

**VERNONIA SCHOOL DISTRICT NO. 47J  
COLUMBIA COUNTY, OREGON**

**FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2025**



**CLEAR TRAIL CPAS**  
Clear Solutions, Clear Results

VERNONIA SCHOOL DISTRICT NO. 47J  
COLUMBIA COUNTY, OREGON

FINANCIAL REPORT  
For the Fiscal Year Ended June 30, 2025

VERNONIA SCHOOL DISTRICT NO. 47J  
COLUMBIA COUNTY, OREGON

BOARD OF DIRECTORS

BOARD OF DIRECTORS

TERM EXPIRES

Stacey Pelster June 30, 2025

Susan Wagner, Chair June 30, 2025

Greg Kintz, Vice Chair June 30, 2027

Amy Cieloha June 30, 2027

Joanie Jones June 30, 2025

Javoss McGuire June 30, 2025

Tony Holmes June 30, 2025

All board members will receive mail at the following address:

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

Jim Helmen, Superintendent and Budget Officer  
Marie Knight, Business Manager

**VERNONIA SCHOOL DISTRICT NO. 47J  
COLUMBIA COUNTY, OREGON**

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VERNONIA SCHOOL DISTRICT NO. 47J  
COLUMBIA COUNTY, OREGON

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January 16, 2026

### INDEPENDENT AUDITOR'S REPORT

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

#### Report on the Audit of the Financial Statements

##### **Opinions**

We have audited the accompanying financial statements of the governmental activities and each major fund of Vernonia School District No. 47J as of and for the year ended June 30, 2025, 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 the Vernonia School District, as of June 30, 2025, 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 District adopted new accounting guidance, *GASB Statement No. 101 – Compensated Absences* 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 No. 47J'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 No. 47J'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 No. 47J'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 January 16, 2026 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 January 16, 2026, 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  
CLEAR TRAIL CPAS, LLC

**VERNONIA SCHOOL DISTRICT 47J**  
**COLUMBIA COUNTY, OREGON**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year ended June 30, 2025**

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, 2025.

**FINANCIAL HIGHLIGHTS**

- In the government-wide statements, the net position of the District at June 30, 2025, was \$14,315,929.
- Of this amount, \$18,907,832 represents the District's net investment in capital assets, \$161,118 is restricted for debt service, grants and student body activities and the deficit of \$4,753,021 is unrestricted.
- The District's total net position decreased by \$1,449,229 for the fiscal year.
- The District's governmental funds reported a combined ending fund balance of \$91,814 at June 30, 2025, a decrease of \$1,068,184.
- At the end of the fiscal year ended June 30, 2025, the fund balance for the General Fund was \$(88,924), which represents a decrease of \$963,182 in comparison with the prior year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis are 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 *Statement 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).

**VERNONIA SCHOOL DISTRICT 47J**  
**COLUMBIA COUNTY, OREGON**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year ended June 30, 2025**

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 7 and 9 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 13 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 43 and 44 of this report.

*Supplementary* Information present on pages 45– 49, includes the budgetary comparisons for the non-major funds and schedules of property tax transactions and balances. *Other Information*

**VERNONIA SCHOOL DISTRICT 47J**  
**COLUMBIA COUNTY, OREGON**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year ended June 30, 2025**

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 65-67.

**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 \$14,315,929 as of June 30, 2025, a decrease of \$1,449,229 during the year.

Capital assets, which consist of the District's land, buildings, building improvements, vehicles, and equipment, net of accumulated depreciation, represent about 96 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 63 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, 2025.

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 decreased by \$1,449,229 compared to the previous year's net position. The District's net investment in capital assets decreased \$37,165, due to depreciation and software subscriptions ending during the year. The unrestricted net position decreased by \$1,307,741 due mainly to the changes in the PERS net pension liability and related deferrals.

**VERNONIA SCHOOL DISTRICT 47J**  
**COLUMBIA COUNTY, OREGON**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year ended June 30, 2025**

**VERNONIA SCHOOL DISTRICT NO. 47J**  
**STATEMENT OF NET POSITION**

	<b>Governmental Activities</b>		
	<b>June 30, 2025</b>	<b>June 30, 2024</b>	<b>Increase (Decrease)</b>
<b>ASSETS</b>			
Current and Other Assets	\$ 1,687,635	\$ 2,430,671	\$ (743,036)
Capital Assets, net of depreciation	<u>35,955,907</u>	<u>37,110,770</u>	<u>(1,154,863)</u>
Total Assets	<u>37,643,542</u>	<u>39,541,441</u>	<u>(1,897,899)</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension Related Deferrals	3,722,806	3,072,079	650,727
Total OPEB Related Deferred Outflows	51,406	55,348	(3,942)
Deferred charge on refunding	<u>866,545</u>	<u>953,200</u>	<u>(86,655)</u>
Total Deferred Outflows of Resources	<u>4,640,757</u>	<u>4,080,627</u>	<u>560,130</u>
<b>LIABILITIES</b>			
Current Liabilities	2,903,657	2,222,462	681,195
PERS net pension liability	7,761,762	7,390,679	371,083
Long-Term Obligations	<u>16,274,197</u>	<u>17,482,661</u>	<u>(1,208,464)</u>
Total Liabilities	<u>26,939,616</u>	<u>27,095,802</u>	<u>(156,186)</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension Related Deferrals	947,303	662,478	284,825
Total OPEB Related Deferred Inflows	<u>81,451</u>	<u>98,630</u>	<u>(17,179)</u>
Total Deferred Inflows of Resources	<u>1,028,754</u>	<u>761,108</u>	<u>267,646</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	18,907,832	18,944,997	(37,165)
Restricted	161,118	265,441	(104,323)
Unrestricted	<u>(4,753,021)</u>	<u>(3,445,280)</u>	<u>(1,307,741)</u>
Total Net Position	<u>\$ 14,315,929</u>	<u>\$ 15,765,158</u>	<u>\$ (1,449,229)</u>

**Statement of Activities.** During the current fiscal year, the District's net position decreased by \$1,449,229. The key elements of the change in the District's net position for the year ended June 30, 2025 are as follows:

- State sources revenue decreased by \$830,787, primarily due to a large payback of State School Fund from 23-24.
- Overall changes in expenses increased by \$375,408, primarily to increase in salaries and benefits, contracted services and pension expenses.

**VERNONIA SCHOOL DISTRICT 47J**  
**COLUMBIA COUNTY, OREGON**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year ended June 30, 2025**

**VERNONIA SCHOOL DISTRICT NO. 47J**  
**CHANGES IN NET POSITION**  
**Year Ended June 30, 2025**

	<b>Governmental Activities</b>		<b>Increase (Decrease)</b>
	<b>2025</b>	<b>2024</b>	
<b>REVENUES</b>			
Program Revenues			
Charges for Services	\$ 248,993	\$ 162,028	\$ 86,965
Operating Grants and Contributions	2,508,285	2,376,854	131,431
Capital Grants and Contributions	-	-	-
General Revenues			
Property Taxes Levied for:			
General Purposes	3,473,969	3,510,356	(36,387)
Debt Service	1,127,255	1,148,296	(21,041)
Earnings on Investments	125,089	128,722	(3,633)
Other Local Sources	109,042	56,479	52,563
Intermediate Sources	266,878	151,660	115,218
State Sources	<u>4,465,273</u>	<u>5,296,060</u>	<u>(830,787)</u>
Total revenues	<u>12,324,784</u>	<u>12,830,455</u>	<u>(505,671)</u>
<b>EXPENSES</b>			
Instruction	7,823,015	8,046,725	(223,710)
Support services	5,029,393	4,534,106	495,287
Enterprise and Community Services	499,647	455,118	44,529
Interest on Long-Term Debt	<u>151,937</u>	<u>92,635</u>	<u>59,302</u>
Total expenses	<u>13,503,992</u>	<u>13,128,584</u>	<u>375,408</u>
<b>Increase (Decrease) in Net Position</b>	<b>(1,449,229)</b>	<b>(298,129)</b>	<b>(881,079)</b>
Net Position - Beginning	<u>15,765,158</u>	<u>16,063,287</u>	<u>(298,129)</u>
Net Position - Ending	<u>\$ 14,315,929</u>	<u>\$ 15,765,158</u>	<u>\$ (1,449,229)</u>

**VERNONIA SCHOOL DISTRICT 47J**  
**COLUMBIA COUNTY, OREGON**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year ended June 30, 2025**

**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, 2025, the District's governmental funds reported combined ending fund balances of \$91,814 a decrease of \$1,068,184.

*General Fund.* The General Fund is the primary operating fund of the District. As of June 30, 2025, fund balance is \$(88,924). The fund balance decreased by \$963,182 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.

*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, 2025 the ending fund balance is \$141,956. Of this amount, \$122,372 is restricted and \$19,584 is non-spendable. The fund balance decreased \$97,319 during the current fiscal year.

*Debt Service Fund.* The Debt Service Fund has a total fund balance of \$38,746. The fund balance decreased \$7,683 during the current fiscal year.

*Capital Projects Fund.* The Capital Projects Fund has a total fund balance of \$36. The fund balance did not change during the 2024-2025 fiscal year.

**General Fund Budgetary Highlights**

The Board adopted the budget for the General Fund on June 13, 2024. The Board approved Resolution Number 2025-05 to adjust the original budget on June 12, 2025.

**VERNONIA SCHOOL DISTRICT 47J**  
**COLUMBIA COUNTY, OREGON**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year ended June 30, 2025**

**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, 2025, the District had invested \$35,955,907 in capital assets, net of depreciation, as shown in the following table. Total capital assets net of depreciation decreased overall by \$1,154,863, due to a decrease of \$722,787 in depreciation of buildings, a decrease of \$56,064 in depreciation of vehicles and equipment, as well a decrease of \$ 376,012 in intangible leased vehicles and equipment due to subscriptions and leases expiring.

