continuing to pay down other outstanding obligations.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

MANAGEMENT'S DISCUSSION AND ANALYSIS
Year ended June 30, 2022

During the fiscal year ended June 30, 2022, the District continued to be faced with unprecedented public health, economic, social and educational challenges due to the COVID-19 pandemic. There were significant needs across the state in all facets of social service and state government that simply could not be addressed in full by the state budget. The economy, instructional strategies, and curricula in a virtual environment required educators to adapt in substantial ways.

In relation to the state's challenges, the most significant economic factor for the District is the financial condition of Oregon's State School Fund (SSF). For the year ended June 30, 2022, the State School Fund – General Support provided about 98 percent of the District's General Fund resources. The Oregon Legislature passed a statewide education budget of $9.3 billion for the 2021-23 biennium. SSF support payments are made to districts based on that budget. However, the budget is contingent upon a forecast of Oregon's continued economic recovery and the projected tax receipts associated with that forecast.

Salaries and benefits costs are projected to increase in 2022-23 based on negotiated contractual obligations. Additionally the 2022-23 budget includes two additional teachers for the Special Education department. Professional Development for staff and an increase in Facility and Grounds Maintenance and Repair budgets will be included in the 2022-23 budget.

Employer rates for the Public Employees Retirement System (PERS) declined for the 2021-23 biennium but will increase for the 2023-2025 biennium (from 26.83% to 27.87% for Tier 1 and 23.72% to 25.03% for Tier 2.)

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

REQUESTS FOR INFORMATION

This financial report is designed to present the user (citizens, taxpayers, investors, and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Financial Services, 1201 Texas Avenue, Vernonia, Oregon 97064.

VERNONIA SCHOOL DISTRICT NO. 47
COLUMBIA COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

VERNONIA SCHOOL DISTRICT NO. 47
COLUMBIA COUNTY, OREGON

STATEMENT OF NET POSITION
June 30, 2022

		GOVERNMENTAL ACTIVITIES
ASSETS		
Cash and Investments	$	875,547
Taxes Receivables		171,229
Other Receivables		1,343,505
Prepaids		22,931
Supply Inventory		33,435
Capital Assets:		
Land		1,528,510
Buildings and Equipment, net of depreciation		36,544,757
Total Assets		40,519,914
DEFERRED OUTFLOWS OF RESOURCES		
Net Pension Related Deferred Outflows		2,809,952
Total OPEB Related Deferred Outflows		69,945
Deferred charge on refunding		1,126,510
Total Deferred Outflows of Resources		4,006,407
LIABILITIES		
Accounts Payable		123,456
Accrued Payroll Liabilities		561,856
Other Liabilities		750,000
Accrued Interest Payable		15,660
Accrued Compensated Absences		8,803
Unearned Revenue		29,258
Long-term Obligations:		
Proportionate Share of Net Pension Liability (PERS)		4,173,093
Total OPEB Liability		414,702
Due within one year		1,054,210
Due in more than one year		17,901,668
Total Liabilities		25,032,706
DEFERRED INFLOWS OF RESOURCES		
Net Pension Related Deferred Inflows		3,876,982
Total OPEB Related Deferred Inflows		60,967
Total Deferred Inflows		3,937,949
NET POSITION		
Net Investment in Capital Assets		20,354,538
Restricted for Debt Service		4,005
Restricted for Grants and Student Activities		190,670
Unrestricted		(4,993,547)
Total Net Position	$	15,555,666

See accompanying notes to basic financial statements.

VERNONIA SCHOOL DISTRICT NO. 47
COLUMBIA COUNTY, OREGON

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2022

		PROGRAM REVENUES		NET (EXPENSE)
FUNCTIONS	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	REVENUE AND CHANGES IN NET POSITION
Instruction	$ 6,037,141	$ -	$ 2,049,218	$ 3,987,923
Support Services	4,764,693	91,735	190,419	4,482,539
Enterprise and Community Services	394,908	1,809	314,301	78,798
Interest on Long-Term Debt	141,911	-	-	141,911
Total Governmental Activities	$ 11,338,653	$ 93,544	$ 2,553,938	8,691,171

General Revenues	
Property Taxes	
General purposes	3,177,235
Debt Service	1,005,250
State school fund - general support	3,224,625
Common School Fund	65,788
Unrestricted state and local support	1,149,322
Earnings on Investments	10,118
Miscellaneous	372,937
Total General Revenues	9,005,275
Changes in Net Position	314,104
Net Position - Beginning	15,241,562
Net Position - Ending	$ 15,555,666

See accompanying notes to basic financial statements.

VERNONIA SCHOOL DISTRICT NO. 47
COLUMBIA COUNTY, OREGON

BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2022

	GENERAL	SPECIAL REVENUE FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTALS
ASSETS					
Deposits and Investments	$ 700,942	$ 173,880	$ -	$ 725	$ 875,547
Property Taxes Receivable	131,968	-	39,261	-	171,229
Other Accounts Receivable	565,249	771,948	6,308	-	1,343,505
Supply Inventory	-	33,435	-	-	33,435
Prepaid Expenses	22,931	-	-	-	22,931
Due from Other Funds	680,284	-	-	30,000	710,284
Total Assets	$ 2,101,374	$ 979,263	$ 45,569	$ 30,725	$ 3,156,931
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts Payable	$ 104,460	$ 18,996	$ -	$ -	$ 123,456
Payroll Liabilities	561,856	-	-	-	561,856
Unearned Revenue	-	29,258	-	-	29,258
Other Liabilities	750,000	-	-	-	750,000
Due to Other Funds	-	706,904	3,380	-	710,284
Total Liabilities	1,416,316	755,158	3,380	-	2,174,854
Deferred Inflows of Resources:					
Unavailable Revenue - Property Taxes	120,486	-	38,184	-	158,670
Fund Balances:					
Nonspendable	22,931	33,435	-	-	56,366
Restricted for:					
Debt Service	-	-	4,005	-	4,005
Other Purposes	-	16,790	-	-	16,790
Capital Projects	-	-	-	30,725	30,725
Committed for:					
Student Body	-	173,880	-	-	173,880
Unassigned	541,641	-	-	-	541,641
Total Fund Balances	564,572	224,105	4,005	30,725	823,407
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 2,101,374	$ 979,263	$ 45,569	$ 30,725	$ 3,156,931

See accompanying notes to basic financial statements.

VERNONIA SCHOOL DISTRICT NO. 47
COLUMBIA COUNTY, OREGON

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

Total Fund Balances - Governmental Funds		$ 823,407
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		
Cost	$ 47,165,191	
Accumulated Depreciation	(9,091,924)	38,073,267
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		158,670
In 2016-17 bond refunding, a larger amount paid to the escrow agent than the premiums of the bonds being refunded that was recorded as interest expense. This deferred outflow of resources is recognized based on the schedule of maturities of the refunded bonds.		1,126,510
The 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.		(4,173,093)
The Total OPEB Liability is liability related to the other post employment benefits for health insurace premiums.		(414,702)
Deferred Inflows and Outflows of resources related to the pension plan include differences between expected and actual experience, changes of assumptions, differences between projects and actual earning, and contributions subsequent to the measurement date.		
Pension deferred inflows		(3,876,982)
Pension deferred outflows		2,809,952
Total OPEB deferred inflows		(60,967)
Total OPEB deferred outflows		69,945
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		
Bonds Payable	$ (18,875,965)	
Accrued Interest Payable	(15,660)	
Early Retirement	(79,913)	
Accrued Vacation Payable	(8,803)	(18,980,341)
Net Position		$ 15,555,666

See accompanying notes to basic financial statements.

VERNONIA SCHOOL DISTRICT NO. 47
COLUMBIA 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					
Taxes	$ 3,170,680	$ -	$ 1,005,250	$ -	$ 4,175,930
State and local Sources	4,607,472	886,679	-	-	5,494,151
Federal Sources	-	1,422,111	-	-	1,422,111
Charges for Services	16,530	77,437	-	-	93,967
Interest	9,936	1	-	181	10,118
Contributions and Donations	33,315	43,673	-	-	76,988
Other	344,902	28,035	-	-	372,937
Total Revenues	8,182,835	2,457,936	1,005,250	181	11,646,202
EXPENDITURES					
Current:					
Instruction	4,288,846	1,364,590	-		5,653,436
Support Services	3,616,080	739,472	-	31,475	4,387,027
Enterprise & Community Services		369,808	-	-	369,808
Facilities Acquisition & Cons.	-	-	-	938	938
Capital Outlay	10,875	36,691	-	800	48,366
Debt Service	-	-	1,145,500	-	1,145,500
Total Expenditures	7,915,801	2,510,561	1,145,500	33,213	11,605,075
Excess of Revenues Over (Under) Expenditures	267,034	(52,625)	(140,250)	(33,032)	41,127
OTHER FINANCING SOURCES (USES)					
Transfers In	12,955	57,270	131,279	-	201,504
Transfers Out	(188,549)	(12,955)	-	-	(201,504)
Total Other Financing Sources (Uses)	(175,594)	44,315	131,279	-	-
Net Change in Fund Balance	91,440	(8,310)	(8,971)	(33,032)	41,127
Beginning Fund Balance	473,132	232,415	12,976	63,757	782,280
Ending Fund Balance	$ 564,572	$ 224,105	$ 4,005	$ 30,725	$ 823,407

See accompanying notes to basic financial statements.

