GLENDALE SCHOOL DISTRICT NO. 77

Glendale, Oregon

Annual Financial Report

June 30, 2023

GLENDALE SCHOOL DISTRICT #77

303A Mehlwood Lane
Glendale, OR 97442
(541) 832-1760

DISTRICT OFFICIALS

CAROLINE LYDON PO Box 934, Glendale, OR 97442	Board Chair
TOM CHANEZ 1277 Yuest Rd, Azalea OR 97410	Vice Chair
RYAN OWENS 6519 Azalea Glen Rd, Glendale, OR 97442	Director
CINDY CHANEZ 1277 Yuest Rd, Azalea OR 97410	Director
JUSTIN CALLAHAN PO Box 779, Glendale, OR 97442	Director

ADMINISTRATION

BRIDGET McMILLEN PO Box E, Glendale, OR 97442	Superintendent
RACHAEL AIKEN 1409 NE Diamond Lake Blvd. Suite 110, Roseburg, OR 97470	Business Manager

GLENDALE SCHOOL DISTRICT NO. 77
AUDIT REPORT

June 30, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Glendale School District No. 77
303A Mehlwood Lane, Glendale, Oregon 97101

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 the Glendale School District No. 77 as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Glendale School District No. 77's 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 Glendale School District No. 77 as of June 30, 2023, and the respective changes in financial position in accordance with accounting principles generally accepted in the United States of America.

Basis of Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Glendale School District No. 77 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Glendale School District No. 77'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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, 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 Glendale School District No. 77'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 Glendale School District No. 77'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 on pages 1-9, the schedules of revenues, expenditures, and changes in fund balances – budget and actuals on pages 57-58, and the pension and OPEB schedules on pages 59-62 be presented to supplement the basic financial statements. Such information, 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 management's discussion and analysis and the pension and OPEB schedules in accordance with the auditing standards generally accepted in the United States of America, which consisted principally 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The schedules of revenues, expenditures and changes in fund balances – budget and actuals described above on pages 57-58 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The schedules of revenues, expenditures and changes in fund balances – budget and actuals have 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 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of revenues, expenditures and changes in fund balances – budget and actuals are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Glendale School District No. 77's basic financial statements. The supplementary information on pages 64-67 is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Glendale School District No. 77.

The supplementary information on pages 64-67 is the responsibility of management and was derived from and relate 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 other 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, other supplementary data is fairly stated in all material respects in relation to the financial statements taken as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information is comprised of additional schedules listed in the Other Information section of the Table of Contents but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion of 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 basis 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 our report.

The schedule of expenditures of federal awards, as listed in the Table of Contents, is presented for purposes of additional analysis as required by Oregon Department of Education, and is also not a required part of the basic financial statements.

Reports on Other Legal and Regulatory Requirements

In accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*, we have issued our report dated December 27, 2023, on our consideration of the Glendale School District No. 77's 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 the District's compliance.

Steve Tuchscherer, CPA
Umpqua Valley Financial, LLC
Roseburg, Oregon
December 27, 2023

<u>MANAGEMENT'S</u>
<u>DISCUSSION</u>
<u>AND ANALYSIS</u>

GLENDALE SCHOOL DISTRICT NO. 77

Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ended June 30, 2023
Unaudited

The discussion and analysis of Glendale School District No. 77's financial performance provide an overview of the District's financial activities for the fiscal year that ended June 30, 2023. This discussion and analysis intend to look at the District's financial performance as a whole. Readers should also review the basic financial statements and notes to better understand the District's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for the fiscal year that ended June 30, 2023, are as follows:

- The increase in the net position of the district of $566,969, which represents an 18.53% rise from the previous year, is primarily attributed to the decrease in long-term liabilities. General revenues accounted for 70% of all revenues, amounting to $4,393,873, while program-specific revenues in the form of charges for services, grants, and contributions accounted for 30% of total revenues of $6,273,279, equivalent to $1,879,406.

- The district's expenses increased by $352,914 from the previous year, totaling $5,706,694. However, it was still less than the total revenues, indicating an improvement in the district's fiscal performance.

- Moreover, the total assets of governmental activities increased by $126,439 primarily due to the increase in capital assets of $583,632. Total liabilities increased by $107,415 during the year, mainly due to an increase in long-term liabilities of $87,911.

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's Discussion and Analysis introduce the District's basic financial statements. The basic financial statements include: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes additional supplementary information to supplement the basic financial statements.

Government-wide Financial Statements

The first of the government-wide statements is the *Statement of Net Position*. This is the District-wide statement of financial position presenting information that includes all of the District's assets and liabilities. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating. Evaluation of the overall economic health of the District would extend to other non-financial factors such as the condition of school buildings and other facilities and changes in the district's enrollment, which dictates the majority of revenue to be collected through the State Funding Formula.

The second government-wide statement is the *Statement of Activities* which reports how the District's net position changed during the current fiscal year. All current-year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the *Statement of Activities* is to show the financial reliance of the distinct activities or functions of the District that are primarily supported by intergovernmental revenues, principally state basic school support and property tax revenues. The governmental activities of the District include instruction, instructional support services, operation and maintenance of plants, student transportation, and non-instructional support services.

Fund Financial Statements

A fund is an accountability unit that maintains control over resources segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, Fund Financial Statements focus on the District's most significant funds rather than the District as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of individual budgets versus actual statements and combining statements in a later section of this report.

Governmental funds focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. Unlike government-wide financial statements, these statements report short-term fiscal accountability focusing on the use of spendable resources during the year and balances of spendable resources available at the end of the fiscal year.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to government-wide statements to assist in understanding the differences between these two perspectives.

Fiduciary funds such as custodial funds for scholarships are reported in the fiduciary fund financial statements but are excluded from government-wide reporting. Fiduciary fund financial statements report net position and changes in net position on a cash basis.

Notes to the Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin immediately following the basic financial statements.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents as required supplementary information budgetary comparison statements for the General Fund and the Special Revenue Fund. The required supplementary information immediately follows the notes to the financial statements. Other supplementary information includes individual fund statements. These statements immediately follow the required supplementary information in this report.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Recall that the Statement of Net Position provides the perspective of the District as a whole. Net position may serve over time as a useful indicator of a government's financial position.

The District's net position at fiscal year-end was $3,467,049. This is a $566,969 increase from last year's net position and represents an 18.5% increase from the previous year.

The following table provides a summary of the District's net position. Comparative information from the previous year is provided.

Summary of Net Position

	Governmental Activities		
	June 30, 2023	June 30, 2022	Percentage Change
Assets			
Current and Other Assets	$ 5,116,430	$ 5,573,623	-8.2%
Capital Assets	3,335,447	2,751,815	21.2%
Total Assets	8,451,877	8,325,438	1.5%
Deferred Outflow of Resources	1,243,195	1,588,222	-21.7%
Liabilities			
Long-Term Liabilities	4,880,776	4,792,865	1.8%
Other Liabilities	142,394	122,890	15.9%
Total Liabilities	5,023,170	4,915,755	2.2%
Deferred Inflow of Resources	1,204,854	2,072,826	-41.9%
Net Position			
Net Investment in Capital Assets	1,239,037	2,182,784	-43.2%
Restricted	1,569,513	2,012,424	-22.0%
Unrestricted	658,499	(1,270,129)	-151.8%
Total Net Position	$ 3,467,049	$ 2,925,079	18.5%

The following table shows the changes in net position. Prior-year information is provided for comparative analysis of government-wide revenue and expense information.

Changes in Net Position

	Governmental Activities		
	2022-23	2021-22	Percentage Change
Revenues			
Program Revenues			
Charges for Services	$ 55,466	$ 45,990	20.6%
Operating Grants and Contributions	1,557,271	1,660,366	-6.2%
Capital Grants and Contributions	266,669	50,000	433.3%
General Revenues			
Property Taxes	1,218,366	1,154,335	5.5%
State Basic School Support	2,867,172	3,283,223	-12.7%
Federal Forest Fees	29,667	31,292	-5.2%
Other	278,668	347,616	-19.8%
Total Revenues	6,273,279	6,572,822	-4.6%
Program Expenses			
Instruction	2,649,709	2,591,446	2.2%
Support Services	2,702,428	2,412,903	12.0%
Community Services	303,113	286,547	5.8%
Interest on Long-Term Debt	51,444	62,884	-18.2%
Total Program Expenses	5,706,694	5,353,780	6.6%
Special Item: Gain (Loss) on disposition of assets	384	-	
Change in Net Position	$ 566,969	$ 1,219,042	

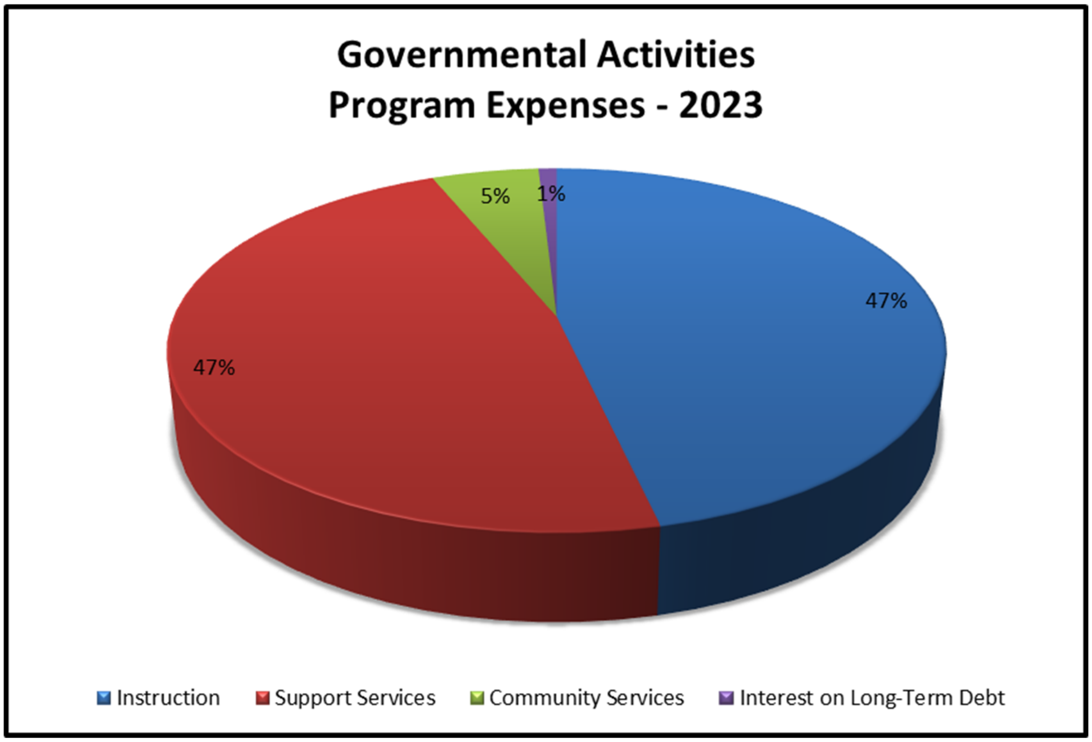
The Statement of Activities shows the cost of program services and the charges for services, grants, and contributions offsetting those services. The following table shows, for governmental activity, the total cost of the four major functional activities of the District. The table also shows each function's net cost (total cost minus charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State and District's taxpayers by each of these functions. Prior-year information is provided for comparative analysis.

Governmental Activities

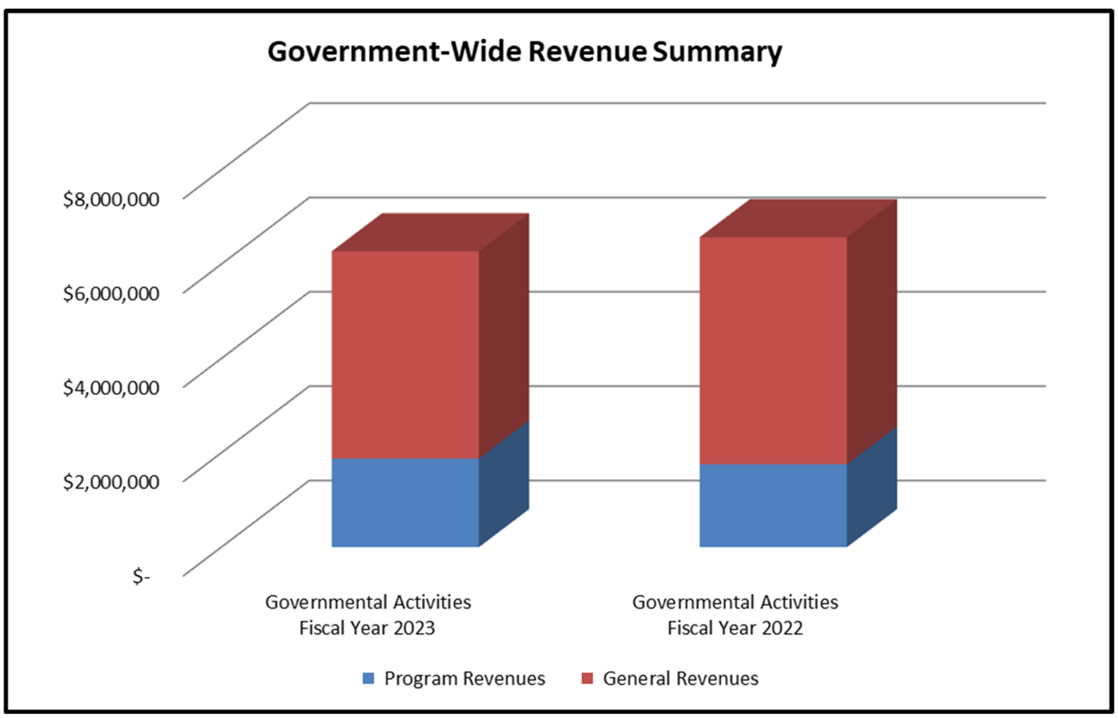
	2022-23		2021-22	
	Total Cost of Services	Net Cost (Profit) of Services	Total Cost of Services	Net Cost (Profit) of Services
Instruction	$ 2,649,709	$ 1,689,358	$ 2,591,446	$ 1,603,244
Support Services	2,702,428	2,036,743	2,412,903	2,004,125
Community Services	303,113	49,743	286,547	(72,829)
Interest on Long-Term Debt	51,444	51,444	62,884	62,884
Total Program Expenses	$ 5,706,694	$ 3,827,288	$ 5,353,780	$ 3,597,424

The dependence on general revenues for general government activities is apparent. For the current year, 76.1% of general government activities are supported through general revenues.