<b>VERNONIA SCHOOL DISTRICT NO 47J</b> <b>CAPITAL ASSETS</b> <b>(net of depreciation)</b>			
	<b>Governmental Activities</b>		<b>Increase (Decrease)</b>
	<b>June 30, 2025</b>	<b>June 30, 2024</b>	
Land	\$ 1,528,510	\$ 1,528,510	\$ -
Construction in Progress	-	-	-
Building and improvements	33,014,792	33,737,579	(722,787)
Vehicles and equipment	276,916	332,980	(56,064)
Intangible leased vehicles and equipment	1,135,689	1,511,701	(376,012)
 Total Capital Assets, net of depreciation	 \$ 35,955,907	 \$ 37,110,770	 \$ (1,154,863)

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 \$17,081,762 in outstanding debt. This is a decrease of \$1,149,083 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.

**VERNONIA SCHOOL DISTRICT 47J**  
**COLUMBIA COUNTY, OREGON**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year ended June 30, 2025**

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

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, 2025, the State School Fund – General Purpose Grant provided about 30.2 percent of the District's General Fund resources. The Oregon Legislature passed a statewide education budget of \$10.2 billion for the 2023-25 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 2025-26 based on negotiated contractual obligations. Classified and Certified staff have received a Cost of Living Adjustment (COLA), totaling 16% over three years. 2025-26 is the final year of this contract. Additionally the 2025-26 budget includes the addition of 3.75 hour Instruction Assistant Vernonia Family Academy and the launch of a 9-12 Alternative Education/Hybrid Program. The 21<sup>st</sup> Century Community Learning Center Grant, total 5 year grant allocation of \$2,130,000 is included in the 2025-26 budget.

Employer rates for the Public Employees Retirement System (PERS) changed for the 2025-2027 biennium (from 27.87% to 28.02% for Tier 1 and 25.03% to 24.84% for Tier 2).

The District's Budget Committee and School Board considered all of these factors while preparing the District's budget for the 2025-26 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. 47J  
COLUMBIA COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

**VERNONIA SCHOOL DISTRICT NO. 47J**  
**COLUMBIA COUNTY, OREGON**

**STATEMENT OF NET POSITION**  
**June 30, 2025**

	GOVERNMENTAL ACTIVITIES
<b>ASSETS</b>	
Cash and Investments	\$ 921,489
Taxes Receivables	211,737
Other Receivables	534,825
Supply Inventory	19,584
Capital Assets:	
Land	1,528,510
Buildings and Equipment, net of depreciation	<u>34,427,397</u>
 Total Assets	 <u>37,643,542</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Net Pension Related Deferred Outflows	3,722,806
Total OPEB Related Deferred Outflows	51,406
Deferred charge on refunding	<u>866,545</u>
 Total Deferred Outflows of Resources	 <u>4,640,757</u>
<b>LIABILITIES</b>	
Accounts Payable	739,124
Accrued Payroll Liabilities	659,875
Accrued Interest Payable	14,884
Accrued Compensated Absences	310,731
Unearned Revenue	15,877
Long-term Obligations:	
Proportionate Share of Net Pension Liability (PERS)	7,761,762
Total OPEB Liability	355,601
Due within one year	1,163,166
Due in more than one year	<u>15,918,596</u>
 Total Liabilities	 <u>26,939,616</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Net Pension Related Deferred Inflows	947,303
Total OPEB Related Deferred Inflows	<u>81,451</u>
 Total Deferred Inflows	 <u>1,028,754</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	18,907,832
Restricted for Debt Service	38,746
Restricted for Grants and Student Activities	122,372
Unrestricted	<u>(4,753,021)</u>
 Total Net Position	 <u>\$ 14,315,929</u>

See accompanying notes to basic financial statements.

**VERNONIA SCHOOL DISTRICT NO. 47J**  
**COLUMBIA COUNTY, OREGON**

**STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2025**

FUNCTIONS	EXPENSES	PROGRAM REVENUES			CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS			
Instruction	\$ 7,811,149	\$ -	\$ 2,207,559	\$ -	\$ -	\$ 5,603,590
Support Services	5,040,080	244,518	8,968	-	-	4,786,594
Enterprise and Community Services	500,825	4,475	291,758	-	-	204,592
Interest on Long-Term Debt	151,937	-	-	-	-	151,937
<b>Total Governmental Activities</b>	<b>\$ 13,503,992</b>	<b>\$ 248,993</b>	<b>\$ 2,508,285</b>	<b>\$ -</b>		<b>10,746,714</b>

General Revenues	
Property Taxes	
General purposes	3,473,969
Debt Service	1,127,255
State school fund - general support	3,735,118
Common School Fund	78,718
Unrestricted state and local support	651,437
Earnings on Investments	125,089
Miscellaneous	375,920
 Total General Revenues	 9,567,506
 Changes in Net Position	 (1,179,208)
 Net Position - Beginning	 15,765,158
 Prior Period Adjustment	 (270,021)
 Net Position - Ending	 <b>\$ 14,315,929</b>

See accompanying notes to basic financial statements.

**VERNONIA SCHOOL DISTRICT NO. 47J**  
**COLUMBIA COUNTY, OREGON**

**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**June 30, 2025**

	GENERAL	SPECIAL REVENUE FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTALS
<b>ASSETS</b>					
Deposits and Investments	\$ 801,344	\$ 120,145	\$ -	\$ -	\$ 921,489
Property Taxes Receivable	160,016	-	51,721	-	211,737
Other Accounts Receivable	245,945	281,634	7,246	-	534,825
Supply Inventory	-	19,584	-	-	19,584
Due from Other Funds	239,361	-	24,133	36	263,530
<b>Total Assets</b>	<b><u>\$ 1,446,666</u></b>	<b><u>\$ 421,363</u></b>	<b><u>\$ 83,100</u></b>	<b><u>\$ 36</u></b>	<b><u>\$ 1,951,165</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable	\$ 739,124	\$ -	\$ -	\$ -	\$ 739,124
Payroll Liabilities	659,875	-	-	-	659,875
Unearned Revenue	-	15,877	-	-	15,877
Due to Other Funds	-	263,530	-	-	263,530
<b>Total Liabilities</b>	<b><u>1,398,999</u></b>	<b><u>279,407</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>1,678,406</u></b>
Deferred Inflows of Resources:					
Unavailable Revenue - Property Taxes	136,591	-	44,354	-	180,945
Fund Balances:					
Nonspendable	-	19,584	-	-	19,584
Restricted for:					
Debt Service	-	-	38,746	-	38,746
Other Purposes	-	2,227	-	-	2,227
Capital Projects	-	-	-	36	36
Assigned for:					
Student Body	-	120,145	-	-	120,145
Unassigned	(88,924)	-	-	-	(88,924)
<b>Total Fund Balances</b>	<b><u>(88,924)</u></b>	<b><u>141,956</u></b>	<b><u>38,746</u></b>	<b><u>36</u></b>	<b><u>91,814</u></b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b><u>\$ 1,446,666</u></b>	<b><u>\$ 421,363</u></b>	<b><u>\$ 83,100</u></b>	<b><u>\$ 36</u></b>	<b><u>\$ 1,951,165</u></b>

See accompanying notes to basic financial statements.

**VERNONIA SCHOOL DISTRICT NO. 47J**  
**COLUMBIA COUNTY, OREGON**

**Reconciliation of the Governmental Funds**  
**Balance Sheet to the Statement of Net Position**  
**June 30, 2025**

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Total Fund Balances - Governmental Funds	\$ 91,814
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Amounts reported for governmental activities in the statement of net position are different because:

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

Cost	\$ 48,482,672
Accumulated Depreciation	<u>(12,526,765)</u>
	35,955,907

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	180,945
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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.	866,545
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The Net Pension Liability and OPEB Liability and the related deferred inflows and outflows are not reported in the governmental funds balance sheet.

Pension Liability	(7,761,762)
Pension Deferred Outflow	3,722,806
Pension Deferred Inflow	<u>(947,303)</u>
	(4,986,259)
OPEB Liability	(355,601)
OPEB Deferred Outflow	51,406
OPEB Deferred Inflow	<u>(81,451)</u>
	(385,646)

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	(17,048,111)
Long Term Debt	(14,884)
Accrued Interest Payable	(33,651)
Early Retirement	<u>(310,731)</u>
Accrued Vacation Payable	(17,407,377)
Net Position	<u>\$ 14,315,929</u>

**VERNONIA SCHOOL DISTRICT NO. 47J**  
**COLUMBIA COUNTY, OREGON**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2025**

	GENERAL	SPECIAL REVENUE FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTALS
<b>REVENUES</b>					
Taxes	\$ 3,477,010	\$ -	\$ 1,127,255	\$ -	\$ 4,604,265
State and other local Sources	4,582,580	1,208,483	-	-	5,791,063
Federal Sources	-	1,206,057	-	-	1,206,057
Charges for Services	83,998	166,854	-	-	250,852
Interest	125,082	6	1	-	125,089
Contributions and Donations	8,968	-	-	-	8,968
Miscellaneous	363,115	11,139	1,666	-	375,920
<b>Total Revenues</b>	<b>8,640,753</b>	<b>2,592,539</b>	<b>1,128,922</b>	<b>-</b>	<b>12,362,214</b>
<b>EXPENDITURES</b>					
Current:					
Instruction	5,369,275	1,757,804	-	-	7,127,079
Support Services	4,055,370	560,564	-	-	4,615,934
Enterprise & Community Services	114	456,851	-	-	456,965
Capital Outlay	12,663	33,363	-	-	46,026
Debt Service					
Principal	60,876	12,468	738,677	-	812,021
Interest	7,653	155	397,928	-	405,736
<b>Total Expenditures</b>	<b>9,505,951</b>	<b>2,821,205</b>	<b>1,136,605</b>	<b>-</b>	<b>13,463,761</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(865,198)</b>	<b>(228,666)</b>	<b>(7,683)</b>	<b>-</b>	<b>(1,101,547)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Debt Proceeds	-	33,363	-	-	33,363
Transfers In	-	97,984	-	-	97,984
Transfers Out	(97,984)	-	-	-	(97,984)
<b>Total Other Financing Sources (Uses)</b>	<b>(97,984)</b>	<b>131,347</b>	<b>-</b>	<b>-</b>	<b>33,363</b>
<b>Net Change in Fund Balance</b>	<b>(963,182)</b>	<b>(97,319)</b>	<b>(7,683)</b>	<b>-</b>	<b>(1,068,184)</b>
<b>Beginning Fund Balance</b>	<b>874,258</b>	<b>239,275</b>	<b>46,429</b>	<b>36</b>	<b>1,159,998</b>
<b>Ending Fund Balance</b>	<b>\$ (88,924)</b>	<b>\$ 141,956</b>	<b>\$ 38,746</b>	<b>\$ 36</b>	<b>\$ 91,814</b>

See accompanying notes to basic financial statements.