VERNONIA SCHOOL DISTRICT NO. 47
COLUMBIA COUNTY, OREGON

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

Net change in fund balances - total governmental funds		$ 41,127
Amounts reported for government-wide statements in the Statement of Activities are different because of the following:		
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:		
Depreciation	$ (1,317,981)	
Asset additions	49,166	(1,268,815)
Governmental funds report as revenues proceeds from disposition of assets while the Statement of Activities reports the gain or (loss) on disposition of capital assets.		
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds as follows:		
Unavailable property taxes recognized on a full accrual basis		6,555
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.		
Change in accrued compensated absences	3,556	
Change in early retirement	(10,345)	
Change in accrued interest payable	833	(5,956)
The Pension 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.		604,313
The expense related to OPEB liability represents the net changes in the liability balance from year to year and is not recorded in the governmental funds.		9,116
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.		
Decrease in long term obligations		1,014,419
In refunding bonds, the amount of new bonds in excess of the refunded bonds is a deferred outflow of resources for the Statement of Activities, whereas it is recorded as an interest expense in the year of refunding.		(86,655)
Change in net position of governmental activities		$ 314,104

See accompanying notes to basic financial statements.

VERNONIA SCHOOL DISTRICT NO. 47
COLUMBIA COUNTY, OREGON

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

GENERAL FUND

	ORIGINAL BUDGET	FINAL BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES					
Local Sources	$ 3,226,700	$ 3,226,700		$ 3,505,996	$ 279,296
Intermediate Sources	40,500	40,500		69,367	28,867
State Sources	4,232,968	4,432,968		4,607,472	174,504
Total Revenue	7,500,168	7,700,168		8,182,835	482,667
EXPENDITURES					
Instruction	4,437,299	4,237,299	(1)	4,288,846	(51,547)
Support Services	3,116,589	3,541,589	(1)	3,626,955	(85,366)
Contingency	300,000	300,000	(1)	-	300,000
Total Expenditures	7,853,888	8,078,888		7,915,801	163,087
Excess of Revenues Over (Under) Expenditures	(353,720)	(378,720)		267,034	645,754
OTHER FINANCING SOURUCES (USES)					
Transfers In	20,000	20,000		12,955	(7,045)
Transfer Out	(166,280)	(141,280)	(1)	(188,549)	(47,269)
Total Other Financing Sources (Uses)	(146,280)	(121,280)		(175,594)	(54,314)
Net Change in Fund Balance	(500,000)	(500,000)		91,440	591,440
Beginning Fund Balance	600,000	600,000		473,132	(126,868)
Ending Fund Balance	$ 100,000	$ 100,000		$ 564,572	$ 464,572

(1) Appropriation Level

See accompanying notes to basic financial statements.

VERNONIA SCHOOL DISTRICT NO. 47
COLUMBIA COUNTY, OREGON

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

SPECIAL REVENUE FUND

	ORIGINAL BUDGET	FINAL BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES					
Local Sources	$ 395,750	$ 395,750		$ 147,146	$ (248,604)
Intermediate Sources	576,863	576,863		2,000	(574,863)
State Sources	1,067,606	1,067,606		886,679	(180,927)
Federal Sources	696,693	696,693		1,422,111	725,418
Total Revenue	2,736,912	2,736,912		2,457,936	(278,976)
EXPENDITURES					
Instruction	2,018,926	1,718,926	(1)	1,364,590	354,336
Support Services	549,489	849,489	(1)	776,163	73,326
Enterprise and Community Services	420,984	420,984	(1)	369,808	51,176
Total Expenditures	2,989,399	2,989,399		2,510,561	478,838
Excess of Revenues Over (Under) Expenditures	(252,487)	(252,487)		(52,625)	199,862
OTHER FINANCING SOURUCES (USES)					
Transfer In	65,000	65,000		57,270	(7,730)
Transfers Out	(20,000)	(20,000)	(1)	(12,955)	7,045
Total Other Financing Sources (Uses)	45,000	45,000		44,315	(685)
Net Change in Fund Balance	(207,487)	(207,487)		(8,310)	199,177
Beginning Fund Balance	207,487	207,487		232,415	24,928
Ending Fund Balance	$ -	$ -		$ 224,105	$ 224,105

(1) Appropriation Level

See accompanying notes to basic financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

REPORTING ENTITY

Vernonia School District No. 47 (the District) is a municipal corporation governed by a separately elected seven-member 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 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.

BASIS OF PRESENTATION – FUND ACCOUNTING

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

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

The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions."

Program Revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUND FINANCIAL STATEMENTS

The accounts are organized and operated on the basis of funds. A fund is 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 are maintained consistent with legal and managerial requirements.

GOVERNMENTAL FUND TYPES

Governmental funds are used to account for general government activities. Governmental fund types use the flow of current financial resources measurement focus and the 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. Expenditures are recorded when the liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, interfund transactions, and certain compensated absences and claims and judgments which are recognized as expenditures because they will be liquidated with expendable financial resources.

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

The following major governmental funds are reported:

GENERAL FUND

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

SPECIAL REVENUE FUND

This fund accounts for the revenues and expenditures related to federal and other grants received from various federal, state and local sources restricted for specific educational projects as well as the various food service programs provided by the District. The sale of food and Federal reimbursements administered by the State are the major revenue sources.

DEBT SERVICE FUND

This fund accounts for the resources accumulated and payments made for the principal and interest on long-term general obligation debt and other long-term debt.

CAPITAL PROJECTS FUND

This fund accounts for the resources accumulated and payments made for capital projects.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time 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.

Governmental fund financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. All revenues reported in the governmental funds are considered to be available if they are collected within sixty days after year-end. Property taxes and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt 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 capital leases are reported as other financing sources.

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 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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:

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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 Food Service 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	20 to 60 years
Equipment	3 to 20 years

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES (CONTINUED)

In addition to liabilities, the statement of financial position 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 government's deferred inflows are clearly labeled on the face of the 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. GASB Statements 68 and 71 have been implemented as of July 1, 2014.

POSTEMPLOYMENT HEALTH CARE BENEFITS

The Board of Directors, through contract negotiations, previously authorized the District to offer early retirement incentive benefits to eligible employees. The District provides payments in accordance with current employee contracts primarily on a pay-as-you-go basis. Expenditures are recorded in the governmental funds as the insurance premiums are paid.

LEASE ASSETS

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

LEASE PAYABLE

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

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 District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave except as noted below.

1. 16.7% of the unused sick leave accumulated will be paid as severance pay if the employee has completed 10 or more years, but less than 15 years of service in the District, limited to 17 days of pay.

2. 25% of the unused sick leave accumulated will be paid as severance pay if the employee has completed 15 years or more of service in the District, limited to 25 days of pay.

All unused vacation pay is accrued when earned in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignation and retirements. Vacation pay does not accumulate beyond 200 and 280 hours for classified and confidential personnel, respectively. Accrued vacation payable as of June 30, 2022 totaled $8,803.

USE OF ESTIMATES

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

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.

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 debt service, grants, and student activities.

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

It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

FUND BALANCE

In March 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund-type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. Under this standard, the fund balance classifications of reserved, designated, and unreserved/undesignated were replaced with five new classifications – nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable fund balance represents amounts that are not in a spendable form. The nonspendable fund balance represents inventories and prepaids.
- 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Appropriations are established at the major function level (instruction, support services, enterprise and community services, facilities acquisition and construction, debt service, operating contingency and transfers) for each fund. The detail budget document, however, is required to contain more specific, detailed information for the aforementioned expenditure categories. The budget is adopted, appropriations made, and the tax levy declared no later than June 30th each year. Unexpected additional resources may be added to the budget through the use of a supplemental budget or appropriation resolution.

Supplemental budgets of less than 10% of a fund's original budget may be adopted by the Board at a regular meeting. A supplemental budget greater than 10% of a fund's original budget requires hearings before the public, publication in newspapers and approval by the Board. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control (major function levels) with Board approval. During the year, there was one budget resolution affecting appropriations. Appropriations lapse at the end of each fiscal year.

Expenditures of the various funds were within authorized appropriations, except for General Fund – Instruction by $51,547, General Fund – Support Services by $85,366, General Fund – Transfers Out by $47,269, and Debt Service Fund – Debt Service by $3,014.

3. 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 $944,917, $261,501 of which was covered by federal depository insurance. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury. The District's cash is deposited in an approved depository for public funds, and thus is collateralized under ORS295.

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:

Petty Cash	$ 100
Demand Deposits	873,782
Investments:	
LGIP	1,665
Total	$ 875,547

3. CASH AND INVESTMENTS (CONTINUED)

There were the following investments and maturities at June 30, 2022:

		Investment Maturities (in months)		
Investment Type	Fair Value	Less than 3	3-17	18-59
State Treasurer's Investment Pool	$ 1,665	$ 1,665	$ -	$ -
Total	$ 1,665	$ 1,665	$ -	$ -

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's compliance with all portfolio guidelines can be found in their annual report when issued. The LGIP seeks to exchange shares at $1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at $1.00 per share, it is possible to lose money by investing in the pool. 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. At June 30, 2022 the fair value of the position in the LGIP was 98.98%. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized.

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 because it was fully insured.

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 beyond three months.

3. CASH AND INVESTMENTS (CONTINUED)

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.

4. 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.