This graph represents the cost of the District's Program expenses by governmental activities.



The following chart analyzes the revenue between governmental activities from the prior year to the current year.



FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Governmental Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the District's governmental funds is to provide information on short-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial status of the District is evident through its governmental funds. As the fiscal year drew to a close, the collective fund balance of the governmental funds decreased by $722,131 and settled at $4,647,551. This fund balance comprises restricted, committed, and unassigned amounts, with $1,569,513 being restricted, $1,309,668 being committed, and $1,749,470 being unassigned and available for discretionary use by the District.

The General Fund is the primary operational fund of the District. During the fiscal year, the General Fund experienced a decrease in its balance by $380,707, with the balance ultimately ending at $1,749,470.

BUDGETARY HIGHLIGHTS

Over the year, the District made only minor changes to its various funds' budgets.

General Fund revenues were budgeted and anticipated to be collected in the amount of $4,487,027 during the fiscal year. Actual revenues of $4,191,491 were more than budgeted revenues by $295,536. The General Fund expenditures budget was underspent by $614,445. The ending fund balance was $1,749,470.

During the fiscal year under review, the budgetary ending fund balance of Special Revenue Fund #200 experienced a decline of $222,888. The District had initially factored in the receipt of federal grants, state grants, and fees and charges, although a significant portion of these projections were not realized, resulting in a revenue deficit of $265,493. In contrast, the actual expenses incurred were $763,740 below the budgeted expenditures. Additionally, the District had planned to allocate grant funds to specific programs. However, these expenses were not incurred during the fiscal year.

The Debt Service Fund #300 ending fund balance increased by $10,502. Actual revenues were more than budgeted revenues by $12,047, and actual expenditures were $445 over budgeted.

The Capital Projects Fund #400 ending fund balance decreased by $307,374. Actual revenues were less than budgeted revenues by $4,669,987, and actual expenditures were $6,147,613 under the budgeted expenditures.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2023, the District had invested $10,267,710 in capital assets, including school buildings, athletic facilities, land, vehicles, computers, and other equipment and furnishings before accumulated depreciation. The total depreciation expense for the year was $207,582, and the additions and deletions for the year were $1,025,431 and $234,217, respectively. Additional information on the District's capital assets can be found in the Capital Asset Note in the notes to the basic financial statements section of this report.

Long-Term Debt

On June 30, 2023, the District had $2,248,410 in long-term debt outstanding. The District paid $186,193 towards their long-term debt, allocating $107,054 toward the principal and $79,139 toward the interest.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The primary factors considered in developing the budget for next year were the District's continued commitment to providing quality education programs for all of their students while maintaining fiscal responsibility to their community.

The District has adopted a budget for the fiscal year ending on June 30, 2024, which reflects an overall decrease of $685,807, representing a 4.01% decrease compared to the current fiscal year. The total budget for the next fiscal year amounts to $16,400,085, with the primary funds receiving most of the appropriations being allocated as follows: $5,315,033 to the General Fund, $6,436,008 to the Capital Projects Fund, and $2,699,429 to the Special Revenue Funds.

The General Fund Budget for the next fiscal year is set at $6,315,033. The proposed beginning fund balance is $2,050,000, with an ending fund balance of $1,000,000. This represents a $300,000 loss in the ending fund balance from 2022-23. The remaining operating costs of governmental activities are expected to remain similar to those of the current period.

In conclusion, the adopted budget for the fiscal year ending on June 30, 2024, reflects a decrease in overall expenses compared to the current fiscal year. The budget's allocation of appropriations to the primary funds and the proposed beginning and ending fund balances for the General Fund provide an outline of the District's financial plan for the next fiscal year.

The District will levy its maximum permanent property tax rate of $4.7431 per $1,000 of assessed property valuation.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives.

If you have any questions about this report or need additional information, contact the Glendale School District No. 77 at 303A Mehlwood Lane, Glendale, Oregon 97101.

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements

GLENDALE SCHOOL DISTRICT #77
STATEMENT OF NET POSITION
For the Fiscal Year Ended June 30, 2023

	Governmental Activities
ASSETS:	
Cash and Cash Equivalents	$ 3,768,534
Property Taxes Receivable	82,332
Due From Other Governments	1,100,305
Assets Held in Trust (Sinking Fund)	86,257
Inventory-Food, Supplies & Commodities	18,900
Net OPEB Asset (RHIA)	47,026
Capital Assets:	
Land	70,514
Construction in Progress	349,383
Land Improvement	511,423
Building and Building Improvement	7,491,280
Machinery and Equipment	1,845,110
Less: Accumulated Depreciation	(6,932,263)
Right to Use Assets, Net	13,076
Total Assets	**8,451,877**
DEFERRED OUTFLOW OF RESOURCES	
Pension Related Deferrals	1,233,460
OPEB Related Deferrals - RHIA	9,735
Total Deferred Outflow of Resources	**1,243,195**
LIABILITIES:	
Accounts Payable	$ 11,247
Payroll Liabilities	22,590
Leases Payable	
Due within one year	3,484
Due in more than one year	3,303
Bonds Payable, Net	
Due within one year	67,073
Due in more than one year	2,022,550
Notes Payable	
Due within one year	38,000
Due in more than one year	114,000
Net Pension Liability	2,740,923
Total Liabilities	**5,023,170**
DEFERRED INFLOW OF RESOURCES	
Pension Related Deferrals	1,193,003
OPEB Related Deferrals - RHIA	11,851
Total Deferred Inflow of Resources	**1,204,854**
NET POSITION:	
Net Investment in Capital Assets	1,239,037
Restricted for:	
Capital Expenditures	1,440,984
Debt Service	128,529
Unrestricted	658,499
Total Net Position	**$ 3,467,049**

The accompanying notes to the basic financial statements are an integral part of this statement.

GLENDALE SCHOOL DISTRICT #77

STATEMENT OF ACTIVITIES

For the Fiscal Year Ended June 30, 2023

	(Expenses)	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Change in Net Position: Governmental Activities
GOVERNMENTAL ACTIVITIES:					
Instruction	$ 2,649,709	$ 54,145	$ 906,206	$ -	$ (1,689,358)
Support Services	2,702,428	-	399,016	266,669	(2,036,743)
Enterprise and Community Services	303,113	1,321	252,049	-	(49,743)
Interest on Long-Term Debt	51,444	-	-	-	(51,444)
Total Governmental Activities	**$ 5,706,694**	**$ 55,466**	**$ 1,557,271**	**$ 266,669**	**$ (3,827,288)**

GENERAL REVENUES:	
Local Sources:	
Property Taxes, Levied for General Purposes	$ 1,114,142
Property Taxes, Levied for Debt Service	104,224
Earnings on Investments	145,097
Unrestricted State and Local Revenue	55,237
Intermediate Sources	44,429
State School Fund for Education and Support Services	2,867,172
State Common School Fund	33,905
Federal Forest Fees for General Purposes	29,667
Subtotal - General Revenues	4,393,873
Special Items:	
Gain on Disposition of Assets	384
Change in Net Position	566,969
Net Position, July 1, 2022 - Restated	2,900,080
Net Position, June 30, 2023	**$ 3,467,049**

The accompanying notes to the basic financial statements are an integral part of this statement.

BASIC FINANCIAL STATEMENTS

Governmental Fund Financial Statements

GLENDALE SCHOOL DISTRICT #77

BALANCE SHEET
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2023

	General Fund #100	Special Revenue Fund #200	Debt Service Fund #300	Capital Projects Fund #400	Total Governmental Funds
ASSETS:					
Cash and Cash Equivalents	$ 1,749,202	$ 765,275	$ 41,150	$ 1,174,314	$ 3,729,941
Assets Held in Trust (Sinking Fund)	-	-	86,257	-	86,257
Property Taxes Receivable	75,033	-	7,299	-	82,332
Due From Other Governments	19,064	547,902	-	533,339	1,100,305
Inventory-Food, Supplies & Commodities	-	18,900	-	-	18,900
Total Assets	**$ 1,843,299**	**$ 1,332,077**	**$ 134,706**	**$ 1,707,653**	**$ 5,017,735**
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:					
LIABILITIES:					
Accounts Payable	$ 7,738	$ 3,509	$ -	$ -	$ 11,247
Payroll Liabilities	22,590	-	-	-	22,590
Total Liabilities	**30,328**	**3,509**	**-**	**-**	**33,837**
DEFERRED INFLOWS OF RESOURCES:					
Unavailable Revenue - Property Taxes	63,501	-	6,177	-	69,678
Unavailable Revenue - Other	-	-	-	266,669	266,669
Total Deferred Inflows of Resources	**63,501**	**-**	**6,177**	**266,669**	**336,347**
FUND BALANCES:					
Unspendable	-	18,900	-	-	18,900
Restricted for:					
Capital Construction & Building Maintenance	-	-	-	1,440,984	1,440,984
Debt Service	-	-	128,529	-	128,529
Committed for:					
Special Programs	-	1,309,668	-	-	1,309,668
Unassigned	1,749,470	-	-	-	1,749,470
Total Fund Balances	**1,749,470**	**1,328,568**	**128,529**	**1,440,984**	**4,647,551**
Total Liabilities, Deferred Inflows of Resources and Fund Balances	**$ 1,843,299**	**$ 1,332,077**	**$ 134,706**	**$ 1,707,653**	**$ 5,017,735**

GLENDALE SCHOOL DISTRICT #77

RECONCILIATION OF THE BALANCE SHEET
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

For the Fiscal Year Ended June 30, 2023

Total Fund Balances - Governmental Funds		$ 4,647,551
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets and right of use assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Cost of assets	$10,280,786	
Accumulated depreciation	(6,932,263)	
Net Value of Capital Assets		3,348,523
Property taxes receivable that will not be available to pay for current-period expenditures are deferred in the governmental funds.		69,678
Receivables from other governments that will not be available to pay for current-period expenditures are deferred in the governmental funds.		266,669
Deferred inflows and outflows of pension and OPEB contributions and earnings are not reported in the governmental funds.		
Deferred Pension/OPEB Contributions	1,243,195	
Deferred Earnings on Pension/OPEB Assets	(1,204,854)	
Net Value of Deferrals		38,341
Internal service funds are used by management to charge the costs of unemployment insurance premiums to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.		38,593
Some liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
These liabilities consist of :		
Leases Payable	6,787	
Bonds Payable	2,089,623	
Notes Payable	152,000	
Net Pension Liability	2,740,923	
Net OPEB Obligations	(47,026)	
Total		(4,942,307)
Net Position of Governmental Activities		**$3,467,048**

The accompanying notes to the basic financial statements are an integral part of this statement.

GLENDALE SCHOOL DISTRICT #77

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Fiscal Year Ended June 30, 2023

	General Fund #100	Special Revenue Fund #200	Debt Service Fund #300	Capital Projects Fund #400	Total Governmental Funds
REVENUES:					
Taxes	$ 1,112,893	$ -	$ 99,513	$ -	$ 1,212,406
Earnings on Investments	55,233	25,601	656	62,153	143,643
Fees and Charges	5,527	49,939	-	-	55,466
Miscellaneous Revenue	40,648	16,742	10,879	-	68,269
Intermediate Government Aid	44,334	-	94	-	44,428
State Aid	2,903,189	617,452	-	266,670	3,787,311
Federal Aid	29,667	649,009	10,450	-	689,126
Total Revenues	**4,191,491**	**1,358,743**	**121,592**	**328,823**	**6,000,649**
EXPENDITURES:					
Current:					
Instruction	1,993,950	768,524	-	-	2,762,474
Support Services	2,258,632	498,301	-	636,197	3,393,130
Enterprise and Community Services	-	314,765	-	-	314,765
Debt Service	-	100,350	152,445	-	252,795
Total Expenditures	**4,252,582**	**1,681,940**	**152,445**	**636,197**	**6,723,164**
Excess (Deficiency) of Revenues Over Expenditures	(61,091)	(323,197)	(30,853)	(307,374)	(722,515)
OTHER FINANCING SOURCES (USES):					
Interfund Transfers In	-	303,608	40,000	-	343,608
Interfund Transfers Out	(320,000)	(23,608)	-	-	(343,608)
Proceeds from Disposition of Capital Assets	384	-	-	-	384
Total Other Financing Sources (Uses)	**(319,616)**	**280,000**	**40,000**	**-**	**384**
Net Change in Fund Balance	(380,707)	(43,197)	9,147	(307,374)	(722,131)
Beginning Fund Balance - Restated	2,130,177	1,371,765	119,382	1,748,358	5,369,682
Ending Fund Balance	**$ 1,749,470**	**$ 1,328,568**	**$ 128,529**	**$ 1,440,984**	**$ 4,647,551**

The accompanying notes to the basic financial statements are an integral part of this statement.

GLENDALE SCHOOL DISTRICT #77

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Fiscal Year Ended June 30, 2023

Net Changes in Fund Balances - Total Governmental Funds		$ (722,131)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense.		
Expenditures for capitalized assets	$ 791,214	
Less current year depreciation	(207,582)	
		583,632
Some revenues will not be collected for several months after the District's fiscal year end and are therefore not considered "available" revenues in the governmental funds, instead these funds are shown as deferred revenue.		
Deferred revenues related to property taxes increased by this amount this year.		5,960
Deferred revenues related to grant revenues increased by this amount this year.		266,669
Gain (Loss) on disposition of capital assets is not reported in the fund financial statements.		384
Proceeds from Sales of Assets is not reported as income in the Statement of Activities		(384)
Add the change in net position from the activity in the internal service funds, as they are not included in the governmental fund financial statements, but are included in the government-wide Statement of Activities as the District has control of the funds.		24,825
Governmental funds report the effect of premiums, deferred charges and discounts when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences:		
Amount of current year amortization - Bond Premium		27,695
Repayment of principal on long term debt and leases are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
Retirement of principal is as follows:		
Leases	6,359	
Bonds	35,000	
Notes	38,000	
		79,359
Government funds report pension contributions as expenditures. However, in the Statement of Activities, pension expense and changes in deferred inflows and outflows related to the net pension asset/(liablity) are recorded based upon an actuarial valuation of such activity.		
This is the net change in pension related items.		287,846
Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
The activities consist of:		
Increase/(decrease) in accrued OPEB	3,606	
Increase/(decrease) in accrued vacation benefits	9,507	
		13,113
Change in Net Position of Governmental Activities		**$ 566,968**

The accompanying notes to the basic financial statements are an integral part of this statement.