**VERNONIA SCHOOL DISTRICT NO. 47J**  
**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, 2025**

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Net change in fund balances - total governmental funds \$ (1,068,184)

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 and Amortization	\$ (1,386,103)
Capital asset additions	<u>246,730</u>
	(1,139,373)

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. (15,490)

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	(3,041)
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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	(23,186)
Payments on leased equipment	371,393
Payments to subscriptions	29,328
Additions to subscriptions	(33,363)
Change in early retirement	31,385
Change in accrued interest payable	<u>1,414</u>
	376,971

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. (5,181)

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. 11,405

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	750,340
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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 \$ (1,179,208)

**VERNONIA SCHOOL DISTRICT NO. 47J**  
**COLUMBIA COUNTY, OREGON**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET**  
**For the Year Ended June 30, 2025**

**GENERAL FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
<b>REVENUES</b>				
Local Sources	\$ 3,773,700	\$ 3,773,700	\$ 3,791,295	\$ 17,595
Intermediate Sources	205,000	205,000	266,878	61,878
State Sources	<u>5,650,352</u>	<u>5,650,352</u>	<u>4,582,580</u>	<u>(1,067,772)</u>
Total Revenue	<u>9,629,052</u>	<u>9,629,052</u>	<u>8,640,753</u>	<u>(988,299)</u>
<b>EXPENDITURES</b>				
Instruction	5,327,822	5,477,822 (1)	5,401,044	76,778
Support Services	4,361,230	4,235,930 (1)	4,104,793	131,137
Enterprise and Community Services	-	300 (1)	114	186
Contingency	<u>450,000</u>	<u>450,000 (1)</u>	<u>-</u>	<u>450,000</u>
Total Expenditures	<u>10,139,052</u>	<u>10,164,052</u>	<u>9,505,951</u>	<u>658,101</u>
Excess of Revenues Over (Under) Expenditures	(510,000)	(535,000)	(865,198)	(330,198)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer Out	<u>(190,000)</u>	<u>(165,000) (1)</u>	<u>(97,984)</u>	<u>67,016</u>
Total Other Financing Sources (Uses)	<u>(190,000)</u>	<u>(165,000)</u>	<u>(97,984)</u>	<u>67,016</u>
Net Change in Fund Balance	(700,000)	(700,000)	(963,182)	(263,182)
Beginning Fund Balance	<u>800,000</u>	<u>800,000</u>	<u>874,258</u>	<u>74,258</u>
Ending Fund Balance	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ (88,924)</u>	<u>\$ (188,924)</u>

(1) Appropriation Level

See accompanying notes to basic financial statements.

**VERNONIA SCHOOL DISTRICT NO. 47J**  
**COLUMBIA COUNTY, OREGON**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET**  
**For the Year Ended June 30, 2025**

<u>SPECIAL REVENUE FUND</u>					
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET	
<b>REVENUES</b>					
Local Sources	\$ 210,200	\$ 210,200	\$ 169,474	\$ (40,726)	
Intermediate Sources	70,000	70,000	8,525	(61,475)	
State Sources	1,659,596	1,659,596	1,208,483	(451,113)	
Federal Sources	<u>1,377,986</u>	<u>1,377,986</u>	<u>1,206,057</u>	<u>(171,929)</u>	
<b>Total Revenue</b>	<b><u>3,317,782</u></b>	<b><u>3,317,782</u></b>	<b><u>2,592,539</u></b>	<b><u>(725,243)</u></b>	
<b>EXPENDITURES</b>					
Instruction	2,304,112	2,304,112 (1)	1,764,427	539,685	
Support Services	783,970	783,970 (1)	599,927	184,043	
Enterprise and Community Services	<u>629,700</u>	<u>629,700 (1)</u>	<u>456,851</u>	<u>172,849</u>	
<b>Total Expenditures</b>	<b><u>3,717,782</u></b>	<b><u>3,717,782</u></b>	<b><u>2,821,205</u></b>	<b><u>896,577</u></b>	
Excess of Revenues Over (Under) Expenditures	(400,000)	(400,000)	(228,666)	171,334	
<b>OTHER FINANCING SOURCES (USES)</b>					
Debt Proceeds	-	-	33,363	33,363	
Transfer In	<u>190,000</u>	<u>190,000</u>	<u>97,984</u>	<u>(92,016)</u>	
<b>Total Other Financing Sources (Uses)</b>	<b><u>190,000</u></b>	<b><u>190,000</u></b>	<b><u>131,347</u></b>	<b><u>(58,653)</u></b>	
Net Change in Fund Balance	(210,000)	(210,000)	(97,319)	112,681	
Beginning Fund Balance	<u>210,000</u>	<u>210,000</u>	<u>239,275</u>	<u>29,275</u>	
Ending Fund Balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 141,956</u></u>	<u><u>\$ 141,956</u></u>	

(1) Appropriation Level

See accompanying notes to basic financial statements.

VERNONIA SCHOOL DISTRICT NO. 47  
COLUMBIA COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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**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. 47J (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.

VERNONIA SCHOOL DISTRICT NO. 47  
COLUMBIA COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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**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.

VERNONIA SCHOOL DISTRICT NO. 47  
COLUMBIA COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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**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.

VERNONIA SCHOOL DISTRICT NO. 47  
COLUMBIA COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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**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.

VERNONIA SCHOOL DISTRICT NO. 47  
COLUMBIA COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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**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.

**SUPPLY INVENTORIES**

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.

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 an outflow of resources (expense/expenditure) until then. The government's deferred outflows are clearly labeled on the face of the financial statements.

VERNONIA SCHOOL DISTRICT NO. 47  
COLUMBIA COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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**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.

**SUBSCRIPTION ASSETS**

Subscription assets are assets in which the government obtains control of the right to use the underlying IT asset. The value of the subscription asset is initially measured as the sum of the initial subscription liability amount, any payments made to the IT software vendor before commencement of the subscription term, and any capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. The subscription asset is amortized in a straight-line manner over the course of the subscription term.

VERNONIA SCHOOL DISTRICT NO. 47  
COLUMBIA COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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

**SUBSCRIPTIONS LIABILITIES**

In the government-wide financial statements, subscription liabilities are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of subscription payments expected to be made during the subscription term is reported as other financing sources. The subscription liability should be initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments should be discounted using the interest rate the SBITA vendor charges the government, which may be implicit, or the government's incremental borrowing rate if the interest rate is not readily determinable. A government should recognize amortization of the discount on the subscription liability as an outflow of resources (for example, interest expense) in subsequent financial reporting periods.

**COMPENSATED ABSENCES**

The District recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, two types of leave qualify for liability recognition for compensated absences – vacation and sick leave. The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

**Vacation**

The District's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment at the employee's current pay rate upon separation from employment.

**Sick Leave**

The District's policy permits employees to accumulate earned but unused sick leave. All sick leave lapses when employees leave the employ of the District and, upon separation from service, no monetary obligation exists. However, a liability for estimated value of sick leave that will be used by employees as time off is included in the liability for compensated absences.

**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.

VERNONIA SCHOOL DISTRICT NO. 47  
COLUMBIA COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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

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.

### 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.

VERNONIA SCHOOL DISTRICT NO. 47  
COLUMBIA COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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

- 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.

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.

**3. CASH AND INVESTMENTS**

**DEPOSITS**

Deposits with financial institutions include bank demand deposits. The total bank balance per the bank statements on June 30, 2025 was \$815,656, \$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.

VERNONIA SCHOOL DISTRICT NO. 47  
COLUMBIA COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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

Cash and Investments at June 30, 2025 (recorded at fair value) consisted of:

Petty Cash	\$ 100
Demand Deposits	658,888
Investments:	
LGIP	<u>262,501</u>
Total	<u><u>\$ 921,489</u></u>

There were the following investments and maturities at June 30, 2025:

Investment Type	Fair Value	Investment Maturities (in months)		
		Less than 3	3-17	18-59
State Treasurer's Investment Pool	\$ 262,501	\$ 262,501	\$ -	\$ -
Total	<u>\$ 262,501</u>	<u>\$ 262,501</u>	<u>\$ -</u>	<u>\$ -</u>

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, 2025 the fair value of the position in the LGIP was 100.49%. 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](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, 2025, none of the bank balance was exposed to custodial credit risk because it was fully insured.