5. CAPITAL ASSETS

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
Capital assets not being depreciated:				
Land	$ 1,528,510	$ -	$ -	$ 1,528,510
Construction in Progress	11,448	-	(11,448)	-
Total capital assets not being depreciated	1,539,958	-	(11,448)	1,528,510
Capital assets being depreciated:				
Buildings and Improvements	43,962,594	12,248	-	43,974,842
Equipment	523,605	48,366	-	571,971
Vehicles	25,650	-	-	25,650
Intangible - right to used leased vehicle	-	789,347	-	789,347
Intangible - right to used leased equipment	-	274,870	-	274,870
Total capital assets being depreciated	44,511,849	1,124,831	-	45,636,680
Less total accumulated depreciation and ammortization:				
Buildings and Improvements	(7,570,814)	(952,005)	-	(8,522,819)
Equipment	(177,479)	(47,886)	-	(225,365)
Vehicles	(25,650)	-	-	(25,650)
Intangible - right to used leased vehicle	-	(263,116)	-	(263,116)
Intangible - right to used leased equipment	-	(54,974)	-	(54,974)
Total accumulated depreciation/ammortization	(7,773,943)	(1,317,981)	-	(9,091,924)
Total capital assets being depreciated, net	36,737,906	(193,150)	-	36,544,756
Total Capital Assets, Net	$ 38,277,864			$ 38,073,266

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

Program:	
Instruction	$ 715,747
Support Services	555,415
Enterprise and Community Services	46,819
	$ 1,317,981

6. 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.

6. 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 $1,017,635, excluding amounts to fund employer specific liabilities. In addition approximately $238,861 in employee contributions were paid or picked up by the District in fiscal 2022. At June 30, 2022, the District reported a net pension liability of $4,173,093 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 date of June 30, 2021 and 2020, the District's proportion was .035 percent and .036 percent, respectively. Pension expense for the year ended June 30, 2022 was $604,313.

6. DEFINED BENEFIT PENSION PLAN (CONTINUED)

The rates in effect for the year ended June 30, 2022 were:
(1) Tier 1/Tier 2 – 26.83%
(2) OPSRP general services – 23.72%

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ 390,629	$ -
Changes in assumptions	1,044,651	10,983
Net difference between projected and actual earnings on pension plan investments	-	3,089,309
Net changes in proportionate share	-	776,690
Differences between District contributions and proportionate share of contributions	357,037	-
Subtotal - Amortized Deferrals (below)	1,792,317	3,876,982
District contributions subsequent to measuring date	1,017,635	-
Deferred outflow (inflow) of resources	$ 2,809,952	$ 3,876,982

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.

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

Year ending June 30,	Amount
2023	$ (442,931)
2024	(429,814)
2025	(552,492)
2026	(763,508)
2027	104,081
Thereafter	-
Total	$ (2,084,665)

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated February 25, 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.

6. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

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 *Moro* decision; blend based on service
Mortality	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2018 Experience Study which is reviewed for the four-year period ending December 31, 2019.

6. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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 CAFR; p. 104)

Long-Term Expected Rate of Return:

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

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

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

6. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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%)
Proportionate share of the net pension liability	$ 8,194,957	$ 4,173,093	$ 808,253

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.

Deferred Compensation Plan

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

6. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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 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.

Other Post-Employment Benefit Plan - (RHIA)

<u>Plan Description:</u>

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

6. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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 districts are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the District currently contributes 0.53% of annual covered OPERF payroll and 0.45% 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 for the years ended June 30, 2020, 2021 and 2022 were $3,657, $692, and $805, respectively, which equaled the required contributions each year.

At June 30, 2022, the District's net OPEB liability/(asset) and deferred inflows and outflows were not considered significant by management and were not accrued on the government wide statements.

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

7. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) GASB 75

Plan Description
The District operates a single-employer retiree benefit plan that provides postemployment health, dental and vision insurance benefits to eligible employees and their spouses. There are active and retired members in the plan. All classes of employee are eligible to continue coverage upon retirement. Qualified spouses domestic partners, and children may qualify for coverage. Coverage for retirees and

7. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) GASB 75 (CONTINUED)

eligible dependents continues until Medicare eligibility for each individual (or until dependent children become ineligible).

Benefits and eligibility for members are established through the collective bargaining agreements. The postretirement healthcare plan is established in accordance with Oregon Revised Statutes (ORS) 243.303. ORS stipulated 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 cost, which because of the effect of age is generally higher in comparison to all plan members, and the amount of retiree healthcare premiums represents the District's implicit employer contribution. The District did not establish an irrevocable trust (or equivalent arrangement) to account for the plan.

Funding Policy - The benefits from this program are paid by the District on a self-pay basis and the required contribution is based on projected pay-as-you go financing requirements. There is not obligation on the part of the District to fund these benefits in advance.

Actuarial Methods and Assumptions
The District engaged an actuary to perform an evaluation as of July 1, 2021 using entry age normal, level percent of salary Actuarial Cost Method. The Single Employer Pension Plan liability was determined using the following actuarial assumptions, applied to all periods including the measurement:

Discount Rate per year		2.16%
General Inflation Rate per year		2.40%
Salary Scale per year		3.40%
Annual Medical Premium increase rate	2023	5.25%
	2024-2025	5.00%
	2026-2028	4.75%
	2029-2061	4.50%
	2062-2067	4.25%
	2068-2072	4.00%
	2073+	3.75

Mortality: Non-annuitant male: 125% of the combined 80% Pub-2010 Teacher / 20% Pub-2010 General Employee male table. Non-annuitant female: 100% of Pub-2010 Teacher Employee female table. Annuitant Male: 80% of Pub-2010 Healthy Teacher Retiree male table and 20% of Pub-2010 Health General Retiree male table. Annuitant female: 100% of Pub-2010 Healthy Teacher Retiree female Table. Future mortality improvement: unisex Social Security Data Scale.

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

Disability: not used.

Retirement rates were calculated based on age and years of service with the assumption that are 60% are to remain enrolled and 50% of retirees electing coverage will cover a spouse as well.

7. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) GASB 75 (CONTINUED)

Changes in Medical Benefit OPEB Liability:

	2022	2021	2020
Total OPEB Liability - Beginning	$ 454,170	$ 425,021	$ 446,230
Changes for the Year:			
Service Cost	43,017	37,433	41,063
Interest	10,358	15,399	18,080
Differences Between Expected and Actua	(40,018)	-	(33,180)
Changes of Assumptions or Other Input	4,506	21,652	(6,549)
Benefit Payments	(57,331)	(45,335)	(40,623)
Net Changes for the Year	(39,468)	29,149	(21,209)
Total OPEB Liability - Ending	$ 414,702	$ 454,170	$ 425,021

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Trend Rates
The following analysis presents the net OPEB liability using a discount rate of 2.16% as well as what the District's net OPEB liability would be if it was calculated using a discount rate that is one percentage point lower (1.16%) or one percentage point higher (3.16%) than the current rate, a similar sensitivity analysis is presented for the changes in the healthcare trend assumption:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	$ 437,002	$ 414,702	$ 393,366

	1% Decrease Healthcare	Current Trend Rate Healthcare	1% Increase Healthcare
Total OPEB Liability	$ 379,685	$ 414,702	$ 455,688

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB Benefits
The District reports information on deferred outflows and deferred inflows of resources at year end as well as a schedule of amounts of those deferred outflows of resources and deferred inflows of resources that will be recognized in other post-employment benefit expense for the following five years.

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ -	$ (52,325)
Changes in assumptions	18,870	(8,642)
Benefit Payments	51,075	-
Deferred outflow (inflow) of resources	$ 69,945	$ (60,967)

7. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) GASB 75 (CONTINUED)

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

Year ending June 30,	Amount
2023	$ (11,416)
2024	(9,027)
2025	(7,816)
2026	(4,652)
2027	(3,266)
Thereafter	(5,920)
Total	$ (42,097)

8. LONG-TERM OBLIGATIONS

The following table shows changes indirect borrowings consisting of general obligation bonds, limited tax bonds, and other long-term debt for the fiscal year ended June 30, 2022:

Issue Date	Interest Rates	Original Issue	Outstanding 7/1/21	Issued	Matured and Redeemed	Outstanding 6/30/22	Due Within One Year
BONDS							
Cert of participation - July 1, 2004		995,000	$ 210,000	$ -	$ 65,000	$ 145,000	$ 70,000
QZAB - August 30, 2005		487,660	25,733	-	25,565	168	168
Refunding - 2016		12,637,624	11,675,394	-	566,456	11,108,938	601,600
GO Bond 2017A		4,205,275	4,138,429	-	36,198	4,102,231	43,764
GO Bond 2017B		2,590,000	2,590,000	-	-	2,590,000	-
	Total Bonds:		18,639,556	-	693,219	17,946,337	715,532
Issuance Premium			186,610	-	11,663	174,947	
Total Bonds Payable			18,826,166	-	704,882	18,121,284	715,532
EARLY RETIREMENT			69,568	79,913	69,568	79,913	-
LEASES							
Curl School Bus	4.00%	789,347	-	789,347	237,721	551,626	264,678
POA 1	3.00%	269,471	-	269,471	70,581	198,890	72,728
POA 2	3.00%	5,399	-	5,399	1,235	4,164	1,272
	Total Leases:		-	1,064,217	309,537	754,680	338,678
	Total Long Term Debt:		$ 18,895,734	$ 1,144,130	$ 1,083,987	$ 18,955,878	$ 1,054,210

Advance Refunding

The government issued $12,804,322 in general obligation refunding bonds with an interest rate of 2.85%. The proceeds were used to advance refund $10,905,000 of outstanding Series 2010 general obligation bonds which had interest rates ranging from 3.00% to 4.25%. The net proceeds of $12,699,914 (including a $252,884 premium and after payment of $104,406 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, $10,905,000 of the Series 2010 general obligation bonds are considered defeased.