BASIC FINANCIAL STATEMENTS

Proprietary Fund Financial Statements

GLENDALE SCHOOL DISTRICT #77

STATEMENT OF NET POSITION
PROPRIETARY FUND
For the Fiscal Year Ended June 30, 2023

	Unemployment Fund
ASSETS	
Current Assets	
Cash and Cash Equivalents	$ 38,593
Total Assets	**38,593**
NET POSITION	
Unrestricted	38,593
Total Net Position	**$ 38,593**

GLENDALE SCHOOL DISTRICT #77

PROPRIETARY FUND

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

For the Fiscal Year Ended June 30, 2023

	Unemployment Fund
OPERATING REVENUES	
Miscellaneous Revenue	$ 24,925
Total Operating Revenues	**24,925**
OPERATING EXPENSES	
Support Services	100
Total Operating Expenses	**100**
Operating Income (Loss)	24,825
Beginning Net Position	13,768
Ending Net Position	**$ 38,593**

GLENDALE SCHOOL DISTRICT #77
STATEMENT OF CASH FLOWS
Proprietary Fund
For the Fiscal Year Ended June 30, 2023

		Unemployment Fund
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from User Charges	$	24,925
Cash Payments to Suppliers & Service Providers		(100)
Net Cash Provided (Used) by Operating Activities		**24,825**
Cash and Cash Equivalents at July 1, 2022		13,768
Cash and Cash Equivalents at June 30, 2023	**$**	**38,593**
Reconciliation of Income (Loss) From Operations to net cash provided (used) by operating activities		
Income (loss) from operations	$	24,825
Net cash provided (used) by operating activities	**$**	**24,825**

BASIC FINANCIAL STATEMENTS

Fiduciary Fund Financial Statements

GLENDALE SCHOOL DISTRICT #77

STATEMENT OF NET POSITION
FIDUCIARY FUND
June 30, 2023

	Custodial Funds
ASSETS:	
Cash and Cash Equivalents	$ 55,945
Total Assets	**$ 55,945**
NET POSITION:	
Restricted for Scholarship Awards	$ 55,945
Total Net Position	**$ 55,945**

GLENDALE SCHOOL DISTRICT #77

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUND

For the Fiscal Year Ended June 30, 2023

	Custodial Funds
ADDITIONS:	
Interest Earned	$ 1,455
Contributions and Donations	1,000
Change in Net Position	2,455
Net Position, July 1, 2022	53,490
Net Position, June 30, 2023	**$ 55,945**

BASIC FINANCIAL STATEMENTS

Notes to the Basic Financial Statements

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The Glendale School District No. 77 was organized under the provisions of Oregon Statutes pursuant to ORS Chapter 332 to operate elementary and secondary schools. The District is governed by a separately elected Board of Directors who approve of the administrative officials. The daily functioning of the District is under the supervision of the Superintendent. As required by generally accepted accounting principles, all activities of the District have been included in the basic financial statements.

The basic financial statements of Glendale School District No. 77 have been prepared in conformity with accounting principles generally accepted in the United States of America 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

In determining the financial reporting entity, the Glendale School District No. 77 complies with Governmental Accounting Standards Board Statement 14 as amended, “The Financial Reporting Entity.” The criteria for including organizations as component units within the District’s reporting entity, include whether 1) the organization is legally separate (can sue and be sued in their name); 2) the District holds the corporate powers of the organization; 3) the District appoints a voting majority of the organization’s board; 4) the District can impose its will on the organization; 5) the organization has the potential to impose a financial benefit/burden on the District; and 6) there is fiscal dependency by the organization on the District. Based on the aforementioned criteria, Glendale School District No. 77 has no component units.

Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall District with most of the inter-fund activities removed to minimize the double counting of internal activities. Governmental activities include programs supported primarily by taxes, state school support payments, grants, and other intergovernmental revenues. The District has no business-type activities that rely, to a significant extent, on fees and charges for support. The District also reports no fiduciary activities.

The statement of activities demonstrates the degree to which direct expenses of a given function are offset by program revenues. Direct expenses are those that are specifically associated with a program of function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

Basis of Presentation (Cont.)

Fund Financial Statements: During the fiscal year, the District segregates transactions related to school district functions or activities in separate funds to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds.

The fund financial statements provide reports on the financial condition and results of operations for governmental activities. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

General Fund - The General Fund is the main operating fund of the District. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund. This fund accounts for all general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund. General Fund expenditures are categorized by "Instruction" which is the direct teaching of students or the interaction between teacher and students. "Support Services" covers all the support activities for students, teachers, and facilities. Major activities in support services are transportation, maintenance of facilities (i.e., heating, phones, electricity, cleaning,) administration, counseling for students, and technology support.

Special Revenue Fund – The Special Revenue Fund accounts for the revenues and expenditures of local, state, and federal grants, student body activities, food service and other special programs.

Debt Service Fund – Revenues accounted for in the Debt Service Fund are from local property taxes levied to make general obligation bond payments, which are also accounted for in this fund according to the bond repayment schedule.

Capital Projects Fund – Accounting for this fund is for the use of capital improvements.

Proprietary Fund

Proprietary Funds are used to accumulate and allocate costs internally among the District's various functions. The District also uses its internal service fund for self-insurance purposes, primarily for employees' unemployment benefits and deductibles on insurance.

Fiduciary Fund

Fiduciary funds are used to account for assets held by the District as trustee or agent. Each trust fund is treated for accounting measurement purposes in a manner similar to either a governmental fund or a proprietary fund. Expendable trust funds are accounted for in essentially the same manner as governmental funds. Nonexpendable trust funds and pension trust funds are accounted for in essentially the same manner as proprietary funds. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurements of results of operations.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; the basis of accounting refers to when transactions are recognized in the financial records and reported on the financial statements. The basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

Government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned. Expenses are recognized when the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or within sixty days after year end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt which are reported when due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

The revenues susceptible to accrual are property taxes, charges for services, interest income and intergovernmental revenues. All other governmental fund revenues are recognized when received, as they are deemed immaterial. Deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when the revenue recognition is met or when the District has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Budgeting

The District budgets all funds as required by state law. The District budgets for all funds on a modified accrual basis. The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. Total expenditures are controlled by annual appropriations at the following organizational levels: instruction, support services, community services, facilities acquisition and construction, and other expenditures. Appropriations lapse as of the fiscal year-end. A detailed budget document is required that contains more detailed information for the above-mentioned expenditure categories.

Unexpected additional resources may be added to the budget with a supplemental budget and appropriations resolution. A supplemental budget may require hearings before the public, publications in newspapers, and approval by the District Board of Directors. Original and supplemental budgets may be modified using appropriations transfers between the levels of control. Such transfers require approval by the District Board of Directors.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

Cash and Investments

For purposes of the statement of cash flows, cash and cash equivalents include cash on hand, checking, savings and money market accounts and any short-term, highly liquid investments with initial maturity dates of three months or less.

The District has adopted an investment policy requiring compliance with Oregon statutes, which authorizes the District to invest in obligations of the United States, the agencies and instrumentalities of the United States and the State of Oregon, and numerous other investment instruments.

The District's investments may consist of time certificates of deposit, banker's acceptances, commercial paper, U.S. Government Agency securities, and the State of Oregon Treasurer's Local Government Investment Pool (LGIP). The District's investments are reported at fair value at year-end. Changes in the fair value of investments are recorded as investment earnings. The LGIP is stated at cost, which approximates fair value. Fair value of the LGIP is the same as the District's value in the pool shares.

The Oregon State Treasury administers the LGIP. It is an open-ended, non-load diversified portfolio offered to any agency, political subdivision, or public corporation of the State that by law is made the custodian of, or has control of, any fund. The LGIP is included in the Oregon Short Term Fund (OSTF) which was established by the State Treasurer. In seeking to best serve local governments of Oregon, the Oregon legislature established the Oregon Short-Term Fund Board. The purpose of the Board is to advise the Oregon State Treasury in the management and investment options of the LGIP.

Receivables

Amounts due from individuals, organizations or other governmental units are recorded as receivables at year-end. These amounts include charges for services rendered, or for goods and material provided by the District. All receivables are expected to be collected. Accordingly, receivables are reported at the gross amount without an allowance for uncollectible accounts.

Receivables are also recognized for property taxes and intergovernmental grants. Property taxes receivable consist of uncollected taxes levied and payable at the end of the fiscal year. All taxes are considered collectible. Consequently, no allowance for uncollectible taxes has been established. In the governmental fund financial statements, property taxes not collected within sixty days of the end of the fiscal year are reported as a deferred inflow or resources.

Intergovernmental grant reimbursement and entitlement amounts for which all eligibility requirements imposed by the provider have been met, but which were not received by the fiscal year end, are reported as accounts receivable.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

Inventory

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

Restricted Assets and Liabilities

Assets with use restricted to future bond payments and the related liability, are segregated in the statements of net position.

Capital Assets

The District has established a formal system of accounting for its capital assets. Purchased or constructed capital assets are reported at cost, or estimated cost when original cost is not available. Donated capital assets are valued at their estimated fair market value on the date received. Maintenance and repairs of capital assets are not capitalized, but rather are charged to expenditures in the governmental funds. The District does not possess any infrastructure. The capitalization threshold used by the District as recommended by the State of Oregon is $5,000.

In the government-wide financial statements, all reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method over the estimated useful lives as follows:

Asset Class	Estimated Years of Useful Lives
Buildings	20-50
Building Improvements	20-50
Land Improvements	15-25
Vehicles	10
Equipment	5-10

In the governmental fund financial statements, fixed assets are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets are not capitalized, and related depreciation is not reported in the fund financial statements.

Compensated Absences and Accrued Liabilities:

The liability for accrued vacation benefits reported in the government-wide statements consists of unpaid, accumulated annual vacation. The early retirement liability has been calculated using the accrual method for benefit amounts due to former employees who currently are receiving early-termination benefits. Early retirement benefits are available to a limited number of employees each year.

All payables and accrued liabilities are reported on the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full by current financial resources are reported as obligations of the funds.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

Deferred Inflows/Outflows 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 position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has only one item that qualifies for reporting in this category, deferred pension contributions.

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 District has only one type of item that qualifies for reporting in this category, deferred earnings on pension assets. In the governmental funds balance sheet, a different category of deferred inflow of resources, delinquent property tax revenue not available, is reported. Property taxes levied and considered receivable at the end of the fiscal year, but not collected within sixty days of the end of the fiscal year are reported in this category. These amounts are recognized as an inflow of resources (revenue) in the period that the amounts become available.

Long-Term Debt

All bonds, notes, and capital lease payable are recognized in the government-wide financial statements as liabilities of the District. Amounts of the long-term debt due within the following fiscal year are included in the current liabilities section of the Statement of Net Position.

In the governmental fund financial statements, proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources. Principal and interest payments on long-term debt are recorded as debt service in the expenditure section of the statement and schedules.

Equity Classifications

Government-wide Statements

Equity is classified as net position, which represents the difference between assets, liabilities, and deferred accounts. Net position is displayed in three components:

a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
b. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantor, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
c. Unrestricted net position - All other net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

The District’s policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

Equity Classifications (Cont.)

Governmental Fund Financial Statements

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

A. Nonspendable: This classification includes amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.

B. Restricted: This classification includes fund balance amounts that are constrained for specific purposes which are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

C. Committed: This classification includes fund balance amounts that are constrained for specific purpose that are internally imposed by the government through resolution of the highest level of decision-making authority, the District Board, and does not lapse at year-end.

D. Assigned: This classification includes fund balance amounts that are intended to be used for specific purposes that are neither restricted nor committed. This intent can be expressed by the District Board or through the District Board delegating this responsibility to selected staff members or through the budgetary process.

E. Unassigned: This classification includes positive fund balance within the General Fund which has not been classified within the above-mentioned categories, and negative fund balances of other governmental funds.

The District's policy is to use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of the constrained fund balances.

Property Taxes

Real and personal property taxes attach as an enforceable lien on property as of January 1. All taxes are levied as of the lien date and are payable in three installments on November 15, February 15, and May 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

Uncollected property taxes are recorded on the statement of net position. Uncollected taxes are deemed to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectable taxes has been established. All property taxes receivable is due from property owners within the District.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

Inter-Fund Transactions

Quasi-external transactions are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other inter-fund transactions, except quasi-external transactions and reimbursements, are reported as transfers in the fund financial statements. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other inter-fund transfers are reported as operating transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

Use of Estimates

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

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oregon Public Employees Retirement Fund (OPERF) and the Oregon Public Service Retirement Plan (OPSRP) and additions to/deductions from OPERF's and OPSRP'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.

CASH AND INVESTMENTS:

For discussion of deposit and investment policies and other related information, see Cash and Investments note under the Summary of Significant Accounting Policies.

The District follows the practice of aggregating the cash assets of various funds to maximize cash management efficiency and returns. Various restrictions on deposits and investments are imposed by state statutes. These restrictions are summarized at the Cash and Investments note under the Summary of Significant Accounting Policies.

Investments, including amounts held in pool cash and investments, are stated at fair value. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, investments with a remaining maturity of more than one year at the time of purchase are stated at fair value. Fair value is determined at the quoted market prices, if available; otherwise, the fair value is estimated based on the amount at which the investment could be exchanged in a current transaction between willing parties, other than a forced liquidation sale. Investments in the State of Oregon Local Government Investment Pool (LGIP) are stated at fair value.

Deposits - All cash is deposited in compliance with Oregon statutes. The insurance and collateral requirements for deposits are established by banking regulations and Oregon law. FDIC insurance of $250,000 applies to the deposits in each depository. ORS 295 governs the collateralization of Oregon public funds and provides the statutory requirements for the Oregon Public Funds Collateralization Program (PFCP). Where balances continually exceed $250,000, ORS 295 requires the depositor to verify that deposit accounts are only maintained at financial institutions on the list of qualified depositories found on the state treasurer’s website.