VERNONIA SCHOOL DISTRICT NO. 47  
COLUMBIA COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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

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.

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, 2025, 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.

VERNONIA SCHOOL DISTRICT NO. 47  
COLUMBIA COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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**5. CAPITAL ASSETS**

Capital assets activity for the year was as follows:

	Balance July 1, 2024	Adjustments	Additions	Deletions	Balance June 30, 2025
<b>Capital assets not being depreciated:</b>					
Land	\$ 1,528,510	\$ -	\$ -	\$ -	\$ 1,528,510
Total capital assets not being depreciated	<u>1,528,510</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,528,510</u>
<b>Capital assets being depreciated:</b>					
Buildings and Improvements	44,180,446	-	247,336	-	44,427,782
Equipment	655,396	-	-	-	655,396
Vehicles	44,550	-	-	-	44,550
Subscriptions	80,781	(7,179)	33,362	(9,466)	97,498
Intangible - right to used leased vehicle	1,442,141	(26,789)	-	-	1,415,352
Intangible - right to used leased equipment	338,166	-	-	(24,582)	313,584
Total capital assets being depreciated	<u>46,741,480</u>	<u>(33,968)</u>	<u>280,698</u>	<u>(34,048)</u>	<u>46,954,162</u>
<b>Less total accumulated depreciation and amortization:</b>					
Buildings and Improvements	(10,442,867)	-	(970,123)	-	(11,412,990)
Equipment	(336,396)	-	(55,475)	-	(391,871)
Vehicles	(30,569)	2,165	(2,755)	-	(31,159)
Subscriptions	(45,433)	7,525	(30,327)	9,466	(58,769)
Intangible - right to used leased vehicle	(288,428)	5,358	(283,071)	-	(566,141)
Intangible - right to used leased equipment	(15,527)	-	(59,400)	9,092	(65,835)
Total accumulated depreciation/amortization	<u>(11,159,220)</u>	<u>15,048</u>	<u>(1,401,151)</u>	<u>18,558</u>	<u>(12,526,765)</u>
Total capital assets being depreciated, net	<u>35,582,260</u>	<u>(18,920)</u>	<u>(1,120,453)</u>	<u>(15,490)</u>	<u>34,427,397</u>
<b>Total Capital Assets, Net</b>	<b><u>\$ 37,110,770</u></b>				<b><u>\$ 35,955,907</u></b>

Depreciation and amortization expense for the year was charged to the following programs, net of adjustments:

Program:

Instruction	\$ 810,975
Support Services	523,332
Enterprise and Community Services	51,796
	<u><b>\$ 1,386,103</b></u>

VERNONIA SCHOOL DISTRICT NO. 47  
COLUMBIA COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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**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/ACFR/2024-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.

VERNONIA SCHOOL DISTRICT NO. 47  
COLUMBIA COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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**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, 2022 actuarial valuation, which became effective July 1, 2023. 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, 2025 were \$1,284,954, excluding amounts to fund employer specific liabilities. In addition approximately \$288,978 in employee contributions were paid or picked up by the District in fiscal 2025. At June 30, 2025, the District reported a net pension liability of \$7,761,762 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2022. 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, 2024 and 2023, the District's proportion was .035 percent and .039 percent, respectively. Pension expense for the year ended June 30, 2025 was \$5,181.

VERNONIA SCHOOL DISTRICT NO. 47  
COLUMBIA COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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

The rates in effect for the year ended June 30, 2025 were:

- (1) Tier 1/Tier 2 – 27.87%
- (2) OPSRP general services – 25.03%

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 459,813	\$ 18,525
Changes in assumptions	780,370	1,000
Net difference between projected and actual earnings on pension plan investments	493,089	-
Net changes in proportionate share	350,465	681,218
Differences between contributions and proportionate share of contributions	354,115	246,560
Subtotal - Amortized Deferrals (below)	2,437,852	947,303
Contributions subsequent to measuring date	1,284,954	-
Deferred outflow (inflow) of resources	<u>\$ 3,722,806</u>	<u>\$ 947,303</u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the fiscal year ended June 30, 2026.

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

Year ending June 30,	Amount
2026	\$ 24,442
2027	893,161
2028	409,940
2029	143,811
2030	19,194
Thereafter	-
Total	<u>\$ 1,490,548</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated January 31, 2025. Oregon PERS produces an independently audited ACFR which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/ACFR/2024-ACFR.pdf>

**Actuarial Valuations** – The employer contribution rates effective July 1, 2023 through June 30, 2025, 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.

VERNONIA SCHOOL DISTRICT NO. 47  
COLUMBIA COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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**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, 2022
Experience Study Report	2022, Published July 24, 2023
Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll
Asset valuation method	Fair value
Inflation rate	2.40 percent
Investment rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increase	3.40 percent
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision; blend based on service
Mortality	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2022 Experience Study which is reviewed for the four-year period ending December 31, 2022.

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NOTES TO BASIC FINANCIAL STATEMENTS

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

**Assumed Asset Allocation:**

Asset Class/Strategy	Low Range	High Range	OIC Target
Debt Securities	20.0%	30.0%	25.0%
Public Equity	22.5%	32.5%	27.5%
Real Estate	7.5%	17.5%	12.5%
Private Equity	15.0%	27.5%	20.0%
Real Assets	2.5%	10.0%	7.5%
Diversifying Strategies	2.5%	10.0%	7.5%
Opportunity Portfolio	0.0%	5.0%	0.0%
Total			100.0%

*(Source: June 30, 2024 PERS ACFR; p. 116)*

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

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in January 2023 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	27.50%	7.07%
Private Equity	25.50%	8.83%
Core Fixed Income	25.00%	4.50%
Real Estate	12.25%	5.83%
Master Limited Partnerships	0.75%	6.02%
Infrastructure	1.50%	6.51%
Hedge Fund of Funds - Multistrategy	1.25%	6.27%
Hedge Fund Equity - Hedge	0.63%	6.48%
Hedge Fund - Macro	5.62%	4.83%
<i>Assumed Inflation - Mean</i>		2.35%

*(Source: June 30, 2024 PERS ACFR; p. 88)*

VERNONIA SCHOOL DISTRICT NO. 47  
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NOTES TO BASIC FINANCIAL STATEMENTS

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**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. 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	\$ 12,243,864	\$ 7,761,762	\$ 4,007,782

**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, 2024 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.

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NOTES TO BASIC FINANCIAL STATEMENTS

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**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 \$3,333 per month in 2022) will have a portion of their 6 percent monthly IAP contributions redirected to an Employee Pension Stability Account. The Employee Pension Stability Account will be used to pay part of the member's future benefit. Of the 6 percent monthly IAP contribution, Tier 1/Tier 2 will have 2.5 percent redirected to the Employee Pension Stability Account and OPSRP will have 0.75 percent redirected to the Employee Pension Stability Account, with the remaining going to the member's existing IAP account. Members may voluntarily choose to make additional after-tax contributions into their IAP account to make a full 6 percent contribution to the IAP. The District did not make any optional contributions to member IAP accounts for the year ended June 30, 2025.

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>

VERNONIA SCHOOL DISTRICT NO. 47  
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NOTES TO BASIC FINANCIAL STATEMENTS

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

**Plan Description:**

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

**Funding Policy:**

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

Participating districts are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the District currently contributes 0.00% of annual covered OPERF payroll and 0.00% of OPSRP payroll under a contractual requirement in effect until June 30, 2025. 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, 2023, 2024 and 2025 were \$365, \$123 and \$0, respectively, which equaled the required contributions each year.

At June 30, 2025, 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.

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NOTES TO BASIC FINANCIAL STATEMENTS

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**8. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) GASB 75 – HEALTH INSURANCE SUBSIDY**

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 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 no obligation on the part of the District to fund these benefits in advance.

Actuarial Methods and Assumptions

The District engaged an actuary to perform an evaluation as of July 1, 2023 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		3.93%
General Inflation Rate per year		2.40%
Salary Scale per year		3.40%
Annual Medical Premium increase rate	2023	3.50%
	2024-2025	5.75%
	2026	5.50%
	2027	5.25%
	2028	5.00%
	2029-2030	4.75%
	2031	4.50%
	2032-2065	4.25%
	2066-2071	4.00%
	2072+	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.

VERNONIA SCHOOL DISTRICT NO. 47  
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NOTES TO BASIC FINANCIAL STATEMENTS

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**8. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) GASB 75 - HEALTH INSURANCE SUBSIDY (CONTINUED)**

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.

Changes in Medical Benefit OPEB Liability:

	2025	2024	2023
Total OPEB Liability - Beginning	\$ 353,769	\$ 396,108	\$ 414,702
<u>Changes for the Year:</u>			
Service Cost	40,039	48,893	55,149
Interest	13,571	14,770	9,600
Differences Between Expected and Actual Experience	-	(5,584)	-
Changes of Assumptions or Other Input	(7,386)	(44,372)	(32,268)
Benefit Payments	<u>(44,392)</u>	<u>(56,046)</u>	<u>(51,075)</u>
Net Changes for the Year	1,832	(42,339)	(18,594)
Total OPEB Liability - Ending	<u><u>\$ 355,601</u></u>	<u><u>\$ 353,769</u></u>	<u><u>\$ 396,108</u></u>

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 3.93% 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 (2.93%) or one percentage point higher (4.93%) than the current rate, a similar sensitivity analysis is presented for the changes in the healthcare trend assumption:

	1%	Current	1%
	Decrease	Discount Rate	Increase
Total OPEB Liability	\$ 381,683	\$ 355,601	\$ 332,406
<u>1%</u>			
	Decrease	Trend Rate	Increase
	Healthcare	Healthcare	Healthcare
Total OPEB Liability	\$ 323,487	\$ 355,601	\$ 393,424

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.