8. LONG-TERM OBLIGATIONS (CONTINUED)

The advance refunding reduced total debt service payments over the next 20 years by $885,332. This results in an economic gain (the difference between the present value of the debt service payments on the old and new debt) of $691,819. The government issued $7,028,538 in general obligation bonds to finance capital costs of the District and to refinance the Installment Financing Agreements of the Oregon School Board Association Series 2010B QSCB and Oregon Cool Schools Loan L00864 and L00881. The Oregon Cool Schools Loan was paid off and $2,484,698 was deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payments on the refunded debt. As a result, $2,015,000 of the Series 2010B are considered defeased.

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

Year Ended	Total	Interest
2023	715,532	432,274
2024	775,746	405,322
2025	738,677	396,578
2026	810,820	362,185
2027	866,471	338,934
2027-32	5,278,294	1,323,181
2032-37	5,582,166	1,231,852
2037-42	1,658,696	2,641,304
2042-47	1,519,935	3,455,065
	$ 17,946,337	$ 10,586,695

Certificate of Participation Bonds

2004 Certificate of Participation Flex Fund

In July of 2004, $995,000 in certificate of participation bonds were issued which were used for improvements of an existing facility roof and the construction of a new educational facility. If an Event of Default occurs, the Trustee, as assignee of the Bank, is entitled to take one or any combination of the following remedial steps: (a) Without terminating the Installment Purchase Agreement, and by written notice to the District, the Trustee may declare all Installment Payments and other amounts payable by the District to the end of the then current budget year of the District to be due, including without limitation delinquent Installment Payments from prior budget years; (b) Terminating the Installment Purchase Agreement, and by written notice to the District, the Trustee may accelerate all outstanding Installment Payments, in which case the District agrees to pay to the Trustee a sum sufficient to defease the Installment Purchase Agreement as well as any other sums due under the Installment Purchase Agreement; (c) The Trustee may take whatever action at law or in equity necessary or desirable to enforce its rights under the Installment Purchase Agreement.

8. LONG-TERM OBLIGATIONS (CONTINUED)

QZAB

QZAB 2005 Capital Improvements Bond

In August of 2005, $487,660 in general obligation bonds were issued for capital improvements for various school projects. Remedies on Default: Whenever any Event of Default exists, the Seller shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps: (a) Without terminating this ~Agreement, and by Written notice to the District, the Seller may declare all Installment Payments and other amounts payable by the District hereunder to the end of the then current budget year of the District to be due, including without limitation delinquent Installment Payments from prior budget years, and all such amounts shall bear interest until paid at the rate of 12% per annum or the maximum amount permitted by law, whichever is less; (b) Terminating this Agreement, and by written notice to the District, the Seller may accelerate all outstanding Installment Payments, in which case the District agrees to pay to the Seller an amount equal to the outstanding Installment Payments, as well as any other sums due hereunder; all remaining and unspent Proceeds, and upon written notice to the Custodian and Provider, all funds in the Vernonia School District 47J Note Fund held by the Custodian in the Account pursuant to the Forward Delivery Agreement, shall be paid to Seller and shall be applied by Seller to the amount due by the District under this Agreement; (c) The Seller may take whatever action at law or in equity necessary or desirable to enforce its rights under this Agreement.

General Obligation Bonds

General Obligation 2016 Refunding Bond

In July of 2016, $12,804,322 in general obligation bonds were issued to advance refund any certain maturities of the District's General Obligation Bond Series 2010. Upon the occurrence and continuance of any Event of Default hereunder the Owners of fifty-one (51%) percent or more of the principal amount of Refunding Bonds then Outstanding may take whatever action may appear necessary or desirable to enforce or to protect any of the rights of the Owners of Refunding Bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Resolution or the Refunding Bonds or in aid of the exercise of any power granted in this Resolution or in the Refunding Bonds or for the enforcement of any other legal or equitable right vested in the Owners of Refunding Bonds by the Resolution or the Refunding Bonds or by law. However, the Refunding Bonds shall not be subject to acceleration. No remedy in the Resolution conferred upon or reserved to Owners of Refunding Bonds is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Resolution or now or hereafter existing at Jaw or in equity. No delay or omission to exercise any right or power accruing upon any default shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. To entitle the Owners of Refunding Bonds to exercise any remedy reserved to them, it shall not be necessary to give any notice other than such notice as may be required by this Resolution or by law.

8. LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation 2017A and 2017B Capital and Refinancing Bonds

In June of 2017, $4,205,275 and in December of 2017, $2,590,000 for a total of $6,795,275 were issued to finance capital costs of the District and to refinance the Installment Financing Agreements of the Oregon School Board Association Series 2010B QSCB and Oregon Cool Schools Loan L00864 and L00881. Upon the occurrence and continuance of any Event of Default the Owners of fifty-one (51%) percent or more of the principal amount of Bonds then Outstanding may take whatever action may appear necessary or desirable to enforce or to protect any of the rights of the Owners of Bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in the Resolution or the Bonds or in aid of the exercise of any power granted in the Resolution or in the Bonds or for the enforcement of any other legal or equitable right vested in the Owners of Bonds by the Resolution or the Bonds or by law. However, the Bonds shall not be subject to acceleration. No remedy in the Resolution conferred upon or reserved to Owners of Bonds is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Resolution or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default to shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. To entitle the Owners of Bonds to exercise any remedy reserved them, it shall not be necessary to give any notice other than such notice as may be required by the Resolution or by law.

Certificates of participation - issued July 2004, due in annual installments of $35,000 to $75,000, plus interest paid semi-annually at 1.80% to 5.15% through 2024.	$ 145,000
Qualified zone academy bonds, series 2005 - issued August 2005, due in annual installments of principle and interest of $25,565 through 2021.	168
The government issued $12,804,322 in general obligation refunding bonds with an interest rate of 2.85%. The proceeds were used to advance refund $10,905,000 of outstanding Series 2010 general obligation bonds which had interest rates ranging from 3.00% to 4.25%.	11,108,938
General obligation bonds, series 2017A and 2017B - issued July 2017 due in annual installments of $9,709 to $755,000 plus interest rates paid semi-annually at 1.40% to 4.00% through 2037.	6,692,231
	$ 17,946,337

Governmental Activities
For the year ended June 30, 2022, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right-to-use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset.

On 7/1/2021 the District entered into a lease as the lessee for use of Curl Busses. An initial lease liability was recorded in the amount of $789,347. AS of June 30, 2022, the value of the lease liability is $551,626. The

8. LONG-TERM OBLIGATIONS (CONTINUED)

District is required to make monthly fixed payments of $22,081. The vehicle estimated useful life was 36 months as of the contract commencement. The value of the right to use the asset as of June 30, 2022 was $789,347 with accumulated amortization of $263,116 is included with the leased vehicles in the capital asset disclosure.

On 7/1/2021 the District entered into a lease as the lessee for Pacific Office Automation Printers. An initial lease liability was recorded in the amount of $269,471 As of June 30, 2022, the value of the lease liability is $198,890. The District is required to make monthly fixed payments of $6,475. The equipment estimated useful life was 63 months as of the contract commencement. The value of the right to use the asset as of June 30, 2022 was $269,471 with accumulated amortization of $53,894 is included with the leased vehicles in the capital asset disclosure.

On 7/1/2021 the District entered into a lease as the lessee for use of Pacific Automation Printers. An initial lease liability was recorded in the amount of $5,399. AS of June 30, 2022, the value of the lease liability is $4,164. The District is required to make monthly fixed payments of $115. The equipment estimated useful life was 63 months as of the contract commencement. The value of the right to use the asset as of June 30, 2022 was $5,399 with accumulated amortization of $1,080 is included with the leased vehicles in the capital asset disclosure.

Future payments are as follows:

	Principal	Interest	Total
2023	$ 338,678	$ 22,327	$ 361,005
2024	363,199	296,032	659,231
2025	52,573	607	53,180
2026	230	1	231
	$ 754,680	$ 318,967	$ 1,073,647

9. 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 carried for other risks of loss including excess liability, workers' compensation, boiler and machinery, public official bond and employee dishonesty and contractors license bond coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

10. COMMITMENTS AND CONTINGENCIES

There is participation in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The federal audits for these programs for the year ended June 30, 2022 have not been conducted. Accordingly, compliance with grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although such amounts are expected by management to be immaterial.

11. PROPERTY TAX LIMITATION

The State of Oregon imposes 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 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.

12. INTERFUND ACTIVITY

	Transfers In	Transfers Out
General Fund	$ 12,955	$ 188,549
Special Revenue	57,270	12,955
Debt Service	131,279	-
	$ 201,504	$ 201,504

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

The General Fund transferred $676,904 to the Special Revenue Fund to cover expenditures and $3,380 to the Debt Service Fund for principal and interest payments. The Capital Projects fund transferred $30,000 to the Special Revenue Fund to cover expenditures.