Custodial Credit Risk for Deposits - Custodial credit risk for deposits exists when, in the event of a depository failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk.

As of June 30, 2023, the reported amount of the District’s deposits was $1,007,952, the bank balance was $1,406,799. Of the bank balance, the entire amount was insured by the FDIC or covered by the collateral held in a multiple financial institutions collateral pool administered by the Oregon State Treasurer.

Investments - Oregon statutes authorize the District to invest in obligations of the U.S. Treasury and U.S. agencies, banker’s acceptances, repurchase agreements, commercial paper rated A-1 by Standard & Poor’s Corporation or P-1 by Moody’s Commercial Paper Record, and the Local Governmental Investment Pool. The District has no credit risk policy or investment policy that would further limit its investment choices.

Credit Risk - Credit risk exists when there is a possibility the issuer or other counterparty to an investment may be unable to fulfill its obligations. As of June 30, 2023, the District’s investment in the Oregon State Treasurer’s Local Government Investment Pool (LGIP) was unrated.

CASH AND INVESTMENTS (Cont.):

On June 30, 2023, the District's investments in financial institutions are as follows:

Type of Investment	Fair Value	Credit Rating
Oregon State Treasurer's Local Government Investment Pool (LGIP)	$ 2,815,836	N/A
Total Investments	$ 2,815,836	

Concentration of Credit Risk - An increased risk of loss occurs as more investments are acquired from one issuer. This results in a *concentration of credit risk.* The District places no limit on the amount that may be invested in any one issuer. More than 5 percent of the District's investments are in the Oregon State Treasurer's Local Government Investment Pool (LGIP). This investment is 99.9% of the District's total investments.

CAPITAL ASSETS:

The following is a summary of capital asset activity for the fiscal year ended June 30, 2023:

Depreciable Assets Schedule

For the Year 2023

Governmental Activities	Beginning Balances	Additions	Deletions	Ending Balances
Assets not being depreciated:				
Land	$ 70,514	$ -	$ -	$ 70,514
Construction in Progress	234,217	349,383	234,217	349,383
Total assets not being depreciated	304,731	349,383	234,217	419,897
Assets being depreciated:				
Land Improvement	404,614	106,809	-	511,423
Building and Building Improvement	7,491,280	-	-	7,491,280
Machinery and Equipment	1,275,871	569,239	-	1,845,110
Total Depreciable Assets	9,171,765	676,048	-	9,847,813
Less: Accumulated Depreciation				
Land Improvement	161,306	25,226	-	186,532
Building and Building Improvement	5,660,293	75,471	-	5,735,764
Machinery and Equipment	903,083	106,885	-	1,009,967
Total Accumulated Depreciation	6,724,681	207,582	-	6,932,264
Net Value of Capital Assets Being Depreciated	2,447,084	468,466	-	2,915,549
Total Governmental Activities -- Net Value of Capital Assets	$ 2,751,815	$ 817,849	$ 234,217	$ 3,335,446

Depreciation expense was charged to governmental functions as follows:

Instruction	$ 64,480
Support Services	141,948
Enterprise and Community Services	1,154
Total Depreciation Expense	$ 207,582

LONG-TERM DEBT:

A summary of debt transactions for the year ended June 30, 2023, is as follows:

The District is the lessee under two lease agreements related to copiers. Of these, all are qualified leases under GASB Statement No. 87 with periods covering various ranges and the latest expiring on June 30, 2025. Interest rate is 3%. Annual payments for the current year range from $3,304 to $3,348.

On July 1, 2010, the District entered into a Financing Agreement for $540,000 at 5.2043% interest to finance HVAC system upgrades. The District entered into an irrevocable election that the 2010A obligations are treated as Qualified School Construction Bonds (QSCB). The QSCBs are eligible to receive subsidy payments from the United States Treasury. The District plans to apply any subsidy payments received to offset the interest component of the financing, but those subsidy payments are not pledged for this purpose. The agreement contains a provision that in the event of default, the Escrow Agent shall proceed to take whatever action at law or in equity may appear necessary or desirable to enforce the Financing Agreement; however, the payments are not subject to acceleration. Per the agreement, the principal and interest payments of the Bonds are guaranteed by the full faith and credit of the State of Oregon under the provisions of the Oregon School Bond Guaranty Act. Interest is payable semi-annually each December 30 and June 30, commencing June 30, 2013. The final maturity is June 30, 2025 (Balloon Principal Payment). In addition to the interest payments, the District is to deposit amounts into a principal subaccount of the payment account (Sinking Fund Deposits) every June 1, starting in 2013 and ending in 2025. Interest earnings for the sinking fund are not to exceed 4.3% annually. The sinking fund payment is held at the Bank of New York Mellon and is restricted for payments of debt services on the Series 2010A Note. The current value of the sinking fund as of June 30, 2022, is $85,781.

On August 18, 2020, the District issued Series 2020 General Obligation Bonds, of $1,880,000 bearing an interest rate of 4.00%. The Bonds were issued to finance capital costs for the District and to pay the costs of issuance of the Bonds. Interest payments began on December 15, 2020, and are required semi-annually thereafter on June 15 and December 15, with the principal payments due June 15 of each year until 2042. The debt service on these bonds is paid by the Debt Service Fund. The Bonds are the general obligations of the District. The full faith and credit and taxing powers of the District are pledged to the successive owner of each of the Bonds. The Bonds were issued at a premium of $371,050. The Bonds maturing in the years 2021 through 2030, inclusive, are not subject to optional redemption prior to maturity. The District reserves the right to redeem all or any portion of the Bonds maturing on June 15, 2036, and June 15, 2042, at the option of the District on June 15, 2030, and on any date thereafter in whole or in part, in any order of maturity with maturities selected by the District, at a price of par, plus accrued interest to the date of redemption.

LONG-TERM DEBT (Cont.):

The following is a schedule of transactions during the year:

	Outstanding Balance July 1, 2022	Principal Paid	Interest Paid	Outstanding Balance June 30, 2023	Due Within One Year
Leases Payable:					
Copier Leases	$ 13,146	$ 6,359	$ 289	$ 6,787	$ 3,484
Total Leases Payable	$ 13,146	$ 6,359	$ 289	$ 6,787	$ 3,484
Bonds Payable:					
General Obligation Bonds Series 2020	$ 1,815,000	$ 35,000	$ 68,400	$ 1,780,000	$ 40,000
Total Bonds Payable	1,815,000	35,000	68,400	1,780,000	40,000
Bond Premium	337,318	27,695	-	309,623	-
Total Bonds Payable, net of Premium	2,152,318	62,695	68,400	2,089,623	40,000
Notes Payable:					
Full Faith and Credit Obligation, Series 2010A Note (QSCB)	$ 190,000	$ 38,000	$ 10,450	$ 152,000	$ 38,000
Total Notes Payable	$ 190,000	$ 38,000	$ 10,450	$ 152,000	$ 38,000
Total Long-Term Debt	$ 2,355,464	$ 107,054	$ 79,139	$ 2,248,410	$ 81,484

The future debt service requirements on the above debt are as follows:

Leases Payable:

Due Fiscal Year Ending June 30,	Principal	Interest	Total
2024	$ 3,484	$ 144	$ 3,628
2025	3,303	46	3,349
Total	$ 6,787	$ 190	$ 6,977

Bonds Payable:

Due Fiscal Year Ending June 30,	Principal	Interest	Total
2024	$ 40,000	$ 67,350	$ 107,350
2025	45,000	66,150	111,150
2026	50,000	64,800	114,800
2027	55,000	63,300	118,300
2028	60,000	61,650	121,650
2029 - 2033	380,000	275,950	655,950
Total	$ 1,780,000	$ 850,400	$ 2,630,400

Notes from Direct Borrowings:

Due Fiscal Year Ending June 30,	Principal	Interest	Total
2024	$ 38,000	$ 10,450	$ 48,450
2025	114,000	10,450	124,450
Total	$ 152,000	$ 20,900	$ 172,900

The District has no unused lines of credit. The District has not pledged any assets as collateral for their debt.

For further details on debt service, see the 'Schedule of Long-Term Debt Transactions' in the Other Information section of this report.

PENSION PLAN:

Glendale School District No. 77 offers various retirement plans to qualified employees as described below.

Name of Pension Plan

Glendale School District No. 77 participates with other state agencies in the Oregon Public Employees Retirement System (OPERS) which is a cost-sharing multiple-employer defined benefit pension plan.

Description of Benefit Terms

Plan Benefits

OPERS is administered in accordance with Oregon Revised Statutes (ORS) Chapter 238, Chapter 238A, and Internal Revenue Code Section 401(a). The Oregon Legislature has delegated authority to the Public Employees Retirement Board (PERS Board) to administer and manage the System.

1. Tier One/Tier Two Retirement Benefit (Chapter 238). OPERS is a defined benefit pension plan that provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to members and their beneficiaries. Benefits are established by state statute. This defined benefit pension plan portion of OPERS is closed to new members hired on or after August 29, 2003.

Pension Benefits

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

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

During the 2019 Legislative session, Senate Bill 1049 was approved and signed into law by the governor. Under Senate Bill 1049, several components of the bill have significantly impacted the System, and the bill continues to be implemented.

1. Employer Programs Project (effective July 1, 2019): established the Employer Incentive Fund (EIF) Program, which allows eligible employers to receive matching funds if they apply and make a qualifying deposit into a side account.

2. Salary Limit Project: A new limitation on subject final average salary used for PERS benefit calculations and contributions is used to determine member IAP contributions, employer contributions to fund the pension program, and the Final Average Salary (FAS) used in calculating retirement benefits under formula methods was added, ($210,582 as of January 1, 2022). This amount is indexed annually to the Consumer Price Index (CPI).

PENSION PLAN (Cont.):

3. Work After Retirement Project (effective January 1, 2020): The 1,039-hour Work After Retirement limit for all PERS retirees is removed for calendar years 2020 through 2024. If a member retires on or after normal retirement age, starting in 2020, they can work for a PERS-covered employer and continue receiving their pension benefit (without accruing any new benefits) with no hour limitations. If a member retires earlier than normal retirement age, starting in 2020, they can work for a PERS-covered employer and continue receiving their pension benefit (without accruing any new benefits) with no hour limitations if the date of their employment is more than six months after their retirement date.

4. Member Redirect Project (effective July 1, 2020): For all currently employed Tier One/Tier Two and OPSRP members earning $2,500/month or more, (adjusted to $3,333/month in House Bill 2906 effective June 2021), a portion of their 6 percent monthly IAP contributions will be redirected to an "Employee Pension Stability Account." The Employee Pension Stability Account will be used to pay for part of the member's future pension benefit.
   - Tier One/Tier Two members: 2.5 percent of each member's IAP contribution amount, currently contributed to the IAP, (whether paid by the member or employer) will start going into an Employee Pension Stability Account (EPSA). The remainder will continue to go 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.

5. Member Choice Project (effective January 1, 2021): IAP accounts are currently invested in Target-Date Funds based on a member's birth year. Beginning in 2021, members may choose to invest their IAP balance in a fund that is more reflective of their risk tolerance than the default based on their age.

6. Additionally, the Legislature directed the PERS Board to enact a one-time re-amortization of Tier 1/Tier 2 UAL over 22 years. This means that, effective with the December 31, 2019 rate-setting valuation, the entire unamortized Tier 1/Tier 2 UAL for each rate pool and independent employer will be re-amortized over a 22 year period as a level percentage of projected future payroll.

Death Benefits

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

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

Disability Benefits

A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including OPERS judge members) for disability benefits regardless of the length of OPERS-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.

Benefit Changes After Retirement

Members may choose to continue participation in a variable account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments.

Under ORS 238.360, monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.

PENSION PLAN (Cont.):

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

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

During the 2019 Legislative session, Senate Bill 1049 was approved and signed into law by the governor. Under Senate Bill 1049, several components of the bill have significantly impacted the System, and the bill continues to be implemented.

1. Employer Programs Project (effective July 1, 2019): established the Employer Incentive Fund (EIF) Program, which allows eligible employers to receive matching funds if they apply and make a qualifying deposit into a side account.

2. Salary Limit Project (effective January 1, 2020): A new $195,000 limitation on subject salary used for PERS benefit calculations and contributions is used to determine member IAP contributions, employer contributions to fund the pension program, and the Final Average Salary (FAS) used in calculating retirement benefits under formula methods. This amount will be indexed annually to the Consumer Price Index (CPI).

3. Work After Retirement Project (effective January 1, 2020): The 1,039-hour Work After Retirement limit for all PERS retirees is removed for calendar years 2020 through 2024. If a member retires on or after normal retirement age, starting in 2020, they can work for a PERS-covered employer and continue receiving their pension benefit (without accruing any new benefits) with no hour limitations. If a member retires earlier than normal retirement age, starting in 2020, they can work for a PERS-covered employer and continue receiving their pension benefit (without accruing any new benefits) with no hour limitations if the date of their employment is more than six months after their retirement date.

4. Member Redirect Project (effective July 1, 2020): For all currently employed Tier One/Tier Two and OPSRP members earning $3,333/month in House Bill 2906 as of June 2021), a portion of their 6 percent monthly IAP contributions will be redirected to an "Employee Pension Stability Account." The Employee Pension Stability Account will be used to pay for part of the member's future pension benefit.

    - OPSRP members: 0.75 percent of each member's contribution, currently contributed to the IAP, (whether paid by the member or employer) will start going into their EPSA. The remaining 5.25 percent of the members contribution will continue to go 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.

PENSION PLAN (Cont.):

5. Member Choice Project (effective January 1, 2021): IAP accounts are currently invested in Target-Date Funds based on a member's birth year. Beginning in 2021, members may choose to invest their IAP balance in a fund that is more reflective of their risk tolerance than the default based on their age.

Death Benefits

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

Disability Benefits

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

3. Individual Account Program (IAP).

Benefit Terms

The IAP is an individual account-based program under the PERS tax-qualified governmental plan as defined under ORS 238A.400.

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 Individual Account Program (IAP) may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option.

Death Benefits

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

Recordkeeping

OPERS contracts with VOYA Financial to maintain IAP participant records.