VERNONIA SCHOOL DISTRICT NO. 47  
COLUMBIA COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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**8. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) GASB 75 - HEALTH INSURANCE SUBSIDY (CONTINUED)**

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ (24,302)	\$ -
Changes in assumptions	(57,149)	6,999
Benefit Payments	-	44,407
Deferred outflow (inflow) of resources	<u>\$ (81,451)</u>	<u>\$ 51,406</u>

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

<u>Year ending June 30,</u>	<u>Amount</u>
2026	\$ (17,444)
2027	(16,058)
2028	(17,724)
2029	(13,780)
2030	(8,480)
Thereafter	(966)
<b>Total</b>	<b><u>\$ (74,452)</u></b>

**9. ACCRUED COMPENSATED ABSENCES**

Compensated absences balances at June 30, 2025 and 2024 are \$310,731, and \$287,545, respectively.

<u>Compensated Absences</u>	<u>Restated</u>	<u>Beginning Balance</u>	<u>Net Change</u>	<u>Ending Balance</u>
Governmental	\$ 287,545	\$ 23,186	\$ 310,731	
<b>Total</b>	<b><u>\$ 287,545</u></b>	<b><u>\$ 23,186</u></b>	<b><u>\$ 310,731</u></b>	

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NOTES TO BASIC FINANCIAL STATEMENTS

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**10. 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, 2025:

BONDS	Interest Rate	Original Issue	Outstanding		Matured and Redeemed	Outstanding June 30, 2025	Due Within One Year
			July 1, 2024	Issued			
Refunding - 2016		12,637,624	\$ 9,871,592	\$ -	\$ 673,865	\$ 9,197,727	\$ 715,820
GO Bond 2017A		4,205,275	4,058,467	-	64,812	3,993,655	-
GO Bond 2017B		2,590,000	2,525,000	-	-	2,525,000	95,000
Total Bonds			16,455,059	-	738,677	15,716,382	810,820
Issuance Premium			151,621	-	11,663	139,958	
Total Bonds Payable			16,606,680	-	750,340	15,856,340	810,820
EARLY RETIREMENT			65,036	33,651	65,036	33,651	-
OTHER DEBT							
Leases							
POA 3	3.00%	24,163	18,410	-	18,410	-	-
POA 4		311,850	306,759	-	56,186	250,573	57,673
School Bus Lease			1,205,791	-	296,797	908,994	284,692
Subscriptions			28,169	33,363	29,328	32,204	9,981
Total Other Debt			1,559,129	33,363	400,721	1,191,771	352,346
Total Long Term Debt			\$ 18,230,845	\$ 67,014	\$ 1,216,097	\$ 17,081,762	\$ 1,163,166

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.

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.

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NOTES TO BASIC FINANCIAL STATEMENTS

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**10. LONG-TERM OBLIGATIONS (CONTINUED)**

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

Fiscal Year Ended	Total	Interest
2026	\$ 810,820	\$ 377,373
2027	866,471	376,816
2028	892,898	1,135,070
2029	988,603	756,866
2030	1,059,895	757,152
2031-35	6,441,158	3,727,375
2036-40	2,492,024	3,297,233
2041-45	1,570,421	2,956,156
2045-50	594,092	1,416,224
	<hr/> <u>\$ 15,716,382</u>	<hr/> <u>\$ 14,800,265</u>

**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 law 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.

VERNONIA SCHOOL DISTRICT NO. 47  
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NOTES TO BASIC FINANCIAL STATEMENTS

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**10. 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.

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%.

\$ 9,197,727

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.

6,518,655

Total \$ 15,716,382

VERNONIA SCHOOL DISTRICT NO. 47  
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**10. LONG-TERM OBLIGATIONS (CONTINUED)**

Governmental Activities - Leases

As of June 30, 2025 the District had 2 active leases. The leases have payments that range from \$63,540 to \$299,095 and interest rates that range from 2.616% to 3.00%. As of June 30, 2025 the total lease liability is \$1,159,567. The value of the right to use assets and related accumulated amortization are included in the capital asset disclosure.

Future payments are as follows:

Fiscal Year	Principal Payments	Interest Payments	Total Payments
2026	\$ 342,365	\$ 29,243	\$ 371,608
2027	361,921	18,929	380,850
2028	382,348	8,022	390,370
2029	62,376	1,164	63,540
2030	10,557	35	10,592
Total	<u>\$ 1,159,567</u>	<u>\$ 57,393</u>	<u>\$ 1,216,960</u>

Governmental Activities – Subscriptions

As of June 30, 2025, the District had 8 active subscriptions. The subscriptions have monthly payments that range from \$4,991 to \$6,623 and interest rates that range from 0.00% to 3.158%. The total combined value of the subscription liability at year end is \$32,204. The value of the intangible right to use the assets and related amortization are reported in the Capital Asset note.

Total debt service requirements to maturity for the subscription liabilities, as of June 30, 2025, are as follows:

Fiscal Year	Principal Payments	Interest Payments	Total Payments
2026	\$ 9,981	\$ 1,010	\$ 10,991
2027	5,300	700	6,000
2028	5,467	533	6,000
2029	5,639	361	6,000
2030	5,817	183	6,000
Total	<u>\$ 32,204</u>	<u>\$ 2,787</u>	<u>\$ 34,991</u>

**11. RISK MANAGEMENT**

There is exposure to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Commercial insurance is 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.

VERNONIA SCHOOL DISTRICT NO. 47  
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**12. 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, 2025 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.

**13. 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.

**14. INTERFUND ACTIVITY**

	Transfers In	Transfers Out
General Fund	\$ -	\$ 97,984
Special Revenue	97,984	-
	<u>\$ 97,984</u>	<u>\$ 97,984</u>

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 \$97,984 to the Special Revenue Fund to cover expenditures.

	Due From Other Funds	Due to Other Funds
General Fund	\$ 239,361	\$ -
Special Revenue	-	263,530
Debt Service	24,133	-
Capital Projects Fund	36	-
	<u>\$ 263,530</u>	<u>\$ 263,530</u>

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

VERNONIA SCHOOL DISTRICT NO. 47  
COLUMBIA COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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**15. RESTATEMENT**

During the current year, the District implemented GASB Statement No. 101, *Compensated Absences*. In addition to the value of unused vacation time owed to employees upon separation of employment, the District now recognizes an estimated amount of sick leave earned as of year-end that will be used by employees as time off in future years as part of the liability for compensated absences. The effects of the change in accounting principle are summarized below in the “Restatement - GASB 101 implementation” column in the table below.

	Net position/fund balance 6/30/24 as previously reported	Restatement - GASB 101 implementation	Net position/fund balance 6/30/24 as restated/adjusted
<b>Government-wide</b>			
Governmental activities	\$ 15,765,158	\$ (270,021)	\$ 15,495,137
Total government-wide	<u>\$ 15,765,158</u>	<u>\$ (270,021)</u>	<u>\$ 15,495,137</u>

**16. NEGATIVE FUND BALANCE**

At June 30, 2025 the General Fund reported a negative fund balance in the amount of \$88,924. The District plans to correct this in the next fiscal year by making staff reductions.

**17. CONCENTRATIONS AND CONSTRAINTS**

**A) State and Federal Funding**

The School District operates as a subdivision of the state, and as such, its funding is heavily reliant on appropriations from the state legislature to the School Support Fund (SSF). For the year ended June 30, 2025, approximately 30.2% of the District's total governmental fund revenues were derived from SSF grants. This concentration of funding exposes the District to significant financial risk should state funding levels decrease. Although the legislature approved the next biennial funding cycle, effective beginning July 1, 2025, the District's future funding remains uncertain, particularly given the state's dependence on federal aid for various programs, including education. Federal funding, as noted in subsequent sections, is currently experiencing reductions and is expected to face further reductions in the foreseeable future.

The District also receives a notable portion of its governmental resources through a Student Investment Account (SIA) grant, which accounted for 5.4% of total governmental fund resources for the fiscal year ending June 30, 2025. The SIA grant is primarily funded through the state's Corporate Activity Tax (CAT), which is subject to fluctuation based on economic conditions at both the federal and state levels. The funding cycle aligns with the state's biennial budget process, with the next cycle commencing on July 1, 2025. This concentration presents additional risk, as the volatility of the underlying tax revenue increases the potential for future reductions. The District's management continues to monitor economic trends and their potential impact on SIA funding levels.

VERNONIA SCHOOL DISTRICT NO. 47  
COLUMBIA COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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**17. CONCENTRATIONS AND CONSTRAINTS (CONTINUED)**

The District also receives federal grants, which totaled 9.8% of its governmental fund revenues for the year ending June 30, 2025. Most of these federal grants are scheduled to begin in the upcoming fiscal year starting October 1, 2025. As of the financial statement date, federal budget negotiations for 2025-26 are ongoing, and the District's reliance on federal funding introduces exposure to the broader implications of national debt levels and potential federal spending adjustments. Management actively monitors economic and legislative developments to assess potential impacts on future federal funding.

The District's long-term financial strategies are reviewed periodically to address the risks associated with these funding concentrations.

**B) Payroll costs and Collective Bargaining**

The School District's operating expenses are predominantly driven by employee salaries and benefits, with approximately 91.3% of staff compensation covered by two separate collective bargaining agreements. This heavy reliance on a limited number of agreements exposes the District to financial and operational risks, especially as future contract negotiations could significantly impact the District's resources. Negotiations with the licensed and classified staff unions for new contracts, which also expire on June 30, 2026, are scheduled to begin during the 2026 fiscal year. The District's management is actively involved in these discussions to ensure operational continuity and to mitigate potential adverse effects on the District's budget and long-term fiscal health.