	Due to	Due from
General Fund	$ 680,284	$ -
Special Revenue	-	706,904
Debt Service	-	3,380
Capital Projects	30,000	-
	$ 710,284	$ 710,284

Due to and Due from in the funds are due to pooled cash transactions.

VERNONIA SCHOOL DISTRICT NO. 47
COLUMBIA COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

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) District's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2022	0.03 %	$ 4,173,093	$ 3,869,232	107.9 %	87.6 %
2021	0.04	7,861,447	3,673,474	214.0	75.8
2020	0.04	7,173,433	3,647,557	196.7	80.2
2019	0.04	6,341,898	3,317,717	191.2	82.1
2018	0.05	6,131,081	3,224,074	190.2	83.1
2017	0.05	7,444,010	3,477,707	214.0	80.5
2016	0.05	3,139,627	2,903,530	108.1	91.9
2015	0.07	(1,507,622)	2,859,997	(52.7)	103.6
2014	0.07	3,394,170	3,144,356	107.9	92.0

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

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

SCHEDULE OF CONTRIBUTIONS

	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	$ 1,017,635	$ 1,017,635	$ -	$ 4,301,540	23.7 %
2021	1,105,320	1,105,320	-	3,869,232	28.6
2020	965,663	965,663	-	3,673,474	26.3
2019	750,801	750,801	-	3,647,557	20.6
2018	766,158	766,158	-	3,317,717	23.1
2017	590,336	590,336	-	3,224,074	18.3
2016	631,607	631,607	-	3,477,707	18.2
2015	618,679	618,679	-	2,903,530	21.3
2014	564,335	564,335	-	2,859,997	19.7

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

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

SCHEDULE OF CHANGES IN OTHER POST EMPLOYMENT BENEFITS (OPEB) LIABILITY
For the fiscal year ended June 30, 2022

	2022	2021	2020	2019	2018
Total OPEB Liability - Beginning	$ 454,170	$ 425,021	$ 446,230	$ 441,006	$ 446,091
Changes for the year:					
Service Cost	43,017	37,433	41,063	40,094	40,922
Interest	10,358	15,399	18,080	16,427	13,271
Changes of Benefit Terms	-	-	-	-	-
Differences Between Expected and Actual Experience	(40,018)	-	(33,180)	-	-
Changes of Assumptions or Other Input	4,506	21,652	(6,549)	(6,384)	(16,196)
Benefit Payments	(57,331)	(45,335)	(40,623)	(44,913)	(43,082)
Net Changes for the Year	(39,468)	29,149	(21,209)	5,224	(5,085)
Total OPEB Liability - Ending	$ 414,702	$ 454,170	$ 425,021	$ 446,230	$ 441,006
Covered Payroll	4,301,540	3,869,232	3,673,474	3,647,557	3,317,717
Net Single Employer Pension Plan as a Percentage of Covered Payroll	9.64%	11.74%	11.57%	12.23%	13.29%

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

VERNONIA SCHOOL DISTRICT NO. 47
COLUMBIA COUNTY, OREGON

SUPPLEMENTARY INFORMATION

VERNONIA SCHOOL DISTRICT NO. 47
COLUMBIA COUNTY, OREGON

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

DEBT SERVICE FUND

	ORIGINAL BUDGET	FINAL BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES					
Local Sources	$ 1,021,206	$ 1,021,206		$ 1,005,250	$ (15,956)
Total Revenue	1,021,206	1,021,206		1,005,250	(15,956)
EXPENDITURES					
Debt Service	1,142,486	1,142,486	(1)	1,145,500	(3,014)
Total Expenditures	1,142,486	1,142,486		1,145,500	(3,014)
Excess of Revenues Over (Under) Expenditures	(121,280)	(121,280)		(140,250)	(18,970)
OTHER FINANCING SOURCES (USES)					
Transfer In	101,280	101,280		131,279	29,999
Total Other Financing Sources (Uses)	101,280	101,280		131,279	29,999
Net Change in Fund Balance	(20,000)	(20,000)		(8,971)	11,029
Beginning Fund Balance	20,000	20,000		12,976	(7,024)
Ending Fund Balance	$ -	$ -		$ 4,005	$ 4,005

(1) Appropriation Level

VERNONIA SCHOOL DISTRICT NO. 47
COLUMBIA COUNTY, OREGON

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

CAPITAL PROJECTS FUND

	ORIGINAL BUDGET	FINAL BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES					
Local Sources	$ 1,300,000	$ 1,300,000		$ 181	$ (1,299,819)
Total Revenue	1,300,000	1,300,000		181	(1,299,819)
EXPENDITURES					
Support Services	50,000	50,000	(1)	31,475	81,475
Facilities Acquisition & Cons.	1,330,275	1,330,275	(1)	1,738	1,328,537
Total Expenditure	1,380,275	1,380,275		33,213	1,410,012
Net Change in Fund Balance	(80,275)	(80,275)		(33,032)	47,243
Beginning Fund Balance	80,275	80,275		63,757	(16,518)
Ending Fund Balance	$ -	$ -		$ 30,725	$ 30,725

(1) Appropriation Level

VERNONIA SCHOOL DISTRICT NO. 47
COLUMBIA COUNTY, OREGON

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

GENERAL FUND

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:						
2021-2022	$ 3,206,549	$ (85,728)	$ (6,565)	$ 1,808	$ 3,046,754	$ 69,310
Prior Years:						
2020-2021	62,872	-	5,957	2,849	35,426	36,252
2019-2020	35,053	-	(1,661)	3,287	18,872	17,807
2018-2019	19,603	-	(1,352)	4,375	17,384	5,242
2017-2018	6,510	-	(1,264)	1,852	6,477	621
Prior	4,847	-	(873)	1,109	2,347	2,736
Total Prior	128,885	-	807	13,472	80,506	62,658
Total	$ 3,335,434	$ (85,728)	$ (5,758)	$ 15,280	$ 3,127,260	$ 131,968

RECONCILIATION TO REVENUE:

Cash Collections by County Treasurers Above	$ 3,127,260
Taxes from Washington County	47,966
Accrual of Receivables:	
June 30, 2022	9,559
June 30, 2021	(14,105)
Total GAAP Revenue	$ 3,170,680

VERNONIA SCHOOL DISTRICT NO. 47
COLUMBIA COUNTY, OREGON

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

DEBT SERVICE FUND

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:						
2021-2022	$ 1,029,499	$ (27,524)	$ (2,271)	$ 581	$ 978,196	$ 22,089
Prior Years:						
2020-2021	20,819	-	1,461	900	11,187	11,993
2019-2020	11,115	-	(2,406)	1,038	5,959	3,788
2018-2019	6,491	-	(1,064)	1,382	5,490	1,319
2017-2018	2,156	-	(944)	585	2,046	(249)
Prior	1,606	-	(894)	350	741	321
Total Prior	42,187	-	(3,847)	4,255	25,423	17,172
Total	$ 1,071,686	$ (27,524)	$ (6,118)	$ 4,836	$ 1,003,619	$ 39,261

RECONCILIATION TO REVENUE:

Cash Collections by County Treasurers Above	$ 1,003,619
Taxes from Washington County	3,315
Accrual of Receivables:	
June 30, 2022	3,018
June 30, 2021	(4,702)
Total GAAP Revenue	$ 1,005,250

VERNONIA SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
SPECIAL PROGRAMS FUND
YEAR ENDED JUNE 30, 2022

Program Title	Pass Through Organization	Federal AL Number	Pass Through Entity Number	Period Covered	Expenditures	Pass Through to Subrecipents
U.S. Department of Education						
Small Rural School Achievement Program	DIRECT	84.358A	S358A204075	07/01/20- 09/30/21	$ 28,854	$ -
Total Small Rural School Achievement Program					28,854	-
Title I Grants to Local Educational Agencies	ODE	84.010	67097	7/01/21/-06/30/22	140,110	-
Title I Grants to Local Educational Agencies	ODE	84.010	65162	7/01/21/-06/30/22	11,925	-
Total Title I, Part A					152,035	-
Title IIA - Improving Teacher Quality State Grants	ODE	84.367	67531	7/01/21/-06/30/22	21,846	-
Total Title IIA - Improving Teacher Quality State Grants					21,846	-
Special Education Cluster (IDEA)						
Special Education Grants to States - COVID-19	ODE	84.027	68501	7/01/21/-06/30/22	21,316	-
Special Education Grants to States	ODE	84.027	68750	7/01/21/-06/30/22	107,111	-
Total Special Education Grants to States					128,427	-
Special Education Grants to States	ODE	84.173	60593	7/01/21/-06/30/22	880	
Special Education Grants to States	ODE	84.173	69020	7/01/21/-06/30/22	635	
Special Education Grants to States - COVID-19	ODE	84.173	69264	7/01/21/-06/30/22	491	
Total Special Education Grant to States					2,006	-
Total Special Education Cluster (IDEA)					130,433	-
Student Support and Academic Enrichment Program	ODE	84.424	66887	07/01/20 - 09/30/21	10,137	
Total Support and Academic Enrichment Program					10,137	-
Education Stabilization Fund - COVID-19	ODE	84.425D	57935	3/13/20-9/30/22	89,860	- (1)
Education Stabilization Fund - COVID-19	ODE	84.425D	64706	3/13/20-9/30/23	620,470	- (1)
Total ESSER					710,330	-
Total U.S. Department of Education					**1,053,635**	-
U.S. Department of Agriculture						
Child Nutrition Cluster:						
School Breakfast Program	ODE	10.553	N/A	07/01/21-06/30/22	54,655	- (1)
Total School Breakfast Program CFDA 10.553					54,655	-
National School Lunch Program	ODE	10.555	N/A	07/01/21-06/30/22	175,069	- (1)
National School Lunch Program Supply Chain	ODE	10.555	N/A	07/01/21-06/30/22	15,139	- (1)
National School Lunch Program Commodities	ODE	10.555	N/A	07/01/21-06/30/22	32,987	- (1)
Total National School Lunch Program					223,195	-
Summer Food Service Program for Children	ODE	10.559	N/A	10/1/21-09/30/22	33,749	- (1)
Total Summer Food Service Program for Children					33,749	-
Total Child Nutrition Cluster					311,599	-
CNP SNAP State and Local P-EBT FF FY22 - COVID-19	ODE	10.649	N/A	07/01/19 - 06/30/20	614	-
Total CNP SNAP State and Local P-EBT FF FY22					614	-
Total U.S. Department of Agriculture Food and Nutrition Services					**312,213**	-
U.S. Department of Health & Human Services						
Rehabilitation Services/Vocational Rehabilitation Grants to States	ODHS	84.126	160758	07/01/21-06/30/23	56,323	-
Total Rehabilitation Services/Vocational Rehabilitation Grants to States					56,323	-
Total U.S. Department of Health & Human Services					**56,323**	-
TOTAL FEDERAL FINANCIAL ASSISTANCE					**$ 1,422,171**	**$ -**