4. Postemployment Healthcare Benefits.

ORS 238.420 established the Retirement Health Insurance Account (RHIA) and authorizes a payment of up to $60 from RHIA toward the monthly cost of health insurance for eligible PERS members. RHIA is a cost-sharing, multiple-employer OPEB plan for 898 participating employers. The plan was closed to new entrants hired on or after August 29, 2003.

To be eligible to receive this monthly payment toward the premium costs, the member must: (1) have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a PERS-sponsored health plan.

PENSION PLAN (Cont.):

Description of Funding and Contributions for PERS Benefit Plans

OPERS' funding policy provides for periodic member and employer contributions at rates established by the Public Employees Retirement Board, subject to limits set in statute. Contributions for employers are recognized on the accrual basis of accounting. Employer contributions to OPERS are calculated based on creditable compensation for active members reported by employers. The rates established for member and employer contributions were approved based on the recommendations of the System's third-party actuary. The contribution rate for every employer has at least two major components; Normal Cost Rate and Unfunded Actuarial Liability (UAL) Rate.

The District's employer contributions for the year ended June 30, 2023 were $561,241 excluding amounts to fund employer specific liabilities.

The contribution rates in effect for the period July 1, 2021 to June 30, 2023 were: Tier1/Tier2 – 26.83%, and OPSRP General Service – 23.72%.

Member Contributions
Beginning January 1, 2004, all member contributions, except for contributions by judge members, were placed in the OPSRP Individual Account Program (IAP). Prior to that date, all member contributions were credited to the Defined Benefit Pension Plan. Member contributions are set by statute at 6.0 salary and are remitted by participating employers. The contributions are either deducted from member salaries or paid by the employers on the members' behalf.

During FY 2021-2023, approximately $128,866 in employee IAP contributions were paid or picked up by the District.

Employer Contributions
PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the PERS Defined Benefit Plan and OPEB (Other Post Employment Benefit) Plans. Employer contribution rates during the period were based on the December 31, 2019, actuarial valuation, which became effective July 1, 2021. The state of Oregon and certain schools, community colleges, and political subdivisions have made supplemental unfunded actuarial liability payments, and their rates have been reduced. Effective January 1, 2020, Senate Bill 1049 required employers to pay contributions on re-employed PERS retirees' salary as if they were an active member, excluding IAP (6%) contributions. Re-employed retirees do not accrue additional benefits while they work after retirement.

For **Oregon PERS Defined Benefit Plans**, Effective July 1, 2021, the contribution rate for State Agencies was 20.36%, the State and Local Government Rate Pool 28.08%, School Districts 27.54%, and judiciary 24.56% of PERS-covered salaries.

For **Oregon PERS OPSRP Benefit Plans**, all PERS employers with OPSRP Pension Program members are actuarially pooled and share the same contribution rate.

Members of OPSRP are required to contribute 6.0% of their salary covered under the plan which is invested in the IAP. For employees in Tier One / Tier two, the Employer makes this contribution on behalf of its members.

For **Oregon PERS Postemployment Benefit Plans**, for the fiscal year ended June 30, 2023, PERS employers contributed 5.0% of PERS-covered salaries for Tier One and Tier Two members to fund the normal cost portion of RHIA benefits. No UAL rate was assigned for the RHIA program as it was funded at over 100% as of December 31, 2019. These rates were based on the December 31, 2019, actuarial valuation.

PENSION PLAN (Cont.):

Employer contributions are advance-funded on an actuarially determined basis. There is no inflation assumption for RHIA postemployment benefits because the payment amount is set by statute and is not adjusted for increases in healthcare costs.

ORS 238.415 established the Retiree Health Insurance Premium Account (RHIPA) and requires the Board on or before January 1 of each year to calculate the average difference between the health insurance premiums paid by retired state employees under contracts entered into by the Board and health insurance premiums paid by active state employees.

For **OPSRP Pension Program**, all OPERS employers with OPSRP Pension Program members are actuarially pooled and share the same contribution rate. Each of these rates includes a component related to disability benefits for General Service and Police and Fire members.

Pension Plan CAFR/ ACFR

Oregon PERS produces an independently audited ACFR which can be found at:
2022-Annual-Comprehensive-Financial-Report.pdf (oregon.gov)

Actuarial Valuations

The employer contribution rates effective July 1, 2021, through June 30, 2023, were set using the Entry Age Normal actuarial cost method.

For the Tier One/Tier Two component of the OPERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an 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 20 years by ongoing Board policy. However, upon passage of Senate Bill 1049, the Legislature directed the PERS Board to enact a one-time re-amortization of Tier 1/Tier 2 UAL over 22 years. This means that, effective with the December 31, 2019 rate-setting valuation, the entire unamortized Tier 1/Tier 2 UAL for each rate pool and independent employer will be re-amortized over a 22 year period as a level percentage of projected future payroll.

For the OPSRP Pension Program component of the OPERS Defined Benefit Plan, this method produced an employer contribution 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 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.

For the Postemployment Healthcare component, the RHIA plan fiduciary net position balance represents the program's accumulation of employer contributions and investment earnings less premium subsidies and administrative expenses No UAL rate was assigned for the RHIA program as it was funded over 100% as of December 31, 2019. Typically, PERS employers contribute an actuarially determined percent of all PERS-covered salaries to amortize the unfunded actuarial accrued liability over a fixed period with new unfunded actuarial accrued liabilities being amortized over 10 years.

PENSION PLAN (Cont.):

Actuarial Methods and Assumptions Used in Developing Total Pension Liability

Actuarial Methods and Assumptions Used in Developing Total Pension Liability:	
Valuation Date	December 31, 2020
Measurement Date	June 30, 2022
Experience Study	2020, published July 24, 2021
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Inflation rate	2.40 percent
Long-term expected rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increases	3.40 percent
Cost of living adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with Moro decision; blend based on service.
Mortality	**Healthy retirees and beneficiaries:** Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. **Active members:** Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. **Disabled retirees:** Pub-2010 Disable 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 the value of projected benefits 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 methods and assumptions shown above are based on the 2020 Experience Study which reviewed experience for the four-year period ending on December 31, 2020.

Discount Rate

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

PENSION PLAN (Cont.):

Depletion Date Projection

GASB 67 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 67 will often require that the actuary perform complex projections of future benefit payments and pension plan investments. GASB 67 (paragraph 43) does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

The following circumstances justify an alternative evaluation of sufficiency for OPERS:

- OPERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.

- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.

- GASB 67 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

Based on these circumstances, it is our independent actuary's opinion that the detailed depletion date projections outlined in GASB 67 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

OIC Target and Actual Investment Allocation as of June 30, 2022

Asset Class/Strategy	OIC Policy Range			OIC Target Allocation	Asset Class/Strategy	Actual Allocation[2]
Debt Securities	15.0%	-	25.0%	20.0%	Debt Securities	19.8%
Public Equity	25.0%	-	35.0%	30.0%	Public Equity	21.2%
Real Estate	7.5%	-	17.5%	12.5%	Real estate	13.6%
Private Equity	15.0%	-	27.5%	20.0%	Private Equity	28.0%
Risk Parity	0.0%	-	3.5%	2.5%	Risk Parity	2.0%
Real Assets	2.5%	-	10.0%	7.5%	Real Assets	7.9%
Diversifying Strategies	2.5%	-	10.0%	7.5%	Diversifying Strategies	4.9%
Opportunity Portfolio[1]	0.0%	-	5.0%	0.0%	Opportunity Portfolio	2.6%
Total				100%	Total	100%

[1]Opportunity Portfolio is an investment strategy and it may be invested up to 5% of total plan net position.

[2]Based on the actual investment value at 6/30/2022.

[3]In October 2021 the Alternatives Portfolio was split into Real Assets and Diversifying Strategies.

PENSION PLAN (Cont.):

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the Oregon PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. 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. 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.

Long Term Expected Rate of Return[1]

Asset Class	Target Allocation	Annual Arithmetic Return[2]	20-Year Annualized Geometric Mean	Annual Standard Deviation
Global Equity	30.62%	7.11%	5.85%	17.05%
Private Equity	25.50%	11.35%	7.71%	30.00%
Core Fixed Income	23.75%	2.80%	2.73%	3.85%
Real Estate	12.25%	6.29%	5.66%	12.00%
Master Limited Partnerships	0.75%	7.65%	5.71%	21.30%
Infrastructure	1.50%	7.24%	6.26%	15.00%
Commodities	0.63%	4.68%	3.10%	18.85%
Hedge Fund of Funds - Multistrategy	1.25%	5.42%	5.11%	8.45%
Hedge Fund Equity - Hedge	0.63%	5.85%	5.31%	11.05%
Hedge Fund - Macro	5.62%	5.33%	5.06%	7.90%
US Cash[3]	-2.50%	1.77%	1.76%	1.20%
Assumed Inflation - Mean			**2.40%**	**1.65%**

[1]Based on the Oregon Investment Council's (OIC) Statement of Investment Objectives and Policy Framework for the Oregon Public Employees Retirement Fund as most recently revised on June 2, 2021.

[2]The arithmetic mean is a component that goes into calculating the geometric mean. Expected rates of return are presented using the geometric mean, which the Board uses in setting the discount rate.

[3]Negative allocation to cash reporesnets levered exposure from allocation to Risk Parity strategy.

Sensitivity Analysis

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

	1% Decrease 5.90%	Discount Rate 6.90%	1% Increase 7.90%
Employer's proportionate share of the net pension liability	$ 4,860,789	$ 2,740,923	$ 966,692

Changes Since Last Valuation

A summary of key changes implemented after the December 31, 2020 valuation, which was used in the 2021 PERS ACFR. Changes are described briefly below. Additional detail and a comprehensive list of changes in methods and assumptions can be found in the 2020 Experience Study for the System, which was published on July 20, 2021, which can be found at: 2020-Experience-Study.pdf (oregon.gov)

PENSION PLAN (Cont.):

Changes in Actuarial Methods and Allocation Procedures

There were no changes in actuarial methods and allocation procedures since the December 31,2020 actuarial valuation.

Changes in Assumptions

There were no changes in actuarial methods and allocation procedures since the December 31,2020 actuarial valuation.

Mortality Rates

A summary of the current assumed mortality rates and recommended changes is shown below:

Assumption	Recommended December 31, 2020 and 2021 Valuations	Recommended December 31, 2022 and 2023 Valuations
Healthy Annuitant Mortality	**Pub-2010 Healthy Retiree, Sex Distinct, Generational Projection with Unisex Social Security Data Scale**	**Pub-2010 Healthy Retiree, Sex Distinct, Generational Projection with Unisex Social Security Data Scale**
School District male	Blend 80% Teachers and 20% General Employees, no set back	No change
Other General Service male (and male beneficiary)	General Employees, set back 12 months	No change
Police & Fire male	Public Safety, no set back	No change
School District female	Teachers, no set back	No change
Other female (and female beneficiary)	General Employees, no set back	No change
Police & Fire female	Public Safety, set back 12 months	No change
Disabled Retiree Mortality	**Pub-2010 Disabled Retiree, Sex Distinct, Generational Projection with Unisex Social Security Data Scale**	**Pub-2010 Disabled Retiree, Sex Distinct, Generational Projection with Unisex Social Security Data Scale**
Police & Fire male	Blended 50% Public Safety, 50% Non-Safety, no set back	No change
Other General Service male	Non-Safety, set forward 24 months	No change
Police & Fire female	Blended 50% Public Safety, 50% Non-Safety, no set back	No change
Other General Service female	Non-Safety, set forward 12 months	No change
Non-Annuitant Mortality	**Pub-2010 Employee, Sex Distinct, Generational Projection with Unisex Social Security Data Scale**	**Pub-2010 Employee, Sex Distinct, Generational Projection with Unisex Social Security Data Scale**
School District male	125% of same table and set back as Non-Disabled Annuitant assumption	No change
Other General Service male	115% of same table and set back as Non-Disabled Annuitant assumption	No change
Police & Fire male	100% of same table and set back as Non-Disabled Annuitant assumption	125% of same table and set back as Non-Disabled Annuitant assumption
School District female	100% of same table and set back as Non-Disabled Annuitant assumption	No change
Other General Service female	125% of same table and set back as Non-Disabled Annuitant assumption	No change
Police & Fire female	100% of same table and set back as Non-Disabled Annuitant assumption	No change

PENSION PLAN (Cont.):

Changes Subsequent to the Measurement Date

There were no changes subsequent to the measurement date, that we are aware of.

Deferred Items

Deferred items are calculated at the system-wide level and are allocated to employers based on their proportionate share. For the measurement period ending June 30, 2022, employers will report the following deferred items:

- A difference between expected and actual experience, which is being amortized over the remaining service lives of all plan participants, including retirees. One year of this amortization is included in the employer's total pension expense for the measurement period.

Employer Contributions

OPERS includes accrued contributions when due pursuant to legal requirements, as of June 30 in its Statement of Changes in Fiduciary Net Position.

Beginning with fiscal year 2016, OPERS will be able to report cash contributions and UAL side account amortization by employer, and will publish this information on the OPERS Website. Prior to fiscal year 2016, contributions to the OPSRP Defined Benefit plan were not accounted for by employer, as all employers were pooled for actuarial purposes.

Elements of Changes in Net Position

This information can be found in the Schedule of Changes in Net Pension Liability found on page 76, of the June 30, 2022 Oregon PERS ACFR. 2022-Annual-Comprehensive-Financial-Report.pdf (oregon.gov).

Pension Liabilities/(Assets), Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions

At June 30, 2023, the employer reported a liability of $2,740,923 for its proportionate share of the net pension liability. The net pension liability/(asset) was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on a projection of the employer's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

PENSION PLAN (Cont.):

At June 30, 2022, the employer's proportion was 0.01790048%.