The District is also a mandatory participant in the Oregon Educators Benefit Board (OEBB), which provides group health benefits to staff. This participation involves resource concentration, as the District depends on a single provider for a substantial portion of its employee benefit costs. While the District's financial contributions are negotiated through collective bargaining, the rates and plan structures are set solely by OEBB. As a result, the District remains vulnerable to significant financial impacts from potential rate increases. The rates for the plan year beginning October 1, 2025, were approved on August 15, 2025—prior to the issuance of these financial statements. These new rates could influence future financial commitments and bargaining negotiations. Additionally, OEBB is currently considering rate increases exceeding the Oregon Legislature's cap of 3.4%. If legislation permitting higher increases is enacted, it could substantially affect the District's future costs. Management continues to monitor the rate-setting process and evaluates the possible financial implications for upcoming budgets and negotiations.

The District is also a required participant in the Public Employees Retirement System (PERS). Pension costs are determined on a biennial basis through an actuary and are significantly impacted by the investment performance of the PERS fund. For the fiscal year ending June 30, 2025, pension expenses accounted for roughly 21% of the District's General Fund expenditures. The District's pension obligations pose a concentration risk, as unfavorable investment performance or an unfunded actuarial liability could lead to substantial financial impacts. On May 30, 2025, the PERS Board approved new employer contribution rates for the upcoming biennium starting July 1, 2025. These rate adjustments substantially increased the District's pension costs, further amplifying the financial risk related to payroll cost increases. Although the known PERS increases are factored into the budget and would typically not be disclosed alone, their substantial nature, when combined with potential unknown increases as noted above, presents a considerable financial risk to the District in the upcoming year.

VERNONIA SCHOOL DISTRICT NO. 47J  
COLUMBIA COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

**VERNONIA SCHOOL DISTRICT NO. 47J**  
**COLUMBIA COUNTY, OREGON**

**REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Year Ended June 30, 2025**

**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
2025	0.04 %	\$ 7,761,762	\$ 4,857,659	159.8 %	79.3 %
2024	0.04	7,390,679	4,638,054	159.3	81.7
2023	0.04	6,028,391	4,301,540	140.1	84.5
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

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

**SCHEDULE OF CONTRIBUTIONS**

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2025	\$ 1,284,954	\$ 1,284,954	\$ -	\$ 4,967,110	25.9 %
2024	1,153,592	1,153,592	-	4,857,659	23.7
2023	1,086,970	1,086,970	-	4,638,054	23.4
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

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

**VERNONIA SCHOOL DISTRICT NO. 47J**  
**COLUMBIA COUNTY, OREGON**

**SCHEDULE OF CHANGES IN OTHER POST EMPLOYMENT BENEFITS (OPEB) LIABILITY**  
For the fiscal year ended June 30, 2025

Total OPEB Liability - Beginning	2025	2024	2023	2022	2021	2020	2019
	\$ 353,769	\$ 396,108	\$ 414,702	\$ 454,170	\$ 425,021	\$ 446,230	\$ 441,006
Changes for the year:							
Service Cost	40,039	48,893	55,149	43,017	37,433	41,063	40,094
Interest	13,571	14,770	9,600	10,358	15,399	18,080	16,427
Changes of Benefit Terms	-	-	-	-	-	-	-
Effect of economic/demographic gains or losses	-	(5,584)	-	(40,018)	-	(33,180)	-
Changes of Assumptions or Other Input	(7,386)	(44,372)	(32,268)	4,506	21,652	(6,384)	(6,384)
Benefit Payments	(44,392)	(56,046)	(51,075)	(57,331)	(45,335)	(40,788)	(44,913)
Net Changes for the Year	1,832	(42,339)	(18,594)	(39,468)	29,149	(21,209)	5,224
<b>Total OPEB Liability - Ending</b>	<b>\$ 355,601</b>	<b>\$ 353,769</b>	<b>\$ 396,108</b>	<b>\$ 414,702</b>	<b>\$ 454,170</b>	<b>\$ 425,021</b>	<b>\$ 446,230</b>
Covered Payroll	4,967,110	4,857,659	4,638,054	4,301,540	3,869,232	3,673,474	3,647,557
Net Single Employer Pension Plan as a Percentage of Covered Payroll	7.16%	7.28%	8.54%	9.64%	11.74%	11.57%	12.23%

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. 47J  
COLUMBIA COUNTY, OREGON

SUPPLEMENTARY INFORMATION

**VERNONIA SCHOOL DISTRICT NO. 47J**  
**COLUMBIA COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET**  
**For the Year Ended June 30, 2025**

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<u>DEBT SERVICE FUND</u>				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
<b>REVENUES</b>				
Local Sources	\$ 1,195,000	\$ 1,195,000	\$ 1,127,256	\$ (67,744)
Intermediate Sources	-	-	1,666	1,666
<b>Total Revenue</b>	<b>1,195,000</b>	<b>1,195,000</b>	<b>1,128,922</b>	<b>(66,078)</b>
<b>EXPENDITURES</b>				
Debt Service	1,200,000	1,200,000 (1)	1,136,605	63,395
<b>Total Expenditures</b>	<b>1,200,000</b>	<b>1,200,000</b>	<b>1,136,605</b>	<b>63,395</b>
Net Change in Fund Balance	(5,000)	(5,000)	(7,683)	(2,683)
Beginning Fund Balance	5,000	5,000	46,429	41,429
<b>Ending Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 38,746</b>	<b>\$ 38,746</b>

(1) Appropriation Level

**VERNONIA SCHOOL DISTRICT NO. 47J**  
**COLUMBIA COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET**  
**For the Year Ended June 30, 2025**

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**CAPITAL PROJECTS FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
Beginning Fund Balance	-	-	36	36
Ending Fund Balance	\$ -	\$ -	\$ 36	\$ 36

(1) Appropriation Level

**VERNONIA SCHOOL DISTRICT NO. 47J**  
**COLUMBIA COUNTY, OREGON**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES OF TAXES UNCOLLECTED**  
**For the Year Ended June 30, 2025**

GENERAL FUND

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED JUNE 30, 2024	DEDUCT DISCOUNTS	ADJUSTMENTS			CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED JUNE 30, 2025
			TO ROLLS	INTEREST			
<b>Current:</b>							
2024-2025	\$ 3,656,686	\$ (94,226)	\$ (185,166)	\$ 1,257	\$ 3,297,688	\$ 80,863	
<b>Prior Years:</b>							
2023-2024	78,649	4	(261)	2,758	37,962	43,188	
2022-2023	46,637	-	1,232	2,880	16,764	33,985	
2021-2022	23,661	-	(10)	4,433	17,972	10,112	
2020-2021	2,469	-	(7)	2,394	8,620	(3,764)	
Prior	(2,706)	-	(237)	1,165	2,590	(4,368)	
Total Prior	148,710	4	717	13,630	83,908	79,153	
Total	\$ 3,805,396	\$ (94,222)	\$ (184,449)	\$ 14,887	\$ 3,381,596	\$ 160,016	

**RECONCILIATION TO REVENUE:**

Cash Collections by County Treasurers Above	\$ 3,381,596
Washington County Taxes	53,817
Taxes in Lieu	27,926
Accrual of Receivables:	
June 30, 2025	23,425
June 30, 2024	(9,754)
Total GAAP Revenue	\$ 3,477,010

**VERNONIA SCHOOL DISTRICT NO. 47J**  
**COLUMBIA COUNTY, OREGON**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES OF TAXES UNCOLLECTED**  
**For the Year Ended June 30, 2025**

**DEBT SERVICE FUND**

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED JUNE 30, 2024	ADJUSTMENTS			CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED JUNE 30, 2025
		DEDUCT DISCOUNTS	TO ROLLS	INTEREST		
<b>Current:</b>						
2024-2025	\$ 1,187,232	\$ (30,593)	\$ (60,315)	\$ 408	\$ 1,070,675	\$ 26,057
<b>Prior Years:</b>						
2023-2024	61,136	1	(2,034)	918	12,636	47,385
2022-2023	(5,180)		(57)	917	5,335	(9,655)
2021-2022	(7,716)	-	(3)	1,423	5,770	(12,066)
2020-2021	-	-	-	-	-	-
Prior	-	-	-	-	-	-
Total Prior	48,240	1	(2,094)	3,258	23,741	25,664
Total	\$ 1,235,472	\$ (30,592)	\$ (62,409)	\$ 3,666	\$ 1,094,416	\$ 51,721

**RECONCILIATION TO REVENUE:**

Cash Collections by County Treasurers Above Taxes in lieu	\$ 1,094,416
	28,679
<b>Accrual of Receivables:</b>	
June 30, 2025	7,370
June 30, 2024	(3,210)
 Total GAAP Revenue	 <u>\$ 1,127,255</u>

**VERNONIA SCHOOL DISTRICT NO. 47J**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**SPECIAL PROGRAMS FUND**  
**YEAR ENDED JUNE 30, 2025**