(1) - Major Program

VERNONIA SCHOOL DISTRICT NO. 47
COLUMBIA COUNTY, OREGON

INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

PAULY, ROGERS, AND CO., P.C.
12700 SW 72nd Ave. Tigard, OR 97223
(503) 620-2632 (503) 684-7523 FAX
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March 17, 2023

Independent Auditor's Report Required by Oregon State Regulations

We have audited the basic financial statements of Vernonia School District No. 47 for the year ended June 30, 2022, and have issued our report thereon dated March 17, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards.

Compliance

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

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

- **Deposit of public funds with financial institutions (ORS Chapter 295)**
- **Indebtedness limitations, restrictions and repayment.**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **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 Vernonia School District No. 47 was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, except the following:

1. Expenditures exceeding budgeted appropriations as noted on page 20 of this report.

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 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.

We noted a matter involving the internal control structure and its operations we consider to be a significant deficiency under standards established by the American Institute of Certified Public Accountants, which is noted in the Schedule of Findings and Questioned Costs.

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.

Tara M Kamp, CPA

Tara M Kamp, CPA
PAULY, ROGERS AND CO., P.C.

VERNONIA SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

GRANT COMPLIANCE REVIEW

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March 17, 2023

To the Board of Directors
Vernonia School District
Columbia County, Oregon

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities each major fund, of Vernonia School 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, and have issued our report thereon dated March 17, 2023.

Report on Internal Control over Financial Reporting

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

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

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We noted a matter we consider to be a significant deficiency as noted as FS-2022-01 in the Schedule of Findings and Questioned Costs.

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

Response to the Finding

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

Purpose of this Report

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

Tara M Kamp, CPA

Tara M. Kamp, CPA
PAULY, ROGERS AND CO., P.C.

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March 17, 2023

To the Board of Directors
Vernonia School District
Columbia County, Oregon

INDEPENDENT AUDITOR'S 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 Vernonia School District's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 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, Vernonia School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists.

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The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about compliance with the requirements of each major federal program as a whole.

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

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

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

Report on Internal Control over Compliance

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

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

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

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

Tara M Kamp, CPA

Tara M. Kamp, CPA
PAULY, ROGERS AND CO., P.C.

VERNONIA SCHOOL DISTRICT NO. 47
COLUMBIA 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) indentified that are not considered to be material weaknesses?	☒ yes	☐ none reported
Noncompliance material to financial statements noted?	☐ yes	☒ no
Any GAGAS audit findings disclosed that are required to be reporting in accordance with the Uniform Guidance?	☐ yes	☒ no

FEDERAL AWARDS

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

IDENTIFICATION OF MAJOR PROGRAMS

AL NUMBER	NAME OF FEDERAL PROGRAM CLUSTER
10.553, 10.555, 10.559	Child Nutrition Cluster
84.425	Education Stabilization Fund - ESSER

Dollar threshold used to distinguish between type A and type B programs:	$750,000	
Auditee qualified as low-risk auditee?	☐ yes	☒ no

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2022

SECTION II – FINANCIAL STATEMENT FINDINGS

FS-2022-01 – SIGNIFICANT DEFICIENY

CONDITION: Cash was not accurately reconciled at year end. When testing bank balances at 6/30, we noted the G/L did not match the reconciliation for the ASB account. We recommend that cash accounts be reconciled in the G/L against the monthly reconciliations to ensure they balance.

CRITERIA: Cash should be accurately reconciled to the general ledger.

EFFECT: Without proper controls over accounting for cash, the possibility exists of a material misstatement to the financial statements.

CAUSE: The finance department had turnover of key staff during the year.

RECOMMENDATION: We recommend cash is reconciled accurately in accordance with Generally Accepted Accounting Principles.

VIEWS OF RESPONSIBLE OFFICIALS: The ASB accounts will be reconciled monthly and reconciled with the G/L at the close of the year.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None Noted

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. BASIS OF PRESENTATION

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

VERNONIA SCHOOL DISTRICT NO. 47
COLUMBIA COUNTY, OREGON

OTHER INFORMATION

VERNONIA SCHOOL DISTRICT NO. 47J
Columbia County, Oregon

REVENUE SUMMARY - ALL FUNDS
YEAR ENDED JUNE 30, 2022

		Fund 100	Fund 200	Fund 300	Fund 400	TOTAL
Revenue from Local Sources						
1111	Taxes - current year's levy	$ 3,091,028	$ -	$ 983,052	$ -	$ 4,074,080
1112	Taxes - prior year's levies	78,481	-	21,416	-	99,897
1114	Taxes - payments in lieu of property taxes	355	-	113	-	468
1190	Penalties and interest on taxes	816	-	283	-	1,099
1510	Earnings on investments	9,936	1	-	181	10,118
1600	Food Service	-	1,809	-	-	1,809
1700	Extracurricular Activities	10,480	75,205	-	-	85,685
1910	Rentals	6,050	-	-	-	6,050
1920	Contributions and donations from private sources	33,315	43,673	-	-	76,988
1960	Recovery of prior year expenditures	46,980	423	385	-	47,788
1990	Miscellaneous	72,252	26,034	-	-	98,286
1994	Medicaid admin claiming	107,015	-	-	-	107,015
1995	Erate	6,417	-	-	-	6,417
	Total Revenue from Local Sources	**3,505,997**	**147,145**	**1,005,249**	**181**	**4,658,572**
Revenue from Intermediate Sources						
2101	County school funds	9,662	-	-	-	9,662
2102	General education service district funds	59,705	2,000	-	-	61,705
2105	Natural gas, oil and mineral receipts	-	-	-	-	-
	Total Revenue from Intermediate Sources	**69,367**	**2,000**	**-**	**-**	**71,367**
Revenue from State Sources						
3101	State School Support	3,224,625	-	-	-	3,224,625
3102	SSF School Lunch Match	-	2,088	-	-	2,088
3103	Common school fund	65,788	-	-	-	65,788
3104	State managed county timber	1,262,330	-	-	-	1,262,330
3199	Other unrestricted sources	27,435	-	-	-	27,435
3299	Other restricted grants-in-aid	27,294	884,592	-	-	911,886
	Total Revenue from State Sources	**4,607,472**	**886,680**	**-**	**-**	**5,494,152**
Revenue from Federal Sources						
4300	Restricted Rev Fed Gov through State	-	28,854	-	-	28,854
4500	Restricted Rev Fed Gov through State	-	1,360,270	-	-	1,360,270
4900	USDA Donated Commodities	-	32,987	-	-	32,987
	Total Revenue from Federal Sources	**-**	**1,422,111**	**-**	**-**	**1,422,111**
Revenue from Other Sources						
5200	Interfund Transfers	12,954	57,270	131,280	-	201,504
5400	Resources - Beginning Fund Balance	473,132	232,415	12,976	63,756	782,279
	Total Revenue from Other Sources	**486,086**	**289,685**	**144,256**	**63,756**	**983,783**
	Total	**$ 8,668,922**	**$ 2,747,621**	**$ 1,149,505**	**$ 63,937**	**$ 12,629,985**