For the year ended June 30, 2023, the employer recognized pension expense of $270,447. As of June 30, 2022, the employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 133,050	$ 17,093
Changes of assumptions	430,066	3,929
Net difference between projected and actual earnings on investments	-	490,024
Changes in proportionate share	34,141	513,884
Differences between employer contributions and employer's proportionate share of system contributions	74,962	168,073
Total Deferred Outflows/Inflows	$ 672,219	$ 1,193,003
Post-measurement date contributions	561,241	N/A
Total Deferred Outflow/(Inflow) of Resources	$ 1,233,460	$ 1,193,003
Net Deferred Outflow/(Inflow) of Resources prior to post-measurement date contributions		(520,784)

Contributions of $561,241 were made subsequent to the measurement date, but prior to the end of the District's reporting period. These contributions, which are reported as deferred outflows of resources related to pensions, will be included as a reduction of the net pension liability in next fiscal year.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense/(income) as follows:

Employer subsequent fiscal years	Deferred Outflow/(Inflow) of Resources (prior to post-measurement date contributions)
1st Fiscal Year	$ (85,921)
2nd Fiscal Year	(161,716)
3rd Fiscal Year	(326,875)
4th Fiscal Year	109,903
5th Fiscal Year	(56,175)
Thereafter	-
Total	$ (520,784)

OTHER POST-EMPLOYMENT BENEFITS (OPEB) RHIA:

Oregon Public Employees Retirement Systems' (OPERS) Retiree Health Insurance Account (RHIA)

Plan Description
The District contributes to the Oregon Public Employees Retirement Systems' (OPERS) Retiree Health Insurance Account (RHIA), a cost-sharing multiple-employer defined benefit post-employment healthcare plan administered by the Oregon Public Employees Retirement Board (OPERB). The plan, which was established under Oregon Revised Statutes 238.420, provides a payment of up to $60 per month towards the costs of health insurance for eligible OPERS retirees. RHIA post-employment benefits are set by state statute. The plan was closed to new entrants hired on or after August 29, 2003.

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.

Employer contributions are advance-funded on an actuarially determined basis. There is no inflation assumption for RHIA postemployment benefits because the payment amount is set by statute and is not adjusted for increases in healthcare costs.

A comprehensive annual financial report of the funds administered by the OPERB may be obtained by writing to Oregon Public Employees Retirement System, P.O. Box 23700, Tigard, OR 97281-3700, by calling (503) 598-7377, or by accessing the OPERS web site at https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx.

Funding Policy

Participating employers are contractually required to contribute at a rate assessed bi-annually by the OPERB.
For the fiscal year ended June 30, 2022, PERS employers contributed 0.05% of PERS-covered salaries for Tier One and Tier Two members to fund the normal cost portion of RHIA benefits. No unfunded actuarial liability (UAL) rate was assigned for the RHIA program as it was funded over 100% as of December 31, 2019. Typically, PERS employers contribute an actuarially determined percent of all PERS-covered salaries to amortize the unfunded actuarial accrued liability over a fixed period with new unfunded actuarial accrued liabilities being amortized over 10 years. These rates were based on the December 31, 2019, actuarial valuation.

Contributions

The District's contributions to OPERS' RHIA for the years ended June 30, 2023, 2022, and 2021 were $253, $326, and $259 respectively, which equaled the required contributions for the year.

Actuarial Methods and Assumptions Used in Developing Total Pension Liability

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS Retirement Health Insurance Account Cost Sharing Multiple Employer Other Postemployment Benefit (OPEB) Plan Schedules of Employer Allocations and OPEB Amounts by Employer report, as of and for the Year Ended June 30, 2021. That independently audited report was dated February 25, 2022 and can be found at:
https://sos.oregon.gov/audits/Documents/2022-09.pdf

OTHER POST-EMPLOYMENT BENEFITS (OPEB) RHIA (Cont.):

Actuarial Methods and Assumptions - OPEB Plans - RHIA	
	RHIA
Valuation Date	December 31, 2020
Measurement Date	June 30, 2022
Experience Study	2020, published July 20, 2021
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Inflation rate	2.40 percent
Long-term expected rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increases	3.40 percent
Retiree healthcare participation	Healthy retirees: 27.5% Disabled retirees: 15%
Healthcare cost trend rate	Not applicable
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 Disable Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2020 Experience Study which is reviewed for the four-year period ending December 31, 2022.

Discount Rate

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

OTHER POST-EMPLOYMENT BENEFITS (OPEB) RHIA (Cont.):

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. Table 31 on page 74 shows Milliman's assumptions for each of the asset classes in which the plans were 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 on page 74. 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. For more information on the Plan's portfolio, assumed asset allocation, and the long-term expected rate of return for each major class, calculated using both arithmetic and geometric means, see Pension Plan note disclosure above or the PERS' audited financial statements at:
https://sos.oregon.gov/audits/Documents/2022-09.pdf

Sensitivity Analysis

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

	1% Decrease 5.90%	Discount Rate 6.90%	1% Increase 7.90%
Employer's proportionate share of the net OPEB liability	$ (42,384)	$ (47,026)	$ (51,006)

OPEB Liabilities/(Assets), OPEB Expense, and Deferred Outflows and Inflows of Resources Related to OPEB

At June 30, 2023, the District reported a net OPEB RHIA liability/(asset) of $(47,026) for its proportionate share of the net OPEB RHIA liability/(asset). The OPEB liability/(asset) was measured as of June 30, 2022, and the total OPEB RHIA liability/(asset) used to calculate the net OPEB RHIA liability/(asset) was determined by an actuarial valuation as of December 31, 2020. Consistent with GASB Statement No. 75, paragraph 59(a), The District's proportion of the net OPEB RHIA liability/(asset) is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement date of June 30, 2022, the District's proportion was 0.01323436 percent. OPEB RHIA expense/(income) recorded for the year ended June 30, 2023 was $(3,356).

OTHER POST-EMPLOYMENT BENEFITS (OPEB) RHIA (Cont.):

At June 30, 2023, the employer reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 1,274
Changes of assumptions	368	1,568
Net difference between projected and actual earnings on investments	-	3,586
Changes in proportionate share	9,114	5,423
Total Deferred Outflows/Inflows	$ 9,482	$ 11,851
Post-measurement date contributions	253	N/A
Total Deferred Outflow/(Inflow) of Resources	$ 9,735	$ 11,851
Net Deferred Outflow/(Inflow) of Resources prior to post-measurement date contributions		(2,369)

Contributions of $253 for RHIA OPEB were made subsequent to the measurement date, but prior to the end of the District's reporting period. These contributions, which are reported as deferred outflows of resources related to OPEB, will be included as a reduction of the net OPEB liability in the next fiscal year.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in pension expense/(income) as follows:

Employer subsequent fiscal years	Deferred Outflow/(Inflow) of Resources (prior to post-measurement date contributions)
1st Fiscal Year	$ 2,736
2nd Fiscal Year	(3,990)
3rd Fiscal Year	(2,263)
4th Fiscal Year	1,148
Thereafter	-
Total	$ (2,369)

Changes Subsequent to the Measurement Date

We are not aware of any changes subsequent to the June 30, 2022 Measurement Date that meet this requirement and thus require a brief description under the GASB standard.

CONTINGENT LIABILITIES:

Amounts received or receivable from grantor agencies are subject to review and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amount, if any, to be immaterial. The District is not currently named as a defendant in any pending or threatened litigation.

RISK:

To reduce the risk of loss from liability, fire, theft, accident, medical costs, and error and omissions, the District maintains various commercial insurance policies.

The District came under the State Unemployment Act as of July 1, 1974. The District has elected to pay State Unemployment Insurance to the State to pay for any claims paid to former employees. Any reimbursements are paid by the fund incurring the liability to the Employment Division of the State of Oregon. The estimated liability for unpaid claims is calculated as the present value of expected but unpaid claims based on historical experience and going concern assessments. The District's estimated liability for unpaid unemployment claims is immaterial. Therefore, no liability amount appears on the District's statement of net position or balance sheet.

Certain employees have health care coverage provided by a third-party insurance company. Premiums to the insurance company are paid by employer contributions for eligible employees.

There have been no significant reductions in coverage from the prior years and settlements have not exceeded insurance coverage in the past three years.

INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS:

Interfund transfers for the year ended June 30, 2023, were as follows:

Fund	Transfers Out	Transfers In
General Fund	$ 320,000	
Special Revenue Funds	23,608	
Special Revenue Funds		$ 303,608
Debt Service Funds		40,000
Total	$ 343,608	$ 343,608

The transfers out of the General Fund to the other funds represent the District's election to provide general fund support to the programs and activities of those funds.

RESTATMENT OF BEGINNING FUND BALANCE AND NET POSITION

Capital Projects Fund and Governmental Activities overstated ending Balance as of June 30, 2022 by $25,000.
Beginning Fund Balance and Net Position are restated accordingly in these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

GLENDALE SCHOOL DISTRICT #77

**Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual**

General Fund #100

For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Over (Under)
REVENUES:				
Taxes	$ 1,047,918	$ 1,047,918	$ 1,112,893	$ 64,975
Earnings on Investments	15,000	15,000	55,233	40,233
Fees and Charges	2,500	2,500	5,527	3,027
Miscellaneous Revenue	35,000	35,000	40,648	5,648
Intermediate Government Aid	45,500	45,500	44,334	(1,166)
State Aid	3,341,109	3,341,109	2,903,189	(437,920)
Federal Aid	-	-	29,667	29,667
Total Revenues	**4,487,027**	**4,487,027**	**4,191,491**	**(295,536)**
EXPENDITURES:				
Instruction	2,215,593	2,215,593	1,993,950	(221,643)
Support Services	2,341,953	2,341,953	2,258,632	(83,321)
Contingency	309,481	309,481	-	(309,481)
Total Expenditures	**4,867,027**	**4,867,027**	**4,252,582**	**(614,445)**
Excess (Deficiency) of Revenues Over Expenditures	(380,000)	(380,000)	(61,091)	318,909
OTHER FINANCING SOURCES (USES):				
Interfund Transfers Out	(320,000)	(320,000)	(320,000)	-
Proceeds from Disposition of Capital Assets	-	-	384	384
Total Other Financing Sources (Uses)	**(320,000)**	**(320,000)**	**(319,616)**	**384**
Net Change in Fund Balance	(700,000)	(700,000)	(380,707)	319,293
Beginning Fund Balance	2,000,000	2,000,000	2,130,177	130,177
Ending Fund Balance	**$ 1,300,000**	**$ 1,300,000**	**$ 1,749,470**	**$ 449,470**

GLENDALE SCHOOL DISTRICT #77

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Special Revenue Fund #200

For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Earnings on Investments	$ 4,050	$ 4,050	$ 25,601	$ 21,551
Fees and Charges	31,000	31,000	49,939	18,939
Miscellaneous Revenue	10,200	10,200	16,742	6,542
State Aid	378,548	378,548	617,452	238,904
Federal Aid	1,200,438	1,200,438	649,009	(551,429)
Total Revenues	**1,624,236**	**1,624,236**	**1,358,743**	**(265,493)**
EXPENDITURES:				
Instruction	975,727	975,727	768,524	(207,203)
Support Services	879,953	879,953	498,301	(381,652)
Enterprise and Community Services	390,000	390,000	314,765	(75,235)
Facilities Acquisition and Construction	200,000	200,000	-	(200,000)
Debt Service	-	-	100,350	100,350
Total Expenditures	**2,445,680**	**2,445,680**	**1,681,940**	**(763,740)**
Excess (Deficiency) of Revenues Over Expenditures	(821,444)	(821,444)	(323,197)	498,247
OTHER FINANCING SOURCES (USES):				
Interfund Transfers In	304,000	304,000	303,608	(392)
Interfund Transfers Out	(24,000)	(24,000)	(23,608)	392
Total Other Financing Sources (Uses)	280,000	280,000	280,000	-
Net Change in Fund Balance	(541,444)	(541,444)	(43,197)	498,247
Beginning Fund Balance	1,647,124	1,647,124	1,371,765	(275,359)
Ending Fund Balance	**$ 1,105,680**	**$ 1,105,680**	**$ 1,328,568**	**$ 222,888**

GLENDALE SCHOOL DISTRICT #77

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

PERS

Last 10 Fiscal Years*

Fiscal Year Ended June 30,[1]	Measurement Date	(a) Employer's proportion of the net pension liability (asset)	(b) Employer's proportionate share of the net pension liability (asset)	(c) Employer's covered payroll as of Measurement Date	(b/c) Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	June 30, 2022	0.01790048%	$ 2,740,923	$ 1,876,456	146.07%	84.5%
2022	June 30, 2021	0.02085514%	2,495,626	1,561,659	159.81%	87.6%
2021	June 30, 2020	0.02178818%	4,754,930	1,802,196	263.84%	75.8%
2020	June 30, 2019	0.02138554%	3,699,186	1,742,436	212.30%	80.2%
2019	June 30, 2018	0.02106097%	3,190,460	1,680,189	189.89%	82.1%
2018	June 30, 2017	0.02317784%	3,124,382	1,521,810	205.31%	83.1%
2017	June 30, 2016	0.02430314%	3,648,466	1,443,933	252.68%	80.5%
2016	June 30, 2015	0.03175365%	1,823,124	1,423,765	128.05%	91.9%

[1]Measurement date is one year in arrears.

*This schedule is presented to illustrate the requirement to show information for 10 years. However the full 10-year trend will be presented for those years for which information is available

GLENDALE SCHOOL DISTRICT #77

SCHEDULE OF EMPLOYER CONTRIBUTIONS

PERS

Last 10 Fiscal Years*

Year Ended June 30,	(a) Contractually required contribution	(b) Contributions in relation to the contractually required contribution	(a-b) Contribution deficiency (excess)	(c) Employer's covered payroll	(b/c) Contributions as a percent of covered payroll
2023	$ 561,241	$ 561,241	$ -	$ 2,037,746	27.54%
2022	534,211	534,211		1,876,456	28.47%
2021	539,559	539,559	-	1,561,659	34.55%
2020	484,868	484,868	-	1,802,196	26.90%
2019	401,741	401,741	-	1,742,436	23.06%
2018	374,409	374,409	-	1,680,189	22.28%
2017	298,463	298,463	-	1,521,810	19.61%
2016	292,381	292,381	-	1,443,933	20.25%
2015	304,563	304,563	-	1,423,765	21.39%

*This schedule is presented to illustrate the requirement to show information for 10 years. However the full 10-year trend will be presented for those years for which information is available

GLENDALE SCHOOL DISTRICT #77

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY

OPEB RHIA

Last 10 Fiscal Years*

Fiscal Year Ended June 30,[1]	Measurement Date	(a) Employer's proportion of the net pension liability (asset)	(b) Employer's proportionate share of the net pension liability (asset)	(c) Employer's covered payroll as of Measurement Date	(b/c) Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	June 30, 2022	0.01323436%	$ (47,026)	$ 1,876,456	-2.51%	194.6%
2022	June 30, 2021	0.00967450%	(33,222)	1,561,659	-2.13%	183.9%
2021	June 30, 2020	0.02770000%	(56,489)	1,802,196	-3.13%	150.1%
2020	June 30, 2019	0.01588015%	(30,686)	1,742,436	-1.76%	144.4%
2019	June 30, 2018	0.01588073%	(17,727)	1,680,189	-1.06%	124.0%
2018	June 30, 2017	0.01485147%	(6,198)	1,521,810	-0.41%	108.9%

*This schedule is presented to illustrate the requirement to show information for 10 years. However the full 10-year trend will be presented for those years for which information is available

GLENDALE SCHOOL DISTRICT #77

SCHEDULE OF EMPLOYER CONTRIBUTIONS

OPEB RHIA

Last 10 Fiscal Years*

Year Ended June 30,	(a) Contractually required contribution	(b) Contributions in relation to the contractually required contribution	(a-b) Contribution deficiency (excess)	(c) Employer's covered payroll	(b/c) Contributions as a percent of covered payroll
2023	$ 253	$ 253	$ -	$ 2,037,746	0.01%
2022	326	326		1,876,456	0.02%
2021	259	259	-	1,561,659	0.02%
2020	1,980	1,980	-	1,802,196	0.11%
2019	7,871	7,871	-	1,742,436	0.45%
2018	7,690	7,690	-	1,680,189	0.46%
2017	7,468	7,468	-	1,521,810	0.49%

*This schedule is presented to illustrate the requirement to show information for 10 years. However the full 10-year trend will be presented for those years for which information is available

SUPPLEMENTARY INFORMATION

GLENDALE SCHOOL DISTRICT #77

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Debt Service Fund #300

For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Taxes	$ 102,045	$ 102,045	$ 99,513	$ (2,532)
Earnings on Investments	-	-	656	656
Miscellaneous Revenue	7,500	7,500	10,879	3,379
Intermediate Government Aid	-	-	94	94
Federal Aid	-	-	10,450	10,450
Total Revenues	**109,545**	**109,545**	**121,592**	**12,047**
EXPENDITURES:				
Debt Service	152,000	152,000	152,445	445
Total Expenditures	**152,000**	**152,000**	**152,445**	**445**
Excess (Deficiency) of Revenues Over Expenditures	(42,455)	(42,455)	(30,853)	11,602
OTHER FINANCING SOURCES (USES):				
Interfund Transfers In	41,100	41,100	40,000	(1,100)
Total Other Financing Sources (Uses)	41,100	41,100	40,000	(1,100)
Net Change in Fund Balance	(1,355)	(1,355)	9,147	10,502
Beginning Fund Balance	15,500	15,500	119,382	103,882
Ending Fund Balance	**$ 14,145**	**$ 14,145**	**$ 128,529**	**$ 114,384**

GLENDALE SCHOOL DISTRICT #77

Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual
Capital Projects Fund #400
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Earnings on Investments	$ -	$ -	$ 62,153	$ 62,153
State Aid	4,998,810	4,998,810	266,670	(4,732,140)
Total Revenues	**4,998,810**	**4,998,810**	**328,823**	**(4,669,987)**
EXPENDITURES:				
Support Services	6,783,810	6,783,810	636,197	(6,147,613)
Total Expenditures	**6,783,810**	**6,783,810**	**636,197**	**(6,147,613)**
Net Change in Fund Balance	(1,785,000)	(1,785,000)	(307,374)	1,477,626
Beginning Fund Balance - Restated	1,785,000	1,785,000	1,748,358	(36,642)
Ending Fund Balance	**$ -**	**$ -**	**$ 1,440,984**	**$ 1,440,984**

GLENDALE SCHOOL DISTRICT #77

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Gregory Scholarship Fund #700

For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Earnings on Investments	$ 150	$ 150	$ 1,455	$ 1,305
Miscellaneous Revenue	500	500	1,000	500
Total Revenues	**650**	**650**	**2,455**	**1,805**
EXPENDITURES:				
Support Services	3,550	3,550	-	(3,550)
Total Expenditures	**3,550**	**3,550**	**-**	**(3,550)**
Net Change in Fund Balance	(2,900)	(2,900)	2,455	5,355
Beginning Fund Balance	52,900	52,900	53,490	590
Ending Fund Balance	**$ 50,000**	**$ 50,000**	**$ 55,945**	**$ 5,945**

GLENDALE SCHOOL DISTRICT #77

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Unemployment Fund #600

For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Miscellaneous Revenue	$ 20,000	$ 20,000	$ 24,925	$ 4,925
Total Revenues	20,000	20,000	24,925	4,925
EXPENDITURES:				
Support Services	11,500	11,500	100	(11,400)
Total Expenditures	11,500	11,500	100	(11,400)
Net Change in Fund Balance	8,500	8,500	24,825	16,325
Beginning Fund Balance	-	-	13,768	13,768
Ending Fund Balance	**$ 8,500**	**$ 8,500**	**$ 38,593**	**$ 30,093**

OTHER INFORMATION

Additional Supporting Schedules

GLENDALE SCHOOL DISTRICT #77

SCHEDULE OF LONG-TERM DEBT TRANSACTIONS

For the Fiscal Year Ended June 30, 2023

Copier Leases

The District is the lessee under two lease agreements related to copiers. Of these, all are qualified leases under GASB Statement No. 87 with periods covering various ranges and the latest expiring on June 30, 2025. Interest rate is 3%. Annual payments for the current year range from $3,304 to $3,348

Current Year Activity:

	Outstanding Balance July 1, 2022	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2023	Due Within One Year
Principal	$ 13,146	$ -	$ 6,359	$ 6,787	$ 3,484
Interest	-	289	289	-	144
Total	$ 13,146	$ 289	$ 6,648	$ 6,787	$ 3,628

Future Requirements:

	Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
	2024	$ 3,484	$ 144	$ 3,628	2.20%
	2025	3,303	46	3,349	2.20%
Total		$ 6,787	$ 190	$ 6,977	

GLENDALE SCHOOL DISTRICT #77

SCHEDULE OF LONG-TERM DEBT TRANSACTIONS

For the Fiscal Year Ended June 30, 2023

Full Faith and Credit Obligation, Series 2010A Note (QSCB)

On July 1, 2010, the District entered into a Financing Agreement for $540,000 at 5.2043% interest to finance HVAC system upgrades. The District entered into an irrevocable election that the 2010A obligations are treated as Qualified School Construction Bonds (QSCB). The QSCBs are eligible to receive subsidy payments from the United States Treasury. The District plans to apply any subsidy payments received to offset the interest component of the financing, but those subsidy payments are not pledged for this purpose. The agreement contains a provision that in an event of default, the Escrow Agent shall proceed to take whatever action at law or in equity may appear necessary or desirable to enforce the Financing Agreement; however, the payments are not subject to acceleration. Per the agreement, the principal and interest payments of the Bonds are guaranteed by the full faith and credit of the State of Oregon under the provisions of the Oregon School Bond Guaranty Act. Interest is payable semi-annually each December 30 and June 30, commencing June 30, 2013. Final maturity is June 30, 2025 (Balloon Principal Payment).

In addition to the interest payments, the District is to deposit amounts into a principal subaccount of the payment account (Sinking Fund Deposits) every June 1, starting in 2013 and ending in 2025. Interest earnings for the sinking fund are not to exceed 4.3% annually. The sinking fund payment is held at Bank of New York Mellon and is restricted for payments of debt services on the Series 2010A Note. The current value of the sinking fund as of June 30, 2022, is $85,781.

Current Year Activity:

	Outstanding Balance July 1, 2022	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2023	Due Within One Year
Principal	$ 190,000	$ -	$ 38,000	$ 152,000	$ 38,000
Interest	-	10,450	10,450	-	10,450
Total	$ 190,000	$ 10,450	$ 48,450	$ 152,000	$ 48,450

Future Requirements:

	Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
	2024	$ 38,000	$ 10,450	$ 48,450	5.20%
	2025	114,000	10,450	124,450	5.20%
Total		$ 152,000	$ 20,900	$ 172,900	

General Obligation Bonds Series 2020

On August 18, 2020, the District issued Series 2020 General Obligation Bonds, in the amount of $1,880,000 bearing an interest rate of 4.00%. The Bonds were issued to finance capital costs for the District and to pay the costs of issuance of the Bonds. Interest payments began on December 15, 2020, and are required semi-annually thereafter on June 15 and December 15, with the principal payments due June 15 of each year until 2042. The debt service on these bonds is paid by the Debt Service Fund. The Bonds are general obligations of the District. The full faith and credit and taxing powers of the District are pledged to the successive owner of each of the Bonds.

The Bonds were issued at a premium of $371,050.

The Bonds maturing in years 2021 through 2030, inclusive, are not subject to optional redemption prior to maturity. The District reserves the right to redeem all or any portion of the Bonds maturing on June 15, 2036 and June 15, 2042 at the option of the District on June 15, 2030 and on any date thereafter in whole or in part, in any order of maturity with maturities selected by the District, at a price of par, plus accrued interest to the date of redemption.

Current Year Activity:

	Outstanding Balance July 1, 2022	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2023	Due Within One Year
Principal	$ 1,815,000	$ -	$ 35,000	$ 1,780,000	$ 40,000
Interest	-	68,400	68,400	-	67,350
Total	$ 1,815,000	$ 68,400	$ 103,400	$ 1,780,000	$ 107,350

Future Requirements:

	Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
	2024	$ 40,000	$ 67,350	$ 107,350	0.00%
	2025	45,000	66,150	111,150	0.00%
	2026	50,000	64,800	114,800	0.00%
	2027	55,000	63,300	118,300	0.00%
	2028	60,000	61,650	121,650	0.00%
	2029	65,000	59,850	124,850	0.00%
	2030	70,000	57,900	127,900	0.00%
	2031	75,000	55,800	130,800	0.00%
	2032	80,000	52,800	132,800	0.00%
	2033	90,000	49,600	139,600	0.00%
	2034	95,000	46,000	141,000	0.00%
	2035	100,000	42,200	142,200	0.00%
	2036	110,000	38,200	148,200	0.00%
	2037	120,000	33,800	153,800	0.00%
	2038	125,000	29,000	154,000	0.00%
	2039	135,000	24,000	159,000	0.00%
	2040	145,000	18,600	163,600	0.00%
	2041	155,000	12,800	167,800	0.00%
	2042	165,000	6,600	171,600	0.00%
Total		$ 1,780,000	$ 850,400	$ 2,630,400	

GLENDALE SCHOOL DISTRICT #77

Oregon Department of Education Form 581-3211-C

For the Fiscal Year Ended June 30, 2023

SUPPLEMENTAL INFORMATION 2022-2023

Part A is needed for computing Oregon's full allocation for ESEA, Title 1 & other Federal Funds for Education

B. Energy Bills for Heating - All Funds:

Please enter your expenditures for electricity & heating fuel, and water & sewage for these Functions & Objects.

	Objects 325 & 326 & *327
Function 2540	$ 158,798
Function 2550	$ 17,329

C. 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	Extra-curricular Activities	4150	Construction
1140	Pre-Kindergarten	2550	Pupil Transportation
1300	Continuing Education	3100	Food Service
1400	Summer School	3300	Community Services

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

GLENDALE SCHOOL DISTRICT #77

Audit Revenue Summary - All Funds

For the Fiscal Year Ended June 30, 2023

Revenue from Local Sources		Fund 100	Fund 200	Fund 300	Fund 400
1110	Ad Valorem Taxes Levied by District	$ 1,112,893	$ -	$ 99,513	$ -
1500	Earnings on Investments	55,233	25,601	656	62,153
1600	Food Service	-	1,321	-	-
1700	Extracurricular Activities	5,527	48,618	-	-
1920	Contributions and Donations From Private Sources	2,400	10,632	-	-
1990	Miscellaneous	38,248	6,110	10,879	-
	Total Revenue from Local Sources	$ 1,214,301	$ 92,281	$ 111,049	$ 62,153

Revenue from Intermediate Sources		Fund 100	Fund 200	Fund 300	Fund 400
2101	County School Funds	$ 5,259	$ -	$ -	$ -
2102	General ESD Revenue	38,050	-	-	-
2199	Other Intermediate Sources	1,026	-	94	-
	Total Revenue from Intermediate Sources	$ 44,334	$ -	$ 94	$ -

Revenue from State Sources		Fund 100	Fund 200	Fund 300	Fund 400
3101	State School Fund - General Support	$ 2,791,452	$ -	$ -	$ -
3102	State School Fund - School Lunch Match	-	1,308	-	-
3103	Common School Fund	33,905	-	-	-
3104	State Managed County Timber	75,720	-	-	-
3199	Other Unrestricted Grtants-In-Aid	-	1,979	-	-
3222	State School Fund (SSF) Transportation Equipment	-	37,102	-	-
3299	Other Restricted Grants-In-Aid	2,112	577,064	-	266,670
	Total Revenue from State Sources	$ 2,903,189	$ 617,452	$ -	$ 266,670

Revenue from Federal Sources		Fund 100	Fund 200	Fund 300	Fund 400
4300	Restricted Revenue From the Federal Government	$ -	$ 15,266	$ -	$ -
4500	Restricted Revenue From the Federal Government Through the State	$ -	$ 616,479	$ -	$ -
4801	Federal Forest Fees	29,667	-	-	-
4900	Revenue for/on Behalf of the District	-	17,264	10,450	-
	Total Revenue from Federal Sources	$ 29,667	$ 649,009	$ 10,450	$ -

Revenue from Other Sources		Fund 100	Fund 200	Fund 300	Fund 400
5200	Interfund Transfers	$ -	$ 303,608	$ 40,000	$ -
5300	Sale of or Compensation for Loss of Fixed Assets	384	-	-	-
5400	Resources - Beginning Fund Balance	2,130,177	1,371,765	119,382	1,748,358
	Total Revenue from Other Sources	$ 2,130,561	$ 1,675,372	$ 159,382	$ 1,748,358
	Grand Total	**$ 6,322,052**	**$ 3,034,115**	**$ 280,975**	**$ 2,077,180**