Program Title	Pass Through Organization	Federal AL Number	Pass Through Entity Number	Period Covered	Expenditures	Pass Through to Subrecipients
<b>U.S. Department of Education</b>						
Small Rural School Achievement Program	DIRECT	84.358A	S358A223399	7/1/23-10/1/25	\$ 42,471	\$ -
Total Small Rural School Achievement Program					42,471	-
Title I Grants to Local Educational Agencies	ODE	84.010	82286	7/1/24-9/30/25	140,520	-
Total Title I, Part A					140,520	-
Title IIA - Supporting Effective Instruction State Grants	ODE	84.367	82549	7/1/24-9/30/25	23,953	-
Total Title IIA - Supporting Effective Instruction State Grants					23,953	-
Special Education Cluster (IDEA)						
Special Education Grants to States	ODE	84.027	83472	7/1/24-9/30/26	135,059	-
Total Special Education Grants to States					135,059	-
Special Education Grants to States	ODE	84.173	83659	7/1/24-9/30/26	2,544	-
Total Special Education Grant to States					2,544	-
Total Special Education Cluster (IDEA)					137,603	-
21st Century Learning Centers Program	ODE	84.287	83291	7/1/24-9/30/26	477,884	-
Total 21st Century Learning Centers Program					477,884	-
(1)						
Student Support and Academic Enrichment Program	ODE	84.424	82746	7/1/24-9/30/26	10,981	-
Total Support and Academic Enrichment Program					10,981	-
Elementary and Secondary School Emergency Relief (ESSER) Fund	ODE	84.425D	65010	03/13/20-09/30/24	33,989	-
Total ESSER					33,989	-
<b>Total U.S. Department of Education</b>					<b>867,401</b>	<b>-</b>
<b>U.S. Department of Agriculture</b>						
Child Nutrition Cluster:						
School Breakfast Program	ODE	10.553	N/A	7/1/24-6/30/25	41,723	-
Total School Breakfast Program CFDA 10.553					41,723	-
National School Lunch Program	ODE	10.555	N/A	7/1/24-6/30/25	157,267	-
National School Lunch Program Supply Chain	ODE	10.555	N/A	7/1/24-6/30/25	18,235	-
National School Lunch Program Commodities-Non Cash Assistance	ODE	10.555	N/A	7/1/24-6/30/25	21,949	-
Total National School Lunch Program					197,451	-
Summer Food Service Program for Children Commodities-Non Cash Assistance	ODE	10.559	N/A	7/1/24-6/30/25	52,584	-
Total Summer Food Service Program for Children					52,584	-
Total Child Nutrition Cluster					291,758	-
<b>Total U.S. Department of Agriculture Food and Nutrition Services</b>					<b>291,758</b>	<b>-</b>
<b>U.S. Department of Health &amp; Human Services</b>						
Rehabilitation Services/Vocational Rehabilitation Grants to States	ODHS	84.126	N/A	7/1/24-6/30/25	46,898	-
Total Rehabilitation Services/Vocational Rehabilitation Grants to States					46,898	-
<b>Total U.S. Department of Health &amp; Human Services</b>					<b>46,898</b>	<b>-</b>
<b>TOTAL FEDERAL FINANCIAL ASSISTANCE</b>					<b>\$ 1,206,057</b>	<b>\$ -</b>

(1) - Major Program

(2) - Covid-19 Funding

VERNONIA SCHOOL DISTRICT NO. 47J  
COLUMBIA COUNTY, OREGON

INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS



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January 16, 2026

### **Independent Auditor's Report Required by Oregon State Regulations**

We have audited the basic financial statements of Vernonia School District No. 47J for the year ended June 30, 2025, and have issued our report thereon dated January 16, 2026. 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 No.47J's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

- **Deposit of public funds with financial institutions (ORS Chapter 295)**
- **Indebtedness limitations, restrictions and repayment.**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **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. 47J 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. During our testing of the 2025-26 budget, we noted that the form ED-1 did not match the detailed budget. Specifically the interfund transfers requirement seemed to accidentally include the contingency.
2. During our testing of the 2024-25 budget, we noted that the District did not publish a notice of a public hearing for Resolution 2025-05 which created a new appropriation category in the General Fund.

## **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 matters involving the internal control structure and its operations we consider to be a material weakness and a significant deficiency under the 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  
CLEAR TRAIL CPAS, LLC

VERNONIA SCHOOL DISTRICT NO. 47J  
COLUMBIA COUNTY, OREGON

GRANT COMPLIANCE REVIEW



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January 16, 2026

To the Board of Directors  
Vernonia School District No. 47J  
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 and each major fund, of Vernonia School District No. 47J as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated January 16, 2026.

**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.

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*.

### **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  
CLEAR TRAIL CPAS, LLC

January 16, 2026

To the Board of Directors  
Vernonia School District No. 47J  
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 No. 47J'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, 2025. 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 No. 47J 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, 2025.

***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 No. 47J 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.

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.

#### ***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items SA-2025-01 and SA-2025-02. Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on the District's response to the noncompliance finding identified in our audit described in the accompanying schedule of findings and questioned costs. The response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

#### **Report on Internal Control over Compliance**

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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. However, as described in the accompanying schedule of findings and questioned costs, we identified a deficiency in internal control over compliance that we consider to be a material weakness, noted as item SA-2025-01.

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

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

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  
CLEAR TRAIL CPAS, LLC

**VERNONIA SCHOOL DISTRICT NO. 47J**  
**COLUMBIA COUNTY, OREGON**

**SCHEDEULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended June 30, 2025**

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**SECTION I – SUMMARY OF AUDITORS’ RESULTS**

**FINANCIAL STATEMENTS**

Type of auditors’ report issued	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
Significant deficiency(s) identified that are not considered to be material weaknesses?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> none reported
Noncompliance material to financial statements noted?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
Any GAGAS audit findings disclosed that are required to be reporting in accordance with the Uniform Guidance?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no

**FEDERAL AWARDS**

Internal control over major programs:		
Material weakness(es) identified?	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no
Significant deficiency(s) identified that are not considered to be material weaknesses?	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> 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?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no

**IDENTIFICATION OF MAJOR PROGRAMS**

10.553, 10.555, 10.559 84.287	Child Nutrition Cluster Twenty-First Century Community Learning Centers
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Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee?  yes  no

**VERNONIA SCHOOL DISTRICT NO. 47J  
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended June 30, 2025**

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**SECTION II – FINANCIAL STATEMENT FINDINGS**

NONE NOTED

**SECTION III – SINGLE AUDIT FINDINGS**

SA-2025-01 – MATERIAL WEAKNESS

FEDERAL AWARD PROGRAM: 84.287 - Twenty-First Century Community Learning Centers

SPECIFIC REQUIREMENTS: Expenditures should be charged to appropriate account codes.

CONDITION: During our testing of expenditures charged to the grant, we noted that a payment for a contracted services was charged to payroll costs. The error was subsequently corrected by the District.

QUESTIONED COSTS: None

CONTEXT: A disbursement was charged to an incorrect account code.

EFFECT: Grant expenditure reports would be incorrect.

CAUSE: There was a misunderstanding on the form that was filled out for the Oregon Department of Education.

RECOMMENDATION: We recommend the District review grant expenditures for appropriate account coding.

VIEWS OF RESPONSIBLE OFFICIALS: The responsible officials recognize the importance of ensuring expenditures are charged to appropriate account codes. This error was corrected with a journal entry. Additionally the account codes used for federal awards will be reviewed for accuracy on an annual basis.

SA-2025-02 – SIGNIFICANT DEFICIENCY

FEDERAL AWARD PROGRAM: 84.287 - Twenty-First Century Community Learning Centers

SPECIFIC REQUIREMENTS: Reimbursement claims should be reviewed and approved by a second individual and that review documented with a signature and date.

CONDITION: We noted in our testing of Twenty-First Century reimbursement claims were not being reviewed before being submitted.

QUESTIONED COSTS: None

CONTEXT: Reimbursements should be reviewed by a second individual.

EFFECT: Without adequate controls in place to make sure claims are properly reviewed before being submitted, there exists the possibility of non compliance to the grant.

CAUSE: This was caused by the absence of a documented review process.

RECOMMENDATION: We recommend the District use someone other than the claim preparer to review the claims before being submitted and documenting the review with a signature and date.

VIEWS OF RESPONSIBLE OFFICIALS: The responsible officials recognize the need for an improved review process to ensure grant claims are accurate and properly documented. To address this deficiency, the following actions will be implemented:

Role assignment: The Business Manager will prepare and submit each federal grant claim, and the Fiscal Assistant will conduct a review before final submission. This role assignment will ensure both preparation and independent review are in place.

Timing and Documentation: The review process will take place in the District business office, with detailed documentation of each review. This includes noting the date, reviewer name, and any identified discrepancies. Both the fiscal assistant and the Business Manager will receive guidance on the new procedures to ensure consistency and adherence to compliance requirements.

Timeline for implementation: New procedures will be established within the fiscal quarter, with training and full implementation scheduled by 3/1/2026.

## **SECTION IV – PRIOR YEAR FINDINGS**

### **PRIOR YEAR FINDINGS**

#### **FS-2024-001 – MATERIAL WEAKNESS**

CONDITION: We noted in our testing of leases and subscriptions that there were proceeds and capital outlay incorrectly recorded for both.

CURRENT STATUS: Appears to have been corrected.

#### **FS-2024-002 – MATERIAL WEAKNESS**

CONDITION: We noted in our testing of leases there was an expired lease for a school bus, and the new extended lease had also not been reported.

CURRENT STATUS: Appears to have been corrected.

#### **SA-2024-003 – SIGNIFICANT DEFICIENCY**

CONDITION: We noted in our testing of NSLP claims that claims were not being reviewed before being submitted, and any reviews that may have occurred were not documented.

CURRENT STATUS: Appears to have been corrected.