VERNONIA SCHOOL DISTRICT NO. 47J
Columbia County, Oregon

GENERAL FUND
EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2022

Fund: 100 General Fund

Instruction Expenditures		Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700	TOTAL
1111	Primary, K-3	$ 589,735	$ 324,717	$ 26,046	$ 9,175	$ -	$ 27,972	$ -	$ 977,645
1121	Middle/Junior high school programs	290,778	172,917	27,716	4,467	-	7,770	-	503,648
1122	Middle/Junior high school extracurricular	24,815	7,980	3,105	5,344	-	-	-	41,244
1131	High school programs	741,370	389,047	25,365	12,972	-	12,432	-	1,181,186
1132	High school extracurricular	106,747	27,909	42,574	16,389	-	2,725	-	196,344
1210	Programs for the talented and gifted	-	-	-	278	-	-	-	278
1220	Restrictive programs for student with disabilities	-	-	115,479	-	-	-	-	115,479
1250	Less restrictive programs for student with disabilities	482,298	334,774	147,594	11,947	-	-	-	976,613
1260	Treatment and Habilitation	-	-	5,961	-	-	-	-	5,961
1271	Remediation	-	-	25,183	-	-	-	-	25,183
1280	Alternative education	112,260	79,406	27,461	37,871	-	-	-	256,998
1400	Summer School Programs	6,351	1,861	-	55	-	-	-	8,267
	Total Instruction Expenditures	**2,354,354**	**1,338,611**	**446,484**	**98,498**	**-**	**50,899**	**-**	**4,288,846**
Support Services Expenditures									
2110	Attendance and social work services	32,579	13,882	-	-	-	-	-	46,461
2120	Guidance services	152,287	92,882	167	68	-	-	-	245,404
2130	Health services	-	-	16,650	189	-	-	-	16,839
2190	Service direction, student support services	15,467	14,858	-	2,008	-	-	-	32,333
2210	Improvement of instruction services	650	262	11,588	-	-	-	-	12,500
2220	Educational media services	715	86	-	898	-	-	-	1,699
2310	Board of education services	6,554	4,158	57,054	272	-	6,821	-	74,859
2320	Executive administration services	200,235	98,587	7,276	4,066	-	15,887	-	326,051
2410	Office of the principal services	294,775	181,744	25,541	3,516	-	21,520	-	527,096
2490	Other support services	88,334	45,338	1,395	-	-	595	-	135,662
2520	Fiscal services	122,917	59,533	(153,677)	2,376	-	268,815	-	299,964
2540	Operation and maintenance of plant services	159,908	98,251	219,411	45,744	10,875	130,853	-	665,042
2550	Student transportation services	-	-	1,092,956	-	-	-	-	1,092,956
2660	Technology services	1,083	439	55,263	49,221	-	150	-	106,156
2700	Supplemental retirement program	-	42,431	-	-	-	-	-	42,431
	Total Support Services Expenditures	**1,076,504**	**652,814**	**1,333,762**	**108,358**	**10,875**	**444,641**	**-**	**3,626,954**
Other Uses Expenditures									
5200	Transfers of Funds	-	-	-	-	-	-	188,550	188,550
	Total Other Uses Expenditures	**-**	**-**	**-**	**-**	**-**	**-**	**188,550**	**188,550**
	Total 100 General Fund	**$ 3,430,858**	**$ 1,991,425**	**$ 1,780,246**	**$ 206,856**	**$ 10,875**	**$ 495,540**	**$ 188,550**	**$ 8,104,350**

VERNONIA SCHOOL DISTRICT NO. 47J

Columbia County, Oregon

SPECIAL REVENUE FUND
EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2022

Fund: 200 Special Revenue Fund

	Instruction Expenditures	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700	TOTAL
1111	Primary, K-3	$ 83,513	$ 76,879	$ -	$ 4,050	$ -	$ -	$ -	$ 164,442
1121	Middle/Junior high school	6,173	3,787	2,070	6,140	-	4,679	-	22,849
1122	Middle/Junior high school extracurricular	-	-	-	2,111	-	-	-	2,111
1131	High school programs	222,797	128,012	52,100	22,855	-	7,909	-	433,673
1132	High school extracurricular	537	185	3,518	65,759	-	-	-	69,999
1250	Less restrictive programs for student with disabilities	89,338	53,963	3,134	393	-	-	-	146,828
1260	Treatment and Habilitation	-	-	2,006	-	-	-	-	2,006
1272	Title I	84,187	55,160	-	3,321	-	-	-	142,668
1280	Alternative education	173,748	135,694	703	18,192	-	-	-	328,337
1400	Summer school program	16,287	5,253	3,102	18,849	-	8,186	-	51,677
	Total Instruction Expenditures	**676,580**	**458,933**	**66,633**	**141,670**	**-**	**20,774**	**-**	**1,364,590**
	Support Services Expenditures								
2110	Attendance and social work services	100,745	48,234	2,009	8,398	-	-	-	159,386
2120	Guidance services	3,294	2,021	-	-	-	-	-	5,315
2130	Health services	-	-	24,705	-	-	-	-	24,705
2140	Psychological services	-	-	-	-	-	-	-	-
2190		50,907	24,330	-	-	-	-	-	75,237
2210	Improve instruction services	8,932	3,480	16,598	4,256	-	-	-	33,266
2220		57,280	59,483	-	1,172	-	-	-	117,935
2240	Instructional staff development	4,700	1,766	-	-	-	-	-	6,466
2310		97	62	-	-	-	-	-	159
2320		3,085	1,547	-	48	-	-	-	4,680
2410	Office of the principal services	5,360	3,362	-	1,174	-	-	-	9,896
2490	Other support services-school administration	1,665	860	-	-	-	-	-	2,525
2520		1,576	620	-	-	-	42,872	-	45,068
2540	Operation and maintenance of plant services	8,461	9,114	6,634	6,608	36,691	-	-	67,508
2550	Student transportation services	-	-	71,262	-	-	-	-	71,262
2640	Staff services	35,640	14,580	-	19,026	-	11,120	-	80,366
2660	Technology services	11,189	8,358	38,955	13,887	-	-	-	72,389
	Total Support Services Expenditures	**292,931**	**177,817**	**160,163**	**54,569**	**36,691**	**53,992**	**-**	**776,163**
	Enterprise and Community Services								
3100	Food services	140,171	87,937	4,728	133,620	-	3,352	-	369,808
3300	Community services	-	-	-	-	-	-	-	-
	Total Enterprise and Community Services	**140,171**	**87,937**	**4,728**	**133,620**	**-**	**3,352**	**-**	**369,808**
	Facilities Acquisition and Construction Expenditures								
4120	Dues & Fees,Professional & Technical	-	-	-	-	-	-	-	-
4150	Building acquisition, construction and improvement	-	-	-	-	-	-	-	-
	Total Facilities and Construction Expenditures	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Other Uses Expenditures								
5200	Transfers of funds	-	-	-	-	-	-	12,955	12,955
	Total Other Uses Expenditures	**-**	**-**	**-**	**-**	**-**	**-**	**12,955**	**12,955**
	Total 200 Special Revenue Fund	**$ 1,109,682**	**$ 724,687**	**$ 231,524**	**$ 329,859**	**$ 36,691**	**$ 78,118**	**$ 12,955**	**$ 2,523,516**

VERNONIA SCHOOL DISTRICT NO. 47J
Columbia 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	$ -	$ -	$ -	$ -	$ -	$ 1,145,500	$ -	$ 1,145,500
Total Other Uses Expenditures	**-**	**-**	**-**	**-**	**-**	**1,145,500**	**-**	**1,145,500**
Total 300 Debt Service Fund	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 1,145,500**	**$ -**	**$ 1,145,500**

VERNONIA SCHOOL DISTRICT NO. 47J

Columbia County, Oregon

CAPITAL PROJECTS FUND
EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2022

Fund: 400 Capital Projects Fund

Suppo	Expenditure Description	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700	TOTAL
2520	Fiscal services	$ -	$ -	$ -	$ -	$ -	$ 31,475	$ -	$ 31,475
2540	Operation and maintenance of plant services	-	-	-	-	-	-	-	-
	Total Support Services Expenditures	**-**	**-**	**-**	**-**	**-**	**31,475**	**-**	**31,475**
Facilities Acquisition and Construction Expenditures									
4120	Site acquisition and development services	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4150	Building acquisition, construction and improvement	-	-	938	-	800	-	-	1,738
	Total Facilities and Construction Expenditures	**-**	**-**	**938**	**-**	**800**	**-**	**-**	**1,738**
	Total 400 Capital Projects Fund	**$ -**	**$ -**	**$ 938**	**$ -**	**$ 800**	**$ 31,475**	**$ -**	**$ 33,213**

VERNONIA SCHOOL DISTRICT NO. 47J

Columbia County, Oregon

SUPPLEMENTAL INFORMATION REQUIRED BY THE STATE OF OREGON
DEPARTMENT OF EDUCATION
YEAR ENDED JUNE 30, 2022

School District Business Managers and Auditors:

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

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

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

	Objects 325 &326 & ***327**
Function 2540	$ 162,091
Function 2550	$ -

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

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

VERNONIA SCHOOL DISTRICT NO. 47J
COLUMBIA COUNTY, OREGON

Taxable Property Values - Oustanding GO Debt and Capacity

Fiscal Year	Total Assessed Value	Urban Renewal Excess	Net Assessed Value	M5 Real Market Value	GO Bond Capacity (7.95% of RMV)	GO Bonds Outstanding	Remaining Capacity
2022	$ 666,604,863	$ -	$ 666,604,863	$ 876,398,078	$ 69,673,647	$ 17,801,171	$ 51,872,476
2021	$ 599,825,090	$ -	$ 599,825,090	$ 796,598,108	$ 63,329,550	$ 18,403,823	$ 44,925,727
2020	599,825,090	-	599,825,090	796,598,108	63,329,550	18,962,530	44,367,020
2019	509,741,417	-	509,741,417	659,900,768	52,462,111	19,477,871	32,984,240
2018	501,519,376	-	501,519,376	654,427,898	52,027,018	19,949,804	32,077,214
2017	489,303,966	-	489,303,966	598,463,653	47,577,860	13,597,624	33,980,236
2016	480,865,903	-	480,865,903	583,849,828	46,416,061	12,125,000	34,291,061
2015	456,757,487	-	456,757,487	542,435,560	43,123,627	12,360,000	30,763,627
2014	441,241,742	-	441,241,742	515,741,506	41,001,450	12,575,000	28,426,450
2013	452,813,178	-	452,813,178	532,262,591	42,314,876	12,750,000	29,564,876
2012	450,278,376	-	450,278,376	532,815,788	42,358,855	12,890,000	29,468,855