GLENDALE SCHOOL DISTRICT #77

Audit Expenditure Summary-General Fund #100

For the Fiscal Year Ended June 30, 2023

FUND: General Fund #100

Instruction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 600	Object 700
1111	Elementary, K-5 or K-6	$ 800,426	$ 498,652	$ 254,486	$ 22,695	$ 24,593	$ -	$ -
1121	Middle/Junior High Programs	176,782	90,143	74,387	7,028	5,223	-	-
1122	Middle/Junior High School Extracurricular	16,901	11,323	1,691	1,047	1,861	979	-
1131	High School Programs	493,609	258,610	188,094	15,387	30,318	1,200	-
1132	High School Extracurricular	127,418	59,904	13,213	25,349	20,205	8,748	-
1250	Less Restrictive Programs for Students with Disabilities	343,143	163,643	104,767	74,274	459	-	-
1280	Alternative Education	35,671	16,594	19,077	-	-	-	-
	Total Instruction Expenditures	$ 1,993,950	$ 1,098,869	$ 655,715	$ 145,781	$ 82,660	$ 10,926	$ -

Support Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 600	Object 700
2130	Health Services	$ 37,065	$ -	$ -	$ 34,802	$ 2,263	$ -	$ -
2140	Psychological Services	26,226	-	-	26,226	-	-	-
2190	Service Direction, Student Support Services	23,400	-	-	23,400	-	-	-
2220	Educational Media Services	4,038	-	-	-	4,038	-	-
2230	Assessment & Testing	8,500	-	-	8,500	-	-	-
2240	Instructional Staff Development	8,793	-	-	6,641	2,153	-	-
2310	Board of Education Services	62,165	-	-	57,574	1,242	3,349	-
2320	Executive Administration Services	370,690	209,120	148,932	6,690	4,359	1,590	-
2410	Office of the Principal Services	286,836	160,831	113,889	1,546	8,570	2,000	-
2520	Fiscal Services	60,037	-	-	57,000	-	3,037	-
2540	Operation and Maintenance of Plant Services	789,612	271,043	170,765	201,823	75,192	70,789	-
2550	Student Transportation Services	355,472	151,885	104,946	43,221	36,586	18,835	-
2570	Internal Services	3,304	-	-	3,304	-	-	-
2640	Staff Services	24,090	-	-	24,090	-	-	-
2660	Technology Services	198,402	46,325	27,107	91,996	32,900	75	-
	Total Support Services Expenditures	$ 2,258,632	$ 839,204	$ 565,639	$ 586,813	$ 167,302	$ 99,674	$ -

Other Uses Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 600	Object 700
5200	Transfers of Funds	$ 320,000	$ -	$ -	$ -	$ -	$ -	$ 320,000
	Total Other Uses Expenditures	$ 320,000	$ -	$ -	$ -	$ -	$ -	$ 320,000
	Grand Total	**$ 4,572,582**	**$ 1,938,073**	**$ 1,221,354**	**$ 732,594**	**$ 249,962**	**$ 110,600**	**$ 320,000**

GLENDALE SCHOOL DISTRICT #77

Audit Expenditure Summary-Special Revenue Fund #200

For the Fiscal Year Ended June 30, 2023

FUND: Special Revenue Fund #200

Instruction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111	Elementary, K-5 or K-6	$ 89,004	$ 35,287	$ 12,877	$ -	$ 40,840	$ -	$ -	$ -
1121	Middle/Junior High Programs	37,539	2,000	774	-	34,765	-	-	-
1122	Middle/Junior High School Extracurricular	5,627	-	-	-	5,627	-	-	-
1131	High School Programs	249,506	93,321	46,457	3,536	106,193	-	-	-
1132	High School Extracurricular	27,747	-	-	545	27,202	-	-	-
1140	Pre-Kindergarten Programs	56,954	35,161	21,793	-	-	-	-	-
1250	Less Restrictive Programs for Students with Disabilities	55,776	24,724	27,462	-	3,591	-	-	-
1272	Title I	200,110	108,905	91,205	-	-	-	-	-
1280	Alternative Education	14,634	400	154	-	14,080	-	-	-
1400	Summer School Programs	31,625	20,884	7,511	-	3,230	-	-	-
	Total Instruction Expenditures	$ 768,524	$ 320,683	$ 208,233	$ 4,081	$ 235,527	$ -	$ -	$ -

Support Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110	Attendance and Social Work Services	$ 51,105	$ 36,690	$ 10,295	$ -	$ 4,120	$ -	$ -	$ -
2120	Guidance Services	125,961	69,937	43,102	12,000	922	-	-	-
2130	Health Services	178	-	-	-	178	-	-	-
2210	Improvement of Instruction Services	77,406	54,092	23,314	-	-	-	-	-
2220	Educational Media Services	2,760	370	155	-	2,235	-	-	-
2240	Instructional Staff Development	1,173	-	-	-	1,173	-	-	-
2320	Executive Administration Services	555	400	155	-	-	-	-	-
2410	Office of the Principal Services	990	800	190	-	-	-	-	-
2520	Fiscal Services	5,445	-	-	5,445	-	-	-	-
2540	Operation and Maintenance of Plant Services	115,846	5,794	1,378	36,231	11,209	61,234	-	-
2550	Student Transportation Services	75,497	4,057	1,630	-	-	69,809	-	-
2660	Technology Services	41,385	400	155	14,503	26,327	-	-	-
	Total Support Services Expenditures	$ 498,301	$ 172,539	$ 80,375	$ 68,179	$ 46,165	$ 131,044	$ -	$ -

Enterprise and Community Services		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100	Food Services	$ 304,242	$ 102,564	$ 71,441	$ 16,577	$ 107,277	$ 5,747	$ 636	-
3300	Community Services	10,523	-	-	-	10,523	-	-	-
	Total Enterprise and Community Services Expenditures	$ 314,765	$ 102,564	$ 71,441	$ 16,577	$ 117,800	$ 5,747	$ 636	$ -

Other Uses Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100	Debt Service	$ 100,350	$ -	$ -	$ -	$ -	$ -	$ 100,350	-
5200	Transfers of Funds	23,608	-	-	-	-	-	-	23,608
	Total Other Uses Expenditures	$ 123,958	$ -	$ -	$ -	$ -	$ -	$ 100,350	$ 23,608
	Grand Total	**$ 1,705,547**	**$ 595,786**	**$ 360,048**	**$ 88,837**	**$ 399,492**	**$ 136,791**	**$ 100,986**	**$ 23,608**

GLENDALE SCHOOL DISTRICT #77

Audit Expenditure Summary-Debt Service Fund #300

For the Fiscal Year Ended June 30, 2023

FUND: Debt Service Fund #300

Other Uses Expenditures	**Totals**	**Object 600**
5100 Debt Service	$ 152,445	$ 152,445
Total Other Uses Expenditures	$ 152,445	$ 152,445
Grand Total	**$ 152,445**	**$ 152,445**

GLENDALE SCHOOL DISTRICT #77

Audit Expenditure Summary-Capital Projects Fund #400

For the Fiscal Year Ended June 30, 2023

FUND: Capital Projects Fund #400

		Totals	Object 300	Object 500
Support Services Expenditures				
2520	Fiscal Services	$ 3,543	$ 3,543	$ -
2540	Operation and Maintenance of Plant Services	632,654	40,469	592,185
	Total Support Services Expenditures	$ 636,197	$ 44,012	$ 592,185
Grand Total		**$ 636,197**	**$ 44,012**	**$ 592,185**

GLENDALE SCHOOL DISTRICT #77

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED June 30, 2023

	Assistance Listing (AL) #									
Federal Grantor/Pass Through Grantor/ Program Title	*Federal Awarding Agency Prefix*	*AL Three-Digit Extension*	*Grant Fund*	*Federal Assistance Listing Number*	*Grant Period*	*Original Program or Grant Amount*	*(Recivable)/ Deferred Revenue June 30, 2022*	*Cash Received*	*Expenditures*	*(Recivable)/ Deferred Revenue June 30, 2023*
U.S. DEPARTMENT OF EDUCATION										
Passed Through Oregon Department of Education:										
Title IA - Grants to Local Education Agencies	84	010	Fund #201.911	84.010	2021-22	$ 121,514	$ (3,158)	$ 4,851	$ 1,693	$ -
Title IA - Grants to Local Educational Agencies	84	010	Fund #201.911	84.010	2022-23	155,325	-	28,965	92,857	(63,893)
ESSA Partnerships 21-22	84	010	Fund #201.919	84.010	2021-22	97,438	-	7,887	76,658	(68,772)
ESSA Partnerships 20-21	84	010	Fund #201.919	84.010	2020-22	82,500	(6,516)	89,016	82,500	(0)
Total Title I Grants to Local Education Agencies						456,777	(9,674)	130,718	253,708	(132,664)
Title IIA - Teacher Quality	84	367	Fund #201.912	84.367	2021-22	-	-	3,163	3,163	-
Title IIA - Teacher Quality	84	367	Fund #201.912	84.367	2022-23			-	-	-
Title IIA - Teacher Quality	84	367	Fund #201.912	84.367	2022-23	24,201		4,611	21,902	(17,291)
Total Title IIA - Teacher Quality						24,201	-	7,774	25,065	(17,291)
Title IV-A Student Support and Academic Enrichment	84	424	Fund #201.900	84.424	2022-23			-	-	-
Title IV-A Student Support and Academic Enrichment	84	424	Fund #201.900	84.424	2022-23	10,763	-	4,317	10,763	(6,446)
Total Title IV -Student Support and Academic Enrichment						10,763	-	4,317	10,763	(6,446)
IDEA Part B, Sec 611 - 2021-22 ARP	84	027	Fund #201.913	84.027	2021-22	13,994		12,943	12,943	-
IDEA Part B, Sec 611 - 2021-22	84	027	Fund #201.913	84.027	2022-23	65,968		3,275	3,275	-
IDEA Part B, Sec 611 - 2022-23	84	027	Fund #201.913	84.027	2022-23	70,897		-	30,546	(30,546)
IDEA Part B, Sec 611 - 2022-23	84	027	Fund #201.913	84.027	2022-23					-
IDEA Equipment and Supplies Grant	84	173	Fund #201.914	84.173	2022-23	4,265		-	3,591	(3,591)
Total Special Education Cluster						155,124	-	16,218	50,354	(34,136)
Education Stablization Fund - School Library Grant	84	425	Fund #201.922	84.425	2023-24	10,000	-	-	2,760	(2,760)
Education Stablization Fund - ESSER II	84	425	Fund #201.922	84.425D	2020-23	390,058	(5,712)	71,319	95,898	(30,292)
Education Stablization Fund - ESSER III	84	425	Fund #201.923	84.425D	2020-24	876,628	(3,139)	8,096	7,819	(2,862)
Total Educational Stabilization Fund						1,276,686	(8,851)	79,414	106,478	(35,914)
Total Passed through Oregon Department of Education						$ 1,923,550	$ (18,525)	$ 238,441	$ 446,367	$ (226,452)
Passed Through U. S. Department of Education Direct										
Rural Education Achievement Program (SRSA)	84	358	Fund #201.916	84.358	2021-22	$ 19,758	$ -	$ 4,809	$ 4,809	$ -
Rural Education Achievement Program (SRSA)	84	358	Fund #201.916	84.358	2021-23	15,918			10,457	(10,457)
Total Passed Through U. S. Department of Education Direct						$ 35,676	$ -	$ 4,809	$ 15,266	$ (10,457)
Total U.S. Department of Education						$ 1,959,227	$ (18,525)	$ 243,250	$ 461,634	$ (236,909)
U.S. DEPARTMENT OF AGRICULTURE										
Passed Through Oregon Department of Education:										
Donated Commodities (Non-Cash Assistance)	10	555	Fund #280	10.555	2022-23	$ 15,856	$ -	$ 15,856	$ 15,856	$ -
Donated Commodities Summer (Non-Cash Assistance)	10	559	Fund #280	10.559	2022-23	1,407	-	1,407	1,407	-
National School Breakfast Program	10	553	Fund #280	10.553	2022-23	45,174	-	45,174	45,174	-
National School Lunch Program	10	555	Fund #280	10.555	2022-23	110,941	(6,155)	110,941	104,786	-
CACFP - Child and Adult Care Food Program	10	558	Fund #280	10.558	2022-23	6,257	-	6,257	6,257	-
CNP SNSLP Supply Chain Assistance	10	555	Fund #280	10.555	2022-23	9,998	-	9,998	9,998	-
CNP Block - Summer Food Program	10	559	Fund #280	10.559	2022-23	4,184	-	4,184	4,184	-
Total Child Nutrition Cluster						193,817	(6,155)	193,818	187,663	-
Total U.S. Department of Agriculture						$ 193,817	$ (6,155)	$ 193,818	$ 187,663	$ -
TOTALS						**$ 2,153,044**	**$ (24,680)**	**$ 437,067**	**$ 649,296**	**$ (236,909)**

This schedule is prepared using the modified accrual basis of accounting.

RECONCILIATION TO REVENUE:	
Cash Receipts per Schedule Above	$ 437,067
Grants Receivable/Deferred Revenue Beginning of Year	(24,680)
Grants Receivable/Deferred Revenue End of Year	236,909
Federal Revenue Recognized per Financial Statements	$ 649,296

REPORT ON LEGAL AND OTHER REGULATORY REQUIREMENTS

GLENDALE SCHOOL DISTRICT No. 77

INDEPENDENT AUDITOR's REPORT
REQUIRED BY OREGON STATE REGULATIONS
As of June 30, 2023

To the Governing Body of the Glendale School District No. 77
Glendale, Oregon

We have audited the basic financial statements of the Glendale School District No. 77 as of and for the year ended June 30, 2023 and have issued our report thereon dated December 27, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance
As part of obtaining reasonable assurance about whether the Glendale School District No. 77'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.**
- **Programs funded from outside sources.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**
- **State school fund factors and calculation.**

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

OAR 162-10-0230 Internal Control
In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

This report is intended solely for the information and use of the Board of Directors and management of Glendale School District No. 77 and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

Steve Tuchscherer, CPA
Umpqua Valley Financial
Roseburg, Oregon
December 27, 2023