## **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. 47J  
COLUMBIA COUNTY, OREGON

OTHER INFORMATION

**VERNONIA SCHOOL DISTRICT NO. 47J**  
Columbia County, Oregon

**SUPPLEMENTAL INFORMATION REQUIRED BY THE STATE OF OREGON**  
**DEPARTMENT OF EDUCATION**  
**YEAR ENDED JUNE 30, 2025**

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	\$	183,396
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

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

**VERNONIA SCHOOL DISTRICT NO. 47J**  
**COLUMBIA COUNTY, OREGON**

**Taxable Property Values - Outstanding 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
2025	\$ 752,915,489	\$ -	\$ 752,915,489	\$ 1,185,440,549	\$ 94,242,524	\$ 15,716,382	\$ 78,526,142
2024	\$ 743,084,030	\$ -	\$ 743,084,030	\$ 1,176,761,770	\$ 93,552,561	\$ 16,390,246	\$ 77,162,315
2023	\$ 712,275,451	\$ -	\$ 712,275,451	\$ 1,146,671,262	\$ 91,160,365	\$ 17,155,804	\$ 74,004,561
2022	\$ 666,604,863	\$ -	\$ 666,604,863	\$ 956,025,493	\$ 76,004,027	\$ 17,801,168	\$ 58,202,859
2021	\$ 633,665,269	\$ -	\$ 633,665,269	\$ 876,398,078	\$ 69,673,647	\$ 18,403,823	\$ 51,269,824
2020	599,825,090	-	599,825,090	796,598,108	63,329,550	18,962,531	44,367,019
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	12,360,000	34,056,061

**Columbia County**

Fiscal Year	Total Assessed Valuation	Urban Renewal Excess	AV Used to Calculate Rates	M5 Real Market Value
2025	\$ 752,915,489	\$ -	\$ 752,915,489	\$ 1,185,440,549
2024	\$ 734,734,440	\$ -	\$ 734,734,440	\$ 1,160,532,050
2023	\$ 704,176,941	\$ -	\$ 704,176,941	\$ 1,131,962,652
2022	\$ 658,866,873	\$ -	\$ 658,866,873	\$ 942,552,303
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

**Washington County**

Fiscal Year	Total Assessed Valuation	Urban Renewal Excess	AV Used to Calculate Rates	M5 Real Market Value
2025	\$ 8,432,950	\$ -	\$ 8,432,950	\$ 16,700,860
2024	\$ 8,349,590	\$ -	\$ 8,349,590	\$ 16,229,720
2023	\$ 8,098,510	\$ -	\$ 8,098,510	\$ 14,708,610
2022	\$ 7,737,990	\$ -	\$ 7,737,990	\$ 13,473,190
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

**VERNONIA SCHOOL DISTRICT NO. 47J**  
**COLUMBIA COUNTY, OREGON**

**County Tax Collection Record**

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<b>Columbia County</b>		<b>Washington County</b>			
<u>Tax Collections<sup>(1)</sup></u>		<u>Tax Collections<sup>(1)</sup></u>			
<b>Fiscal Year</b>	<b>Percent Collected as of Levy Year<sup>(2)</sup></b>	<b>Percent Collected as of 6/30/2025<sup>(3)</sup></b>	<b>Fiscal Year</b>	<b>Percent Collected as of Levy Year<sup>(2)</sup></b>	<b>Percent Collected as of 6/30/2025<sup>(3)</sup></b>
2025	97.70%	97.70%	2025	98.23%	98.23%
2024	97.80%	98.79%	2024	98.90%	99.43%
2023	97.88%	99.26%	2023	98.83%	99.81%
2022	97.79%	99.67%	2022	99.05%	99.91%
2021	97.79%	99.95%	2021	99.65%	99.97%
2020	97.51%	99.96%	2020	99.81%	99.98%

(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, 2025.

**Levy Rates**

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<b>Fiscal Year</b>	<b>Permanent Rate</b>	<b>Bond Levy Rate</b>
2025	5.0121	1.5757
2024	5.0121	1.6148
2023	5.0121	1.5686
2022	5.0121	1.5601
2021	5.0121	1.5686
2020	5.0121	1.6421

**Historical Enrollment**

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<b>Fiscal Year</b>	<b>Average Daily Membership (w)<sup>(1)</sup></b>	<b>Enrollment<sup>(2)</sup></b>
2025 <sup>(3)</sup>	772.48	557
2024	773.28	566
2023	787.58	579
2022	780.96	575
2021	744.18	555
2020	781.8	555

(1) Weighted Average Daily Membership is the

(2) Enrollment is the number of students attending classes.

**VERNONIA SCHOOL DISTRICT NO. 47J**  
**COLUMBIA COUNTY, OREGON**

**Major Taxpayers - Columbia County**

**Fiscal Year 2024**

<b>Taxpayer</b>	<b>Business/Service</b>	<b>Tax</b>	<b>Assessed Value</b>	<b>Percent of Value</b>
Cascades Holdings US Inc	Forest Products	5,248,827	37,414,540	0.55%
Portland Gen Elec Co	Electrical Utility	\$ 5,055,048	\$ 402,616,330	5.97%
Northwest Natural Gas Co	Natural Gas Utility	3,869,135	322,484,700	4.78%
United States Gypsum	Wall board	1,327,027	82,290,840	1.22%
Weyerhaeuser Timber Holdings Inc	Forest Products	1,144,005	86,603,827	1.28%
Dyno Nobel, Inc.	Forest Products	881,108	64,622,296	0.96%
Columbia River PUD	Electrical Utility	805,296	59,780,319	0.89%
Airpark Development LLC	Real Estate	727,936	41,299,752	0.61%
Northwest Aggregates	Gravel & Concrete	444,082	34,551,890	0.51%
Clatskanie PUD	Utility	436,662	33,493,718	0.50%
Subtotal - ten of County's largest taxpayers			1,165,158,212	17.27%
All other County's taxpayers			5,582,040,198	82.73%
Total County		\$ 6,747,198,410		<u>100.00%</u>

**Major Taxpayers - Washington County**

**Fiscal Year 2024**

<b>Taxpayer</b>	<b>Business/Service</b>	<b>Tax</b>	<b>Assessed Value</b>	<b>Value</b>
Intel Corporation	Semiconductors	\$ 31,856,139	\$ 1,894,825,619	2.20%
Nike, Inc.	Athletic Shoes & Apparel	27,862,821	1,545,143,322	1.79%
Portland General Electric	Electrical Utility	23,956,339	1,425,868,030	1.65%
Comcast Corporation	Telecommunications	8,494,082	463,267,050	0.54%
Northwest Natural Gas Co.	Natural Gas Utility	8,269,665	501,531,550	0.58%
Pacific Realty Associates	Real Estate Investment	7,943,731	461,565,262	0.53%
Maxim Integrated Products Inc	Semiconductors	6,235,049	360,970,090	0.42%
Genentech Inc.	research/manufacturing	5,857,294	347,907,090	0.40%
Li Cortez LLC	Real Estate Investment	5,165,231	306,800,420	0.36%
Verizon Communications	Telecommunications	5,006,885	296,776,860	0.34%
Subtotal - ten of County's largest taxpayers			7,604,655,293	8.81%
All other County's taxpayers			78,701,141,708	91.19%
Total County		\$ 86,305,797,001		<u>100.00%</u>

**VERNONIA SCHOOL DISTRICT NO. 47J**  
**COLUMBIA COUNTY, OREGON**

**Major Taxpayers - Columbia County - Vernonia School District**  
**Fiscal Year 2024**

<b>Taxpayer</b>	<b>Business/Service</b>	<b>Tax</b>	<b>Assessed Value</b>	<b>Percent of Value</b>
Northwest Natural Gas Co	Natural Gas Utility	\$ 3,129,200	\$ 269,133,700	35.75%
Weyerhaeuser Company	Forest Products	701,239	52,946,169	7.03%
Orm Timber Fund (REIT) III Inc	Forest Products	105,719	7,995,573	1.06%
Bascom Pacific LLC	Forest Products	92,815	7,047,896	0.94%
West Oregon Electric Coop Inc	Electrical Utility	67,747	4,113,701	0.55%
Olympic Forest Products Co	Forest Products	53,527	4,569,590	0.61%
John Hancock Mutual Life Co	Insurance Company	29,624	2,245,461	0.30%
Olympic Forest Products Co Inc	Forest Products	25,621	2,174,662	0.29%
Claruth Inc Willlna Inc Franbea Inc 1/3	Investment Company	21,779	1,662,011	0.22%
Salmon Timberland LLC	Forest Products	19,234	1,467,088	0.19%
Subtotal - ten of County's largest taxpayers			353,355,851	46.93%
All other County's taxpayers			399,559,638	53.07%
Total County			<u>\$ 752,915,489</u>	<u>100.00%</u>

**Major Taxpayers - Washington County - Vernonia School District**

**Fiscal Year 2024**

<b>Taxpayer</b>	<b>Business/Service</b>	<b>Tax</b>	<b>Assessed Value</b>	<b>Percent of Value</b>
Weyerhaeuser Columbia Timberlands LLC	Wood Products	\$ 47,992	\$ 3,541,450	42.00%
Stimson Lumber Co	Wood Products	8,608	641,090	7.60%
53010 Timber Road LLC	Individuals	5,875	419,950	4.98%
Schmidlin, Betty & Leonard Alfred Trust	Individuals	5,322	389,850	4.62%
Schmidlin, Michael W and Susan M	Individuals	4,694	351,650	4.17%
Graham-Forster, Wayland	Individuals	4,530	353,840	4.20%
McPherson, David	Individuals	3,308	249,000	2.95%
Sunset Plaza Inc	Real Estate Investment	2,403	184,120	2.18%
Sewell, Aaron J & Sewell, Kandis M	Individuals	2,359	171,840	2.04%
Stringfield, Robert & Stringfield, Lulette D	Individuals	2,348	179,910	2.13%
Subtotal - ten of County's largest taxpayers			6,482,700	76.87%
All other County's taxpayers			1,950,250	23.13%
Total County			<u>\$ 8,432,950</u>	<u>100.00%</u>