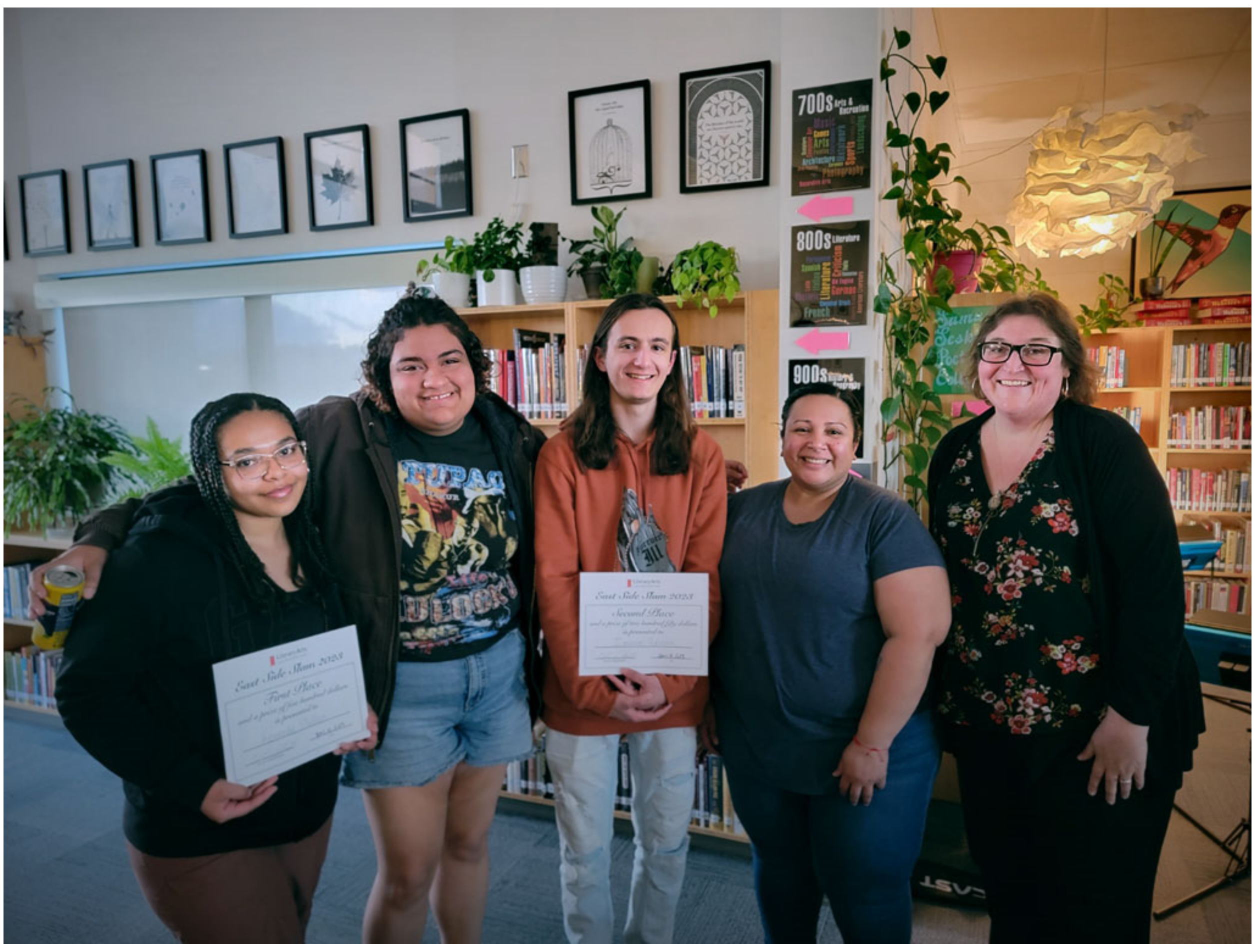
MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3

MULTNOMAH COUNTY, OREGON

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2023



MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2023

ADMINISTRATION

Michael Lopes-Serrao, Superintendent
Sharie Lewis, CPA, Director of Business Services and Operations

10636 N.E. Prescott Street

Portland, Oregon 97220-2699

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

T A B L E O F C O N T E N T S

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MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

T A B L E O F C O N T E N T S (CONTINUED)

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Pauly, Rogers, and Co., P.C.
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(503) 620-2632 (503) 684-7523 FAX
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November 20, 2023

To the Board of Directors
Multnomah County School District No. 3
Multnomah County, Oregon

INDEPENDENT AUDITORS' REPORT

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Multnomah County School District No. 3 as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Multnomah County School District No. 3 as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Multnomah County School District No. 3 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

The District adopted new accounting guidance, *GASB Statement No. 96 – Subscription-based Information Technology Arrangements* during the fiscal year under audit. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Multnomah County School District No. 3's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Multnomah County School District No. 3's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Multnomah County School District No. 3's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2023 on our consideration of the internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated November 20, 2023 on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

Tara M Kamp, CPA

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

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
(PARKROSE SCHOOL DISTRICT NO. 3)

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023

As management of Multnomah County School District No. 3 (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2023.

FINANCIAL HIGHLIGHTS

- In the government-wide statements, the assets and deferred outflows of the District exceeded its liabilities and deferred inflows at June 30, 2023 by $8,476,015. Of this amount, $36,558,131 represents the District's Net Investment in Capital Assets. The District has $3,201,702 of net position restricted and expendable for debt service, food service, private grants and capital and OPEB RHIA Asset. The District’s unassigned net position is ($31,283,818).
- The District's governmental funds report combined ending fund balance of $10,997,125, this is an increase of $2,193,187 or 24.9% in comparison with the prior year. Of this total, $4,847,477 or 44.1% is committed for future payments for services, $2,991,524 or 27.2% restricted by board resolutions for various purposes, $304,441 or 2.8% is non-spendable consisting of the District’s prepaid expenses, and $2,853,683 or 25.9% is unassigned and available to spend at the discretion of the board of directors.
- The District's capital assets decreased by $(1,249,047) or (1.5) % during 2022-23. The reason for the decrease is increase in accumulated depreciation $2,717,307 and sum of addition and deletion of assets of $1,468,260.
- The District's long-term debt decreased by $(1,925,953) or (2.1)7% during 2022-23. The reason for the decrease is principal payments..
- The District implemented GASB-96 – Subscription Based Information Technology Arrangements (SBITA’s). For details, refer to footnotes 8 & 10.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements: The district’s government-wide financial statements will provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. These statements include:

> The Statement of Net Position. The statement of net position presents information on all of the assets and liabilities of the District at year-end. Net position is what remains after the liabilities have been paid or otherwise satisfied. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.
>
> The Statement of Activities. The statement of activities presents information showing how the net position of the District changed over the year by tracking revenues, expenses and other transactions that increase or reduce net position.

Changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal period (e.g., uncollected taxes and earned but unused vacation leave).

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

Governmental Activities. Most of the basic functions the District presents are here, such as regular and special education, child nutrition services, transportation, administration, and facilities acquisition and construction. The District's finances most of their activities through property taxes, Oregon's State School Fund, proceeds from the sale of long-term general obligation bonds and other intergovernmental revenues.

The government-wide financial statements are on pages 5-6 of this report.