Columbia County

Fiscal Year	Total Assessed Valuation	Urban Renewal Excess	AV Used to Calculate Rates	M5 Real Market Value
2022	$ 658,866,873	$ -	$ 658,866,873	$ 863,260,408
2021	$ 626,276,419	$ -	$ 626,276,419	$ 863,260,408
2020	592,444,520	-	592,444,520	783,652,142
2019	502,576,187	-	502,576,187	647,542,338
2018	494,669,246	-	494,669,246	642,322,372
2017	482,564,876	-	482,564,876	586,983,893
2016	474,335,093	-	474,335,093	572,871,222
2015	450,539,627	-	450,539,627	532,002,985
2014	435,253,122	-	435,253,122	505,863,516
2013	447,084,358	-	447,084,358	522,898,041
2012	444,697,836	-	444,697,836	523,401,517

Washington County

Fiscal Year	Total Assessed Valuation	Urban Renewal Excess	AV Used to Calculate Rates	M5 Real Market Value
2022	$ 7,737,990	$ -	$ 7,737,990	$ 13,137,670
2021	$ 7,388,850	$ -	$ 7,388,850	$ 13,137,670
2020	7,380,570	-	7,380,570	12,945,966
2019	7,165,230	-	7,165,230	12,358,430
2018	6,850,130	-	6,850,130	12,105,526
2017	6,739,090	-	6,739,090	11,479,760
2016	6,530,810	-	6,530,810	10,978,606
2015	6,217,860	-	6,217,860	10,432,575
2014	5,988,620	-	5,988,620	9,877,990
2013	5,728,820	-	5,728,820	9,364,550
2012	5,580,540	-	5,580,540	9,414,271

VERNONIA SCHOOL DISTRICT NO. 47J
COLUMBIA COUNTY, OREGON

County Tax Collection Record

Columbia County
Tax Collections (1)

Fiscal Year	Percent Collected as of Levy Year(2)	6/30/2022
2022	97.79%	97.79%
2021	97.79%	97.79%
2020	97.51%	98.79%
2019	97.12%	99.24%
2018	96.77%	99.74%
2017	96.73%	99.84%
2016	96.77%	99.96%
2015	96.60%	99.67%

Washington County
Tax Collections (1)

Fiscal Year	Percent Collected as of Levy Year(2)	6/30/2022
2022	99.05%	99.02%
2021	99.02%	99.02%
2020	98.96%	99.67%
2019	98.99%	99.84%
2018	98.95%	99.94%
2017	98.37%	99.98%
2016	98.33%	99.99%
2015	98.31%	99.99%

(1) Percentage of total tax levy collection in the County. Pre-payment discounts are considered to be **collected** when outstanding taxes are calculated. The tax rates are before offsets.
(2) The percentage of taxes collected in the "year of levy" represents taxes collected in a single levy year, beginning July 1 and ending June 30.
(3) The percentage of taxes show in the column represents taxes collected cumulatively from July 1 of a given levy year through June 30, 2021.

Levy Rates

Fiscal Year	Permanent Rate	Bond Levy Rate
2022	5.0121	1.5601
2021	5.0121	1.5686
2020	5.0121	1.6421
2019	5.0121	1.9225
2018	5.0121	1.8344

Historical Enrollment

Fiscal Year	Average Daily Membership (w)(1)	Enrollment(2)
2022	780.22	558
2021(3)	744.18	555
2020(3)	781.8	555
2019(3)	757.79	566
2018	746.5	532
2017	742.9	524
2016	770.3	546
2015	764.5	585

(1) Weighted Average Daily Membership is the enrollment figure, adjusted for part-time students and students with special needs, that is used to allocate revenues appropriated by the State to school districts.
(2) Enrollment is the number of students attending classes.
(3) Preliminary, subject to change

VERNONIA SCHOOL DISTRICT NO. 47J

COLUMBIA COUNTY, OREGON

Major Taxpayers - Columbia County

Fiscal Year 2022

Taxpayer	Business/Service	Tax	Assessed Value	Percent of Value
Portland Gen Elec Co	Electrical Utility	$ 4,493,337	$ 586,631,000	9.70%
Northwest Natural Gas Co	Natural Gas Utility	3,340,817	278,444,400	4.60%
United States Gypsum	Wall board	1,201,378	74,024,050	1.22%
Dyno Nobel, Inc.	Forest Products	751,885	59,144,832	0.98%
Cascades Tissue Group Oregon	Forest Products	690,418	53,369,639	0.88%
Longview Timberlands	Forest Products	650,000	54,440,009	0.90%
Columbia River PUD	Electrical Utility	607,593	46,687,500	0.77%
Clatskanie PUD	Utility	456,166	34,643,000	0.57%
Northwest Aggregates Inc	Forest Products	421,302	32,477,560	0.54%
St Helens Place Apartments LLC	Real Estte	365,242	24,189,990	0.40%
Subtotal - ten of County's largest taxpayers			1,244,051,980	20.57%
All other County's taxpayers			4,803,635,764	79.43%
Total County			$ 6,047,687,744	100.00%

Major Taxpayers - Washington County

Fiscal Year 2022

Taxpayer	Business/Service	Tax	Assessed Value	Percent of Value
Intel Corporation	Semiconductors	$ 31,611,688	$ 1,892,355,244	2.54%
Nike, Inc.	Athletic Shoes & Apparel	25,402,283	1,450,518,012	1.95%
Portland General Electric	Electrical Utility	15,583,059	951,592,080	1.28%
Pacific Realty Associates	Real Estate Investment	7,406,382	426,502,345	0.57%
Northwest Natural Gas Co.	Natural Gas Utility	6,903,542	430,076,890	0.58%
Verizon Communications	Telecommunications	5,706,086	338,930,000	0.46%
Genentech Inc.	research/manufacturing	4,759,410	281,929,300	0.38%
Comcast Corporation	Telecommunications	4,627,060	267,644,000	0.36%
LAM Research Corporation	Semiconductors	3,275,411	204,291,922	0.27%
Northwest Fiber LLC	Telecommunications	3,240,040	195,724,800	0.26%
Subtotal - ten of County's largest taxpayers			6,439,564,593	8.66%
All other County's taxpayers			67,932,349,712	91.34%
Total County			$74,371,914,305	100.00%

VERNONIA SCHOOL DISTRICT NO. 47J
COLUMBIA COUNTY, OREGON

Major Taxpayers - Columbia County - Vernonia School District
Fiscal Year 2022

Taxpayer	Business/Service	Tax	Assessed Value	Percent of Value
Northwest Natural Gas Co	Natural Gas Utility	$ 2,622,826	$ 225,407,900	34.21%
Longview Timberlands LLC	Forest Products	355,320	29,116,567	4.42%
Weyerhaeuser Company	Forest Products	166,775	13,508,007	2.05%
Orm Timber Fund (REIT) III Inc	Forest Products	89,314	7,305,666	1.11%
Bascom Pacific LLC	Forest Products	78,770	6,471,905	0.98%
Longview Fibre	Paper Manufacturing	71,035	5,822,882	0.88%
West Oregon Electric Coop Inc	Electrical Utility	64,726	3,758,370	0.57%
Olympic Forest Products Co	Forest Products	53,757	4,592,320	0.70%
John Hancock Mututal Life Co	Insurance Company	23,971	1,995,121	0.30%
Olympic Forest Products Co Inc	Forest Products	23,784	2,022,135	0.31%
Subtotal - ten of County's largest taxpayers			300,000,873	45.53%
All other County's taxpayers			358,866,000	54.47%
Total County			$ 658,866,873	100.00%

Major Taxpayers - Washington County - Vernonia School District
Fiscal Year 2022

Taxpayer	Business/Service	Tax	Assessed Value	Percent of Value
Weyerhaeuser Columbia Timberlands LLC	Wood Products	$ 44,896	$ 3,439,960	44.46%
Stimson Lumber Co	Wood Products	7,932	604,300	7.81%
Buckley, Peggy Lu	Individuals	5,379	395,850	5.12%
Schmidlin, Betty & Leonard Alfred Trust	Individuals	4,978	368,610	4.76%
Schmidlin, Michael W and Susan M	Individuals	4,901	368,060	4.76%
Brown, Lois Louise	Individuals	4,224	333,540	4.31%
McPherson, David	Individuals	2,939	224,130	2.90%
Sewell, Aaron J &	Individuals	2,395	162,080	2.09%
Wetzel Sunset LLC	Individuals	2,258	173,560	2.24%
Stringfield, Robert & Stringfield, Luletta D	Individuals	2,206	169,590	2.19%
Subtotal - ten of County's largest taxpayers			6,239,680	80.64%
All other County's taxpayers			1,498,310	19.36%
Total County			$ 7,737,990	100.00%