Fund Financial Statements: The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. A fund is a grouping of related accounts that the District uses to maintain control over resources that are segregated for specific activities or objectives. The Multnomah County School District No. 3, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

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

The District maintains twenty-one individual governmental funds, four of which are reported as major funds. Information is presented separately in the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Thompson Fund, Federal Grants Fund, and Debt Service Fund.

The basic governmental fund financial statements are on pages 7-10 of this report.

Notes to the Basic Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements are on pages 11 - 52 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS OF NET POSITION

GOVERNMENT-WIDE FINANCIAL ANALYSIS
Condensed Statement of Net Position

	2022-23	% Total	2021-22	% Total	Change	% of Change
Assets						
Current or other assets	$ 17,501,452	17.6%	$ 16,444,332	16.5%	$ 1,057,120	6.4%
Capital assets, net	81,896,194	82.4%	83,145,241	83.5%	(1,249,047)	-1.5%
Total Assets	**99,397,646**	**100.0%**	**99,589,573**	**100.0%**	**(191,927)**	**-0.2%**
Deferred Outflows of Resources						
Pension Related Deferral	31,918,404	99.1%	45,834,865	99.1%	(13,916,461)	-30.4%
Deferred Early Retirement Liability	61,704	0.2%	68,503	0.1%	(6,799)	-9.9%
Deferred OPEB RHIA Asset	110,412	0.3%	201,754	0.4%	(91,342)	-45.3%
Deferred OPEB Health Benefit Liability	103,427	0.3%	129,284	0.3%	(25,857)	-20.0%
Total Deferred Outflows of Resources	**32,193,947**	**100.0%**	**46,234,406**	**100.0%**	**(14,040,459)**	**-30.4%**
Liabilities						
Long-term liabilities outstanding	100,486,326	97.1%	109,184,308	96.7%	(8,697,982)	-8.0%
Other liabilities	2,974,311	2.9%	3,694,405	3.3%	(720,094)	-19.5%
Total Liabilities	**103,460,637**	**100.0%**	**112,878,713**	**100.0%**	**(9,418,076)**	**-8.3%**
Net Deferred Pension Liability	15,882,265	80.8%	18,884,863	82.4%	(3,002,598)	-15.9%
Deferred Early Retirement Liability	267,990	1.4%	108,395	0.5%	159,595	147.2%
Deferred OPEB RHIA Asset	51,315	0.3%	172,815	0.8%	(121,500)	-70.3%
Deferred OPEB Health Benefit Liability	826,604	4.2%	674,444	2.9%	152,160	22.6%
Deferred Leased Asset	2,626,767	13.4%	3,064,561	0.0%	(437,794)	13.5%
Deferred Inflows of Resources	**19,654,941**	**100%**	**22,905,078**	**100%**	**(3,250,137)**	**-14.2%**
Net Position						
Net investment in capital assets	36,558,131	431.3%	37,179,330	370.3%	(621,199)	-1.7%
Restricted						
Debt Service	1,678,045	19.8%	490,322	4.9%	1,187,723	242.2%
Food Service	222,491	2.6%	280,622	2.8%	(58,131)	-20.7%
Capital	925,760	10.9%	749,004	7.5%	176,756	23.6%
OPEB RHIA Asset	375,406	4.4%	-	0.0%	375,406	100.0%
Total Restricted	3,201,702	37.8%	1,519,948	15.1%	1,681,754	110.6%
Unrestricted	(31,283,818)	-369.1%	(28,659,090)	-285.4%	(2,624,728)	9.2%
Total Net Position	**$ 8,476,015**	**100.0%**	**$ 10,040,188**	**100.0%**	**$ (1,564,173)**	**-15.6%**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by $8,476,015 at June 30, 2023, a 15.6% or $1,564,173 decrease from prior year. Some of the factors that affected the decrease in net position are:

1) The Deferred Outflows of Resources decreased by $(14,040,459) or (30.4) % and the Deferred Inflows of Resources decreased by $(3,250,137) or (14.2) %. Both of these changes are associated with PERS return on investments.

2) Total liabilities decreased by $(9,418,076) or (8.3) % which is due to various items such as the decrease in debt $(1,925,953) due to principal payment, decrease in OPEB Health Benefit liability $(162,954), decrease in Net Pension liability of $(6,482,425) and decrease of Early Retirement liability of $(126,650) for total long-term liabilities decrease of $(8,697,982) or (8.0) %. The other player in the total liabilities decrease is the decrease in accounts payable, accrued salary & benefits, bond interest payable of $(754,324) and increase in deferred revenue and accrued vacation payable of $34,230.

3) Total current and other assets increased by $1,057,120 or 6.4%. The largest portion of this change was the $2,774,870 increase in cash and investments. The remaining change of $(1,717,750) are associated with receivables for grants and property taxes, interest, prepaid expenses and OPEB RHIA.

4) Capital Assets reduced by $(1,249,047) or (1.5) % due to depreciation and new assets.

Capital assets, which consist of the District's land, construction in progress, buildings, building improvements, vehicles, equipment and lease equipment - intangible, represent about 82.4% or $81,896,194 of total assets. The remaining assets of $17,501,452 or 17.6% consist mainly of investments, cash, prepaid expenses, grants receivable, property taxes receivable, leases, subscription based information technology arrangements and interest.

The District's largest liability comes from the repayment of general obligation bonds, net pension liability, deferred early retirement liability, and deferred OPEB pension liability, which currently makes up 99.1% or $100,486,326 of liabilities. Current liabilities, representing about 2.9% or $2,974,311 of the District's total liabilities, consist of payables on accounts, salaries, and benefits, current interest of bonds and deferred revenue.

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

Governmental Activities: A comparative analysis from the previous year's activity is below. During the current fiscal year, the District's net position decreased by $(1,564,173) or (15.6) %. The revenues and expenses shown below explain changes in net position for the fiscal year 2022-23.

Revenues: Since the District's, mission is to provide a free and appropriate public education for K-12 students within its boundaries, the District may not charge for its core services. As expected, therefore, general revenues provide 75.4% or $41,267,211 of the funding required for governmental programs. Property taxes and State and Common School Fund combined account for 94.7% of general fund revenues and 72.7% of total revenues.

Program revenue consists of operating grants and contributions and charges for services and they account for 24.6% or $13,437,298 of total revenues. Included in this category are federal grants of $6,275,392 or 46.7% that includes Child Nutrition, Title IA, Special Education (IDEA) and ESSER that represent 94.1% or $5,904,522 of the federal grants. For more details on what type of federal funds the district receives please go to pages 88-89. The remaining program revenue consists of $7,161,906 or 53.3% that are state & local grants and charges for services tied to services that District provides and fees that assessed.

PROGRAM REVENUE		
Federal Grants		
Title IA / ESSA	$ 927,981.00	6.9%
IDEA	678,009	5.0%
ESSER	2,897,359	21.6%
Nutrition	1,401,173	10.4%
	5,904,522	43.9%
Other Federal Grants	370,870	2.8%
TOTAL Federal Grants	**6,275,392**	**46.7%**
State Grants		
Student Investment (SIA)	2,459,869	18.3%
HS Success / M-98	848,918	6.3%
PreK & other state grants	1,661,146	12.4%
Food Service	289,007	2.2%
TOTAL State Grants	**5,258,940**	**39.1%**
Other Local Grants & Charge for Services	**1,902,966**	**14.2%**
TOTAL PROGRAM REVENUES	**$ 13,437,298**	**100.0%**

Expenses: Expenses related to governmental activities are in five broad functional categories. Costs of direct classroom instruction activities account for approximately 55.2% of the total expenses of $56,268,682. In addition, approximately half of the costs in supporting services relate to students, instructional staff and school administration.

GOVERNMENT-WIDE FINANCIAL ANALYSIS – STATEMENT OF ACTIVITIES:

GOVERNMENT-WIDE FINANCIAL ANALYSIS
Condensed Statement of Activities

	2022-23	% Total	2021-22	% Total	Change	% of Change
Revenues						
Program Revenues						
Charges for services	$ 1,186,744	2.2%	$ 1,028,700	2.0%	$ 158,044	15.4%
Operating grants & contributions	12,250,554	22.4%	11,502,542	22.4%	748,012	6.5%
Total Program Revenues	13,437,298	24.6%	12,531,242	24.4%	906,056	7.2%
General Revenues						
Property & other taxes	24,667,774	45.1%	24,273,218	47.2%	394,556	1.6%
State School Fund	14,006,971	25.6%	11,481,655	22.3%	2,525,316	22.0%
Common School Fund	391,863	0.7%	352,308	0.7%	39,555	11.2%
Unrestricted Other Sources	1,666,429	3.0%	2,595,858	5.1%	(929,429)	-35.8%
Investment earnings	440,024	0.8%	61,615	0.1%	378,409	614.2%
Other	94,150	0.2%	96,090	0.2%	(1,940)	-2.0%
Total General Revenues	41,267,211	75.4%	38,860,744	75.6%	2,406,467	6.2%
Total Revenues	**54,704,509**	**100.0%**	**51,391,986**	**100.0%**	**3,312,523**	**6.4%**
Expenses						
Instruction	31,046,593	55.2%	28,819,085	57.5%	2,227,508	7.7%
Support services	19,701,722	35.0%	16,994,286	33.9%	2,707,436	15.9%
Enterprise & community services	2,165,583	3.8%	1,742,532	3.5%	423,051	24.3%
Interest & fees on long-term debt	3,354,784	6.0%	2,577,529	5.1%	777,255	30.2%
Total Expenses	**56,268,682**	**100.0%**	**50,133,432**	**100.0%**	**6,135,250**	**12.2%**
Change in Net Position	(1,564,173)	-18.5%	1,258,554	12.5%	(2,822,727)	-224.3%
Beginning Net Position	10,040,188	118.5%	8,860,444	88.2%	1,179,744	13.3%
Prior Period Adjustment	-	0.0%	(78,810)	-0.8%	78,810	-100.0%
Net position - end of year	**$ 8,476,015**	**100.0%**	**$ 10,040,188**	**100.7%**	**$ (1,564,173)**	**-15.6%**

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

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

At June 30, 2023, the District's governmental funds reported combined ending fund balances of $10,997,125, an increase of $2,193,187 or 24.9% in comparison with the prior year. About $2,853,683 or, 25.9% of the ending fund balance constitutes unassigned ending fund balance, which is available for spending at the direction of management. Additionally, $2,991,524 or 27.7% constitutes restricted balances associated with debt service, food service, state & private grants, and capital obligations. Approximately $304,441 or 2.8% constitutes non-spendable fund balance, which represents the District's prepaid assets. Then the remaining portion of the ending fund balance $4,847,477 or 44.1% constitutes committed funds, which means the District has designated these funds for specific obligations such as PERS stabilization, textbook adoptions and retirement stipends.

General Fund: The General Fund is the chief operating fund of the District. As of June 30, 2023, ending fund balance was $3,443,315, increased of $451,577 or 15.1% from prior year. This increase is associated with various items: increase in property taxes, state school fund and other revenue source of $991,161 or 1.9 %, increase in instruction & support expenses that consist mostly of salary and benefits by $245,166 or .5%, decrease in transfers out of $70,000 and increase of $1,560 is related to sale of assets.

As a measure of the fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. The current fund balance of $3,443,315 or 10.4% of total General Fund's expenditures compared to 9.1% in the prior year. However, keep in mind $385,192 or 18.3% are associated with the fund balances for the PERS Stabilization Fund and Textbook Fund which are designated as committed and are included due to GASB-54 guidelines.

Debt Service Fund: The Debt Service Fund has a total fund balance of $1,608,084 all of which is reserved for the payment of debt service. The increase in fund balance during the current year was $1,185,753 or 280.8%. This increase is due to the district's requirement to establish a sinking fund balance in order to pay the one-time lump sum payment of $15 million for the 2011B QZAB in 2028.

Thompson Special Fund: The Thompson Special Fund has a total fund balance of $3,077,782. The increase of $418,940 or 15.8% is the result of the increase in expenses of $250,068 or 41.5%. The District also increased revenue associated with rental units and community center by $166,215 or 15%. Total revenue for the year $1,271,296 while the expenses were $852,356.

Federal Grants Fund: The Federal Grants Fund total revenue for this fund is $4,867,978 which is an decrease of $(203,475) or (4.0) % over 2021-22 revenues.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund final budget was $35,432,525 for the fiscal year ended June 30, 2023. The Board of Directors made one appropriation change during the year for net decrease of $(1,109,784) or (3.0) %. The amendment in April 24, 2023 decreased the adopted budget by $(1,109,784). The changes within the appropriation include a decrease of $(1,109,784) in beginning fund balance, decrease in instruction of $749,567), decrease in support $(217,440) and decrease in transfers of $(142,857).

Parkrose is not alone, all school districts throughout the State will continue to struggle for adequate funding and ability to provide sufficient programs as long as the State implements programs and legislation changes without sufficient funding to implement.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: The District's investment in capital assets includes land, buildings and improvements, vehicles and equipment, and construction in progress. As of June 30, 2023, the District had invested $81,896,194 in capital assets, net of depreciation.

During the year, the District's investment in capital assets decreased by $(1,249,047) or 2(1.5) % (including depreciation). The major capital asset events for the year consisted of building improvements at various schools such as roof repairs and HVAC improvements along with adding the new requirement of GASB 96 – Subscription Based Information Technology Arrangements.

Additional information of the District's capital assets is on note seven on pages 22-23 of this report.

FINANCIAL ANALYSIS Capital Assets 6/30/23							
	2021-22	Additions	Delection	2022-23		change	% change
Land	$ 5,880,941	-	-	5,880,941	$	-	0.0%
Construction in progress	707,168	-	(707,168)	-		(707,168)	-100.0%
Capital Assets not being Depreciated	**6,588,109**	**-**	**(707,168)**	**5,880,941**		**(707,168)**	**-12.0%**
Buildings and site improvements	111,185,430	1,293,515	-	112,478,945		1,293,515	1.2%
Vehicles and equipment	4,137,716	20,983	-	4,158,699		20,983	0.5%
Leases Equipment - Intangible	76,315	-	-	76,315		-	100.0%
Subscription Assets - Intangible	-	860,930	-	860,930		860,930	100.0%
Total Assets being Depreciated	115,399,461	2,175,428	-	117,574,889		2,175,428	1.9%
Buildings and site improvements	(36,544,700)	(2,318,334)	-	(38,863,034)		(2,318,334)	6.3%
Vehicles and equipment	(2,268,441)	(237,359)	-	(2,505,800)		(237,359)	10.5%
Leases Equipment - Intangible Amortization	(29,188)	(29,188)	-	(58,376)		(29,188)	100.0%
Subscription Assets - Intangible Amortization	-	(132,426)	-	(132,426)		(132,426)	100.0%
Accumulated depreciation	(38,842,329)	(2,717,307)	-	(41,559,636)		501,648	-1.3%
Total Capital Assets being Depreciated, Net	**76,557,132**	**(541,879)**	**-**	**76,015,253**		**(541,879)**	**-0.7%**
Capital assets, net of depreciation	**$ 83,145,241**	**(541,879)**	**(707,168)**	**81,896,194**	**$**	**(1,249,047)**	**-1.5%**

Long-term Debt: At the end of the current fiscal year, the District had total long-term debt outstanding of $89,363,872 consisting of general obligation debt net of unamortized premium/discount, two Qualified Zone Academy Bonds (QZAB's), GASB-87 Leases and GASB-96 Subscription Based Information Technology Arrangements.

During the current fiscal year, the District's total debt decreased by $(1,925,953) or (2.1) % which is the result of principal payments.

GOVERNMENT-WIDE FINANCIAL ANALYSIS Outstanding Debt 6/30/2023						
	2021-22	Increases	Decreases	2022-23	change	% change
GO Bonds						
2011B	$ 15,000,000	$ -	$ -	$ 15,000,000	$ -	0.0%
2018 PERS	18,335,000	-	(860,000)	17,475,000	(860,000)	-4.7%
2022 PERS	27,156,599	-	(440,562)	26,716,037	(440,562)	100.0%
2019A Refunding Bond	29,445,000	-	(955,000)	28,490,000	(955,000)	-3.2%
QZAB 2015	1,163,076	-	(166,154)	996,922	(166,154)	-14.3%
QZAB 2009	142,858	-	(142,858)	-	(142,858)	-100.0%
Leases - GASB 87	47,292	-	(29,588)	17,704	(29,588)	100.0%
Subscriptions - GASB 96	-	860,930	(192,721)	668,209	668,209	100.0%
Total Long Term Debt	**$ 91,289,825**	**$ 860,930**	**$ (2,786,883)**	**$ 89,363,872**	**$ (1,925,953)**	**-2.1%**

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FINANCIAL ANALYSIS Outstanding Debt 6/30/23						
	Original Amount	06/30/22 Balance	Additions	Matured and Redeemed	6/30/2023 Balance	Due Within One Year
GO Bonds						
Series 2011B	15,000,000	15,000,000	-	-	15,000,000	-
Series 2019A	35,130,000	29,445,000	-	(955,000)	28,490,000	-
PERS 2018	20,210,000	18,335,000	-	(860,000)	17,475,000	910,000
PERS 2022	27,159,599	27,156,599	-	(440,562)	26,716,037	544,002
Total GO Bond	145,499,599	89,936,599	-	(2,255,562)	87,681,037	1,454,002
Other Debt:						
QZAB 2009	2,000,000	142,858	-	(142,858)	-	-
QZAB 2015	2,160,000	1,163,076	-	(166,154)	996,922	166,154
Leases - GASB 87	76,315	47,292	-	(29,588)	17,704	14,323
Subscriptions - GASB 96	-	-	860,930	(192,721)	668,209	181,909
Total other debt	4,236,315	1,353,226	860,930	(531,321)	1,682,835	362,386
Total long-term debt	**$ 149,735,914**	**$ 91,289,825**	**$ 860,930**	**$ (2,786,883)**	**$ 89,363,872**	**$ 1,816,388**

Moody's Investors Services assigned an underlying rating of A2 to Multnomah County School District 3 (Parkrose), OR's General Obligation Bonds, Series 2011A (Tax-Exempt) and Series 2011B (Qualified Zone Academy Bonds). As part of the advance, debt refunding of the 2011A GO Capital Bond that were issued in December 2018 the district was issued a new bond rating from Moody's of A1. In September 2019, the District refunded their Series 2011A General Obligation Bonds for a net present value savings of $4,702,011.

Additional information on the District's long-term debt can be found in note 10 on page 24-31 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The most significant economic factor for the District is the State of Oregon's State School Fund. For the year ended June 30, 2023, the State School Fund & Common School Fund - General Support provided $14,006,971 or 25.6% and Property Taxes provide $24,600,018 or 45.0% of the District's total resources. Factors for next year's budget will be the estimate of State School Fund based on the March estimate along with property tax projections. Currently the revenue forecasts continue to be flat but appear to be sufficient to support continued stabilization. Funding for schools will always be a topic of discussion at varies state and local levels because Districts all across the state still are not back current service levels that were lost many years prior.

Salaries and benefits costs increased for FY 2022-23 budgets based on existing union agreements for the year. All the respective union employees received a 3% COLA increase. Each union and the administrator's agreement saw a 2% insurance increase. The administrator's contract underwent a salary matrix adjustment for the 2020-23 agreement that ranged from 3% to 10% in 2022-23, there was a 3% COLA adjustments for administrators.

REQUESTS FOR INFORMATION

This financial report is designed to present the user (citizens, taxpayers, investors, and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the District's Director of Business Services and Operations at 10636 NE Prescott Street, Portland, OR 97220.

Michael Lopes-Serrao
Superintendent

Sharie Lewis, CPA, SFO
Director of Business Services and Operations

GOVERNMENT-WIDE FINANCIAL STATEMENTS

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

STATEMENT OF NET POSITION
June 30, 2023

	Governmental Activities
ASSETS	
Cash and Investments	$ 10,939,144
Receivables:	
Accounts and Grants	2,189,237
Property Taxes	682,084
Leases	2,970,044
Interest	41,096
Prepaid Expenses	304,441
OPEB RHIA	375,406
Non-Depreciable Capital Assets	5,880,941
Capital Assets, Net of Depreciation	76,015,253
Total Assets	**99,397,646**
DEFERRED OUTFLOWS OF RESOURCES:	
Pension Related Deferral	31,918,404
Deferred Early Retirement Liability	61,704
Deferred OPEB RHIA Asset	110,412
Deferred OPEB Health Benefit Liability	103,427
Total Deferred Outflows of Resources	**32,193,947**
LIABILITIES:	
Accounts Payable	538,349
Accrued Salaries and Benefits	1,886,190
Bond Interest Payable	33,428
Accrued Vacation Payable	58,865
Deferred Revenue	457,479
Long Term Liabilities:	
Early Retirement Pension Liability	857,448
OPEB Health Benefit Liability	1,743,492
Net Pension Liability	8,521,514
Due Within One Year	1,816,388
Due in More Than One Year	87,547,484
Total Liabilities	**103,460,637**
DEFERRED INFLOWS OF RESOURCES:	
Net Deferred Pension Liability	15,882,265
Deferred Early Retirement Liability	267,990
Deferred OPEB RHIA Asset	51,315
Deferred OPEB Health Benefit Liability	826,604
Deferred Leased Assets	2,626,767
Total Deferred Inflows of Resources	**19,654,941**
NET POSITION:	
Net Investment in Capital Assets	36,558,131
Restricted for:	
Debt Service	1,678,045
Food Service	222,491
Capital	925,760
Restricted for OPEB RHIA Asset	375,406
Unrestricted	(31,283,818)
Total Net Position	**$ 8,476,015**

See accompanying notes to the basic financial statements.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023

Functions/Programs	Expense	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental Activities:				
Instruction	$ 31,046,593	$ 3,928	$ 8,441,045	$ (22,601,620)
Support Services	19,701,722	1,181,562	2,129,413	(16,390,747)
Enterprise and Community Services	2,165,583	1,254	1,680,096	(484,233)
Interest on Long-Term Debt	3,354,784	-	-	(3,354,784)
Total Governmental Activities	**$ 56,268,682**	**$ 1,186,744**	**$ 12,250,554**	**(42,831,384)**
GENERAL REVENUES:				
Property Taxes				24,667,774
Unrestricted Other Sources				1,666,429
State School Fund - General Support				14,006,971
Common School Fund				391,863
Interest				440,024
Other				94,150
Total General Revenues				41,267,211
Change in Net Position				(1,564,173)
Beginning Net Position				**10,040,188**
Ending Net Postion				**$ 8,476,015**

See accompanying notes to the basic financial statements.

FUND FINANCIAL STATEMENTS

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2023

	GENERAL FUND	THOMPSON SPECIAL FUND	FEDERAL GRANTS FUND	DEBT SERVICE FUND	NON-MAJOR FUNDS	TOTAL
ASSETS:						
Cash and Investments	$ 1,043,975	$ 2,754,640	$ 2,098,650	$ 1,580,295	$ 3,461,584	$ 10,939,144
Receivables:						
Taxes	582,703	-	-	99,381	-	682,084
Accounts and Grants	467,026	11,732	860,531	18,878	831,070	2,189,237
Leases	-	2,970,044	-	-	-	2,970,044
Interest	-	41,096	-	-	-	41,096
Prepaid Items	304,441	-	-	-	-	304,441
Due From Other Funds	3,803,351	-	-	-	-	3,803,351
Total Assets	$ 6,201,496	$ 5,777,512	$ 2,959,181	$ 1,698,554	$ 4,292,654	$ 20,929,397
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES:						
Liabilities:						
Accounts Payable	$ 342,325	$ 72,963	$ -	$ -	$ 123,061	$ 538,349
Accrued Salaries and Benefits	1,886,190	-	-	-	-	1,886,190
Deferred Revenue	-	-	-	-	457,479	457,479
Due To Other Funds	-	-	2,959,181	-	844,170	3,803,351
Total Liabilities	2,228,515	72,963	2,959,181	-	1,424,710	6,685,369
Deferred Inflows:						
Unavailable Revenue - Taxes	529,666	-	-	90,470	-	620,136
Unavailable Revenue - Leases		2,626,767	-	-	-	2,626,767
Total Deferred Inflows	529,666	2,626,767	-	90,470	-	3,246,903
Fund Balances:						
Nonspendable	304,441	-	-	-	-	304,441
Restricted for:						
Debt Service	-	-	-	1,608,084	69,961	1,678,045
Food Service	-	-	-	-	222,491	222,491
Capital	-	-	-	-	1,090,988	1,090,988
Committed	285,191	3,077,782	-	-	1,484,504	4,847,477
Unassigned	2,853,683	-	-	-	-	2,853,683
Total Fund Balances	3,443,315	3,077,782	-	1,608,084	2,867,944	10,997,125
Total Liabilities, Deferred Inflows, and Fund Balances	$ 6,201,496	$ 5,777,512	$ 2,959,181	$ 1,698,554	$ 4,292,654	$ 20,929,397

See accompanying notes to the basic financial statements.

MULTNOMAH COUNTY SCHOOL DISTRICT NO.3
MULTNOMAH COUNTY, OREGON

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2023

TOTAL FUND BALANCE-GOVERNMENTAL FUNDS		$	10,997,125
Capital assets are not financial resources and therefore are not reported in the governmental funds.			
Cost	$ 123,455,830		
Accumulated Depreciation	(41,559,636)		
			81,896,194
A portion of the District's property taxes are collected after year-end but are not available soon enough to pay for the current years' operations, and therefore are considered unavailable in the funds.			620,136
The proportionate share of the net pension liability is not reported as a liability in the governmental funds			(8,521,514)
The proportionate share of the OPEB RHIA asset is not reported as an asset in the governmental funds			375,406
Deferred Outflows of Resources - Pension Related Deferral			31,918,404
Deferred Outflows of Resources - Early Retirement			61,704
Deferred Outflows of Resources - OPEB			103,427
Deferred Outflows of Resources - RHIA			110,412
Deferred inflows related to Pension and other obligations are not reported in the governmental funds			
Pension related deferred inflow			(15,882,265)
Early Retirement related deferred inflow			(267,990)
OPEB related deferred inflow			(826,604)
RHIA deferred inflows			(51,315)
Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due.			
Long term Liabilities:			
Accrued Vacation Payable	$ (58,865)		
Bond Interest Payable	(33,428)		
Early Retirement Pension Liability	(857,448)		
OPEB Pension Liability	(1,743,492)		
Long Term Debt	(89,363,872)		
			(92,057,105)
TOTAL NET POSITION		$	8,476,015

See accompanying notes to the basic financial statements.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

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

	GENERAL FUND	THOMPSON SPECIAL FUND	FEDERAL GRANTS FUND	DEBT SERVICE FUND	NON-MAJOR FUNDS	TOTAL
REVENUES:						
Local Sources:						
Property Taxes	$ 21,366,147	$ -	$ -	$ 3,233,871	$ -	$ 24,600,018
Interest	329,054	-	-	95,004	15,966	440,024
Other Local Sources	295,695	1,271,296	-	-	1,051,262	2,618,253
Intermediate Sources	347,139	-	-	-	-	347,139
State Sources	11,088,269	-	-	-	8,569,505	19,657,774
Federal Sources	6,241	-	4,867,978	693,105	1,401,171	6,968,495
Total Revenues	33,432,545	1,271,296	4,867,978	4,021,980	11,037,904	54,631,703
EXPENDITURES:						
Current:						
Instruction	20,187,844	-	2,147,825	-	4,496,914	26,832,583
Support Services	12,857,916	765,765	2,691,201	4,324	1,269,419	17,588,625
Enterprise and Community Services	-	86,591	28,952	-	1,760,328	1,875,871
Facilities Acquisition and Construction	-	-	-	-	4,019	4,019
Capital Outlay	-	-	-	-	-	-
Debt Service:						
Principal	-	-	-	1,264,011	1,300,562	2,564,573
Interest and Other	-	-	-	1,567,892	2,010,003	3,577,895
Total Expenditures	33,045,760	852,356	4,867,978	2,836,227	10,841,245	52,443,566
Excess of Revenues Over (Under) Expenditures	386,785	418,940	-	1,185,753	196,659	2,188,137
Other Financing Sources, (Uses):						
Sale of Capital Assets	5,050	-	-	-	-	5,050
Total Other Financing Sources, -Uses	5,050	-	-	-	-	5,050
Net Change in Fund Balance	391,835	418,940	-	1,185,753	196,659	2,193,187
Beginning Fund Balance	3,051,480	2,658,842	-	422,331	2,671,285	8,803,938
Ending Fund Balance	$ 3,443,315	$ 3,077,782	$ -	$ 1,608,084	$ 2,867,944	$ 10,997,125

See accompanying notes to the basic financial statements.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
For the Year Ended June 30, 2023

TOTAL NET CHANGES IN FUND BALANCES-GOVERNMENTAL FUNDS		**$**	2,193,187
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period:			
Additions to Capital Assets, Net	$ 607,330		
Less Current Year Depreciation	(2,717,307)		
			(2,109,977)
Repayment of bond and other debt principal is an expenditure in the governmental funds but reduces the liability in the Statement of Net Position. Debt principal repaid.			
Debt principal repaid			2,786,883
Lease liability additions			
A portion of the PERS debt issuance was expensed as a result of the difference between the bond issuance and the amount that was deposited to PERS			-
The pension expense represents the change in net pension asset (liability) from year to year due to changes in total pension liability and the fair value of the pension plan net position available to pay pension benefits.			(4,431,438)
In the Statement of Activities interest is accrued on long-term debt, whereas in the governmental funds it is recorded as an expense when due.			801
Property taxes that do not meet the measurable and available criteria are not recognized as revenue in the current year in the governmental funds. In the Statement of Activities property taxes are recognized as revenue.			$67,756
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis of accounting, expenses and liabilities are reported regardless of when financial resources are available. This adjustment combines the net changes in liability balances.			
Accrued Vacation Payable			(1,431)
Early Retirement Pension Liability			(39,744)
OPEB RHIA Asset			(15,147)
OPEB Liability			(15,063)
CHANGE IN NET POSITION		$	(1,564,173)

See accompanying notes to the basic financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

Multnomah County School District No. 3 (the District) is a municipal corporation governed by an elected five member Board of Directors. Administration officials are approved by the Board. The daily functioning is under the supervision of the Superintendent. As required by Generally Accepted Accounting Principles in the United States of America, all activities except fiduciary activities have been included in the government-wide financial statements.

The District qualifies as a primary government since it has a separately elected governing body, is a legally separate entity, and is fiscally independent. There are various governmental agencies and special service districts which provide services within the District's boundaries. However, there is not a financial benefit/burden and the District is not financially accountable for any of these entities, in accordance with GASB Statement #61 and therefore, none of them are considered component units and are not included in these basic financial statements.

Basis of Presentation

The government-wide financial statements, (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities. The effect of interfund activity has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers who purchase or use goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate combining financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Net position comprises the various net earnings from operations, governmental activities, program revenues, and general revenue. Net position is classified in the following three categories.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted – consists of external constraints placed on asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund Financial Statements

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available ("susceptible to accrual"). Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, revenues are considered to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due. Property taxes associated with the current fiscal period, are considered to be susceptible to accrual, if received in cash or by a County collecting such taxes within 60 days after year-end. All other revenue items are recognized in the accounting period when they become both measurable and available.

Below are the following major governmental funds:

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

Thompson Special Fund
This Fund's main source of revenue is rental revenue and community use fees.

Federal Grants Fund
The Fund accounts for the District's federal and state grant revenue.

Debt Service Fund
The Fund accounts for the payment of principal and interest on debt obligation. The principal source of revenue is property taxes and transfers.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Non-Major Funds
These Funds are not considered major due to the volume of their activities. They are for specific educational projects and programs and the sources of revenue are typically grants, contributions, and charges for services.

Cash and Investments

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

Fair Value Inputs and Methodologies and Hierarchy
Fair value per GASB #72 is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based up on the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

Level 1 – unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Fund has the ability to access.
Level 2 – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market–corroborated inputs).

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

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

Property Taxes

Uncollected real and personal property taxes are reflected on the statement of net position and the balance sheet as receivables. Uncollected taxes are deemed by management to be substantially collectible or recoverable through liens; therefore no allowance for uncollectible taxes has been established. All property taxes receivable are due from property owners within the District.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Supplies Inventories

School operating supplies, maintenance supplies, and food and other cafeteria supplies are stated at average invoice cost. Commodities purchased from the United States Department of Agriculture in the Food Service Fund are included in the inventories at USDA wholesale value. The inventory is accounted for based on the consumption method. Under the consumption method, inventory is recorded when purchased and expenditures/expenses are recorded when inventory items are used. Donated commodities consumed during the year are reported as revenues and expenditures. The Food Service Fund reports inventory and a corresponding reserve for inventory in the fund financial statement. The reserve for inventory is reported in addition to the fund's equity on the balance sheet. At June 30, 2023 management reported no material inventories on hand.

Accounts and Other Receivables

Accounts and other receivables are comprised primarily of claims for reimbursement of costs under various federal, state and local grants. All are considered collectible by management, and therefore, there is no allowance for uncollectible accounts.

Lease Receivables

Lease receivables are recognized at the net present value of the leased assets at a borrowing rate either explicitly described in the agreement or implicitly determined by the government, reduced by principal payments received.

Grants

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

Capital Assets

Capital assets are recorded at original cost or estimated original cost. Donated capital assets are recorded at their estimated fair market value on the date donated. Capital assets are defined as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Interest incurred during construction is not capitalized. The cost of routine maintenance and repairs that do not add to the value of the assets or materially extend asset lives are charged to expenditures as incurred and not capitalized. Capital assets are depreciated using the straight-line method over the following useful lives:

Buildings and Improvements	10 to 50 years
Vehicles and Equipment	5 to 30 years

Lease Assets

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subscription Assets

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

Compensated Absences

It is policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since there is no policy to pay any amounts when an employee separates from service. All vacation pay is accrued when incurred in the government-wide financial statements.

Long Term Obligations

In the government-wide financial statements, long-term debt is reported as a liability in the Statement of Net Position. Bond premiums and discounts are amortized over the life of the bonds using the bonds outstanding method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

The District implemented GASB Statement No. 88 for the June 30, 2019 year to further identify types of borrowing obligations along with default rules.

Lease Liabilities

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

Subscription Liabilities

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Retirement Plans

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

Use of Estimates

The preparation of 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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

Fund Balance

In GASB Statement #54 the objective is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund-type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. Under this standard, the fund balance classifications of reserved, designated, and unreserved/undesignated were replaced with five classifications – nonspendable, restricted, committed, assigned, and unassigned.

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net 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. The District's deferred outflows are clearly labeled on the face of the financial statements.

In addition to liabilities, the statement of net 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's deferred inflows are clearly labeled on the face of the financial statements.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

A budget is prepared and legally adopted for all funds on the modified accrual basis of accounting in the main program categories required by the Oregon Local Budget Law. The budgets for all funds are adopted on a basis consistent with generally accepted accounting principles. The budget process begins early in each fiscal year with the establishment of the budget committee. In the fall, public input is invited as the Board decides the budget priorities for the next year. Recommendations are developed through late winter with the budget committee approving the budget in the spring. Public notices of the budget hearing are published generally in the spring with a public hearing being held approximately three weeks later.

The Board may amend the budget prior to adoption; however, budgeted expenditures for each fund may not be increased by more than ten percent. If the District does exceed ten percent then a public notice is necessary again prior to the board adopting the budget. The budget is then adopted, appropriations are made and the tax levy declared no later than June 30th.

Expenditure budgets are appropriated at the following levels for each fund:

LEVEL OF CONTROL

Instruction
Support Services
Enterprise and Community Services
Facilities Acquisition and Construction
Fund Transfers
Debt Service
Contingencies

Expenditures cannot legally exceed the above appropriation levels except in the case of grants which could not be estimated at the time of budget adoption. Appropriations lapse at the fiscal year end. Management may amend line items in the budget without Board approval as long as appropriation levels (the legal level of control) are not changed. Supplemental appropriations may occur if the Board approves them due to a need which was not determined at the time the budget was adopted. At such time the budget appropriation levels need to be increased greater than ten percent, then a public notice of changes is necessary.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budget amounts shown in the budgetary financial statements reflect the original adopted budget and the final amended budget. Amendments to the original budget amounts included supplemental appropriations.

Expenditures of the various funds were within authorized appropriations, except for the Food Service Fund – Enterprise and Community Services in the amount of $50,690.

3. BUDGETARY BASIS OF ACCOUNTING

While the financial position, results of operations, and changes in fund balance/net position is reported on the basis of generally accepted accounting principles in the United States of America (GAAP), the budgetary basis of accounting differs from generally accepted accounting principles. The budgetary statements provided as part of required supplementary information and supplementary information elsewhere in this report are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The primary differences between the budgetary basis and GAAP basis is the classification of capital outlay, which for budgetary purposes is reported within the functional categories at the level of appropriation control, and depreciation expense, which is not reported at the fund level. On a GAAP basis, capital outlay is separately reported after current expenditures. In addition, on the budgetary basis of accounting, inventory is accounted for on the purchases method.

Under this method, inventory is expended as purchased and is not recorded as an asset on the balance sheet. On the GAAP basis fund financial statements, inventory has been recorded on the consumption method.

Also, proceeds of long-term borrowing are recognized as "other financing source" revenue and principal paid is considered an expenditure when paid. OPEB costs are expensed when paid instead of when the liability is incurred.

4. PROPERTY TAX LIMITATION

The voters of the State of Oregon approved ballot measure 5, a constitutional limit on property taxes for schools and nonschool government operations, in November, 1990. School operations include community colleges, local school districts, and education service districts. The limitation provides that property taxes for school operations are limited to $5 for each $1,000 of property market value. This limitation does not apply to taxes levied for principal and interest on general obligation bonded debt. The result of this initiative has been that school districts have become more dependent upon state funding and less dependent upon property tax revenues as their major source of operating revenue. The voters of the State of Oregon passed ballot measure 50 in May, 1997 to further reduce property taxes by replacing the previous constitutional limits on tax bases with a rate and value limit.

Measure 50 reduced the amount of operating property tax revenues available for its 1997-98 fiscal year, and thereafter. This reduction is accomplished by rolling property values back to their 1995-96 values less 10% and limiting future tax value growth of each property to no more than 3% per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the property tax limitations. The measure also sets restrictive voter approval requirements for most tax and many fee increases and new bond issues, and requires the State of Oregon to minimize the impact of the tax cuts to the school districts. The ultimate impact as a result of this measure is not determinable at this time.

5. CASH AND INVESTMENTS

Cash and Investments (recorded at cost) consisted of:

Demand Deposits	$	1,037,976
Petty Cash		470
Local Government Investment Pool		9,900,698
	$	10,939,144

DEPOSITS - Deposits with financial institutions include bank demand deposits. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury. For the fiscal year ended June 30, 2023, the bank balance was $1,721,995, all of which was insured by Federal Depository Insurance or deposited in an approved depository for public funds and thus is collateralized under ORS 295.

Custodial Credit Risk
Custodial credit risk for deposits is the risk that, in the event of a bank failure deposits will not be recovered. There is no formal deposit policy for custodial credit risk. As of June 30, 2023, all deposits are insured.

INVESTMENTS – Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund's compliance with all portfolio guidelines can be found in their annual report when issued. The LGIP seeks to exchange shares at $1 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at $1 per share, it is possible to lose money by investing in the pool. We intend to measure these investments at book value since it materially approximates fair value. As of June 30, 2023, the fair value of the position in the LGIP is 99.63% of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements. The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized. The audited financial reports of the Oregon Short Term Fund can be found here:

http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-(OSTF).aspx
If the link has expired please contact the Oregon Short Term Fund directly.

At year-end, the investment balances were as follows:

Investement Type	Fair Value	Less than 3	More than 3
State Treasurer's Investment Pool	$ 9,900,698	$ 9,900,698	$ -
Total	$ 9,900,698	$ 9,900,698	$ -

5. CASH AND INVESTMENTS (CONTINUED)

Interest Rate Risk – Oregon Revised Statutes require investments to not exceed a maturity of 18 months, except when the local government has adopted a written investment policy that was submitted to and reviewed by the OSTFB. There are no investments that have a maturity date beyond 3 months.

Custodial Credit Risk
Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the value of the deposit will not be recovered. There is no formal investment policy for custodial credit risk. All of the investments are with the LGIP. Oregon Revised Statutes do not limit investments as to credit rating for securities purchased from US Government Agencies or USGSE.

Concentration Risk
Concentration risk is the risk of loss due to a large portion of investments with a single issuer. To avoid incurring unreasonable risks inherent to over-investing in specific instruments or in individual financial institutions, the LGIP is invested in, which is not required to have a risk rating. State statutes do not limit the percentage of investments in this instrument. As of June 30, 2023 100% of the investments were in the State Treasurer's Investment Pool and the remaining with corporate securities and US Agencies.

6. RECEIVABLES

Receivables are comprised of the following:

	Property Taxes	Accounts and Grants	Leases	Interest
General Fund	$ 582,703	$ 467,026	$ -	$ -
Thompson Special Fund	-	11,732	2,970,044	41,096
Federal Grants Fund	-	860,531	-	-
Debt Service Fund	99,381	18,878	-	-
Non-Major Funds	-	831,070	-	-
	$ 682,084	$ 2,189,237	$ 2,970,044	$ 41,096

The receivables are considered fully collectible by management so no allowance for doubtful accounts has been made.

7. LEASE RECEIVABLES AND DEFERRED INFLOWS

On 07/01/2021, the District entered into a 96 month lease as Lessor for the use of Thompson Lease. An initial lease receivable was recorded in the amount of $3,502,356. As of 06/30/2023, the value of the lease receivable is $2,970,044. In the 2023-2024 fiscal year the fixed quarterly payments is $96,543. In the 2024-2025 fiscal year the fixed quarterly payments will be $118,852. During periods after that the payments will increase 5% per year. The lease has an interest rate of 2.65%. The Buildings estimated useful life was 96 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was $2,626,767, and Parkrose School District #3 recognized lease revenue of $437,794 during the fiscal year. The lessee had a termination period of 6 months as of the lease commencement.

7. LEASE RECEIVABLES AND DEFERRED INFLOWS (CONTINUED)

GOVERNMENTAL ACTIVITIES:	Balance as of July 1, 2022	Additions	Reductions	Balance as of June 30, 2023
Lease Receivable				
Buildings				
Thompson Lease	$ 3,272,325	$ -	$ 302,281	$ 2,970,044
Total Lease Receivable	$ 3,272,325	$ -	$ 302,281	$ 2,970,044
Deferred Inflow of Resources				
Buildings				
Thompson Lease	$ 3,064,561	$ -	$ 437,794	$ 2,626,767
Total Deferred Inflow of Resources	$ 3,064,561	$ -	$ 437,794	$ 2,626,767

The deferred inflow is amortized on a straight line basis. Future maturities for the receivable are as follows:

	Governmental Activities		
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2024	$ 400,700	$ 74,707	$ 475,407
2025	435,428	63,749	499,177
2026	472,286	51,850	524,136
2027	511,391	38,952	550,343
2028	552,865	24,995	577,860
2029	597,374	9,915	607,289
Total	$ 2,970,044	$ 264,168	$ 3,234,212

8. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 was as follows:

Governmental Activities:	Beginning Balance July 1, 2022	Additions	Deletions	Ending Balance June 30, 2023
Capital Assets Not Being Depreciated:				
Land	$ 5,880,941	$ -	$ -	$ 5,880,941
Construction in Progress	707,168		(707,168)	-
Total Capital Assets Not Being Depreciated	6,588,109	-	(707,168)	5,880,941
Capital Assets Being Depreciated:				
Buildings and Improvements	111,185,430	1,293,515	-	112,478,945
Vehicles and Equipment	4,137,716	20,983	-	4,158,699
Leased Equipment - intangible	76,315	-	-	76,315
Subscription Assets - intangible	-	860,930	-	860,930
Total Capital Assets Being Depreciated	115,399,461	2,175,428	-	117,574,889
Accumulated Depreciation and Amortization:				
Buildings and Improvements	(36,544,700)	(2,318,334)	-	(38,863,034)
Vehicles and Equipment	(2,268,441)	(237,359)	-	(2,505,800)
Leased Equipment - intangible amortization	(29,188)	(29,188)	-	(58,376)
Subscription Assets - intangible amortization	-	(132,426)	-	(132,426)
Total Accumulated Depreciation	(38,842,329)	(2,717,307)	-	(41,559,636)
Total Capital Assets Being Depreciated, Net	76,557,132	(541,879)	-	76,015,253
Governmental Activities Capital Assets, Net	$ 83,145,241	$ (541,879)	$ (707,168)	$ 81,896,194

8. CAPITAL ASSETS (CONTINUED)

Depreciation and amortization expense was charged to functions/programs as follows:

Governmental Activities:		
Instruction	$	1,574,880
Support Services		1,032,327
Community Services		110,100
Total Depreciation Expense-Governmental Activities	$	2,717,307

9. DUE TO / DUE FROM

Due to / Due from's represent cash owed between funds.

	Due From		Due To	
General Fund	$	3,803,351	$	-
Federal Grants Fund		-		2,959,181
Non-Major Funds		-		844,170
	$	3,803,351	$	3,803,351

10. DEBT

There are two general obligation bond issue approved by voters to finance various capital projects and two PERS Pension Bonds. In 2009 and 2015 Qualified Zone Academy Bond agreements were entered into to finance capital projects and capital equipment, at a zero percent interest rate for 15 and 13 years. There is also leased equipment reported as debt in accordance with GASB Statement No. 87 and subscription liabilities reported as debt in accordance with GASB 96.

Schedule of Payments

	DIRECT BORROWING		BONDS			
	2015 QZAB Fleet Purchase		GO Refunding Bond 2019A		GO Bonds Series 2011B	
Amounts Payable in Fiscal Year:	Principal	Interest	Principal	Interest	Principal	Interest
2023-24	$ 166,154	$ -	$ -	$ -	$ -	$ 735,000
2024-25	166,154	-	-	-	-	735,000
2025-26	166,154	-	-	-	-	735,000
2026-27	166,154	-	-	-	-	735,000
2027-28	166,154	-	-	-	15,000,000	735,000
2028-33	166,152	-	16,225,000	3,247,927	-	-
2033-37.	-	-	12,265,000	750,561	-	-
Total	$ 996,922	$ -	$ 28,490,000	$ 3,998,488	$ 15,000,000	$ 3,675,000

Schedule of Payments

	BONDS				OTHER			
	2018 PERS BOND		2022 PERS BOND		LEASED EQUIPMENT		SUBSCRIPTION LIABILITIES	
Amounts Payable in Fiscal Year:	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023-24	$ 910,000	$ 757,864	$ 544,002	$ 1,188,864	$ 14,323	$ 199	$ 181,909	$ 18,935
2024-25	940,000	724,922	627,127	1,164,656	3,381	53	176,005	13,739
2025-26	975,000	689,954	715,955	1,136,748	-	-	149,029	8,717
2026-27	1,015,000	652,319	810,807	1,104,888	-	-	153,277	4,469
2027-28	1,055,000	312,125	782,435	1,068,808	-	-	7,989	98
2028-33	5,980,000	2,364,655	5,513,925	4,730,324	-	-	-	-
2033-38	6,600,000	887,124	8,886,499	3,221,794	-	-	-	-
2038-39	-	-	8,835,287	928,884	-	-	-	-
Total	$ 17,475,000	$ 6,388,963	$ 26,716,037	$ 14,544,966	$ 17,704	$ 252	$ 668,209	$ 45,958

10. DEBT (CONTINUED)

Changes in long term obligations outstanding are as follows:

Issue Date	Interest Rates	Original Issue	Outstanding July 1, 2022	Additions	Matured And Redeemed	Outstanding June 30, 2023	Due Within One Year
May 29, 2009	0%	2,000,000	$ 142,858	$ -	$ 142,858	$ -	$ -
August 11, 2011	4.9%	15,000,000	15,000,000	-	-	15,000,000	-
December 19, 2015	0.0%	2,160,000	1,163,076	-	166,154	996,922	166,154
September 26, 2019	1.9-3.0%	35,130,000	29,445,000	-	955,000	28,490,000	-
December 20, 2018	2.9-4.72%	20,210,000	18,335,000	-	860,000	17,475,000	910,000
June 22, 2022	4.45%	27,156,599	27,156,599	-	440,562	26,716,037	544,002
July 1, 2021	varies	76,315	47,292	-	29,588	17,704	14,323
July 1, 2022	varies	860,930	-	860,930	192,721	668,209	181,909
Total Long Term Obligations			$ 91,289,825	$ 860,930	$ 2,786,883	$ 89,363,872	$ 1,816,388

DIRECT BORROWINGS

2009 QZAB

In the event of a default: (a) without terminating this agreement, and by written notice to the District, the seller may declare all installment payments and other amounts payable by the District hereunder to the end of the then current budget year of the District to be due, including without limitation delinquent installment payments from prior budget years; Terminating this agreement, and by written notice to the District, the seller may accelerate all outstanding installment payments, in which case the District agrees to pay to the seller an amount equal to the outstanding installment payments, as well as any other sums due hereunder; and upon written notice to the District, all funds in the project account, shall be paid to seller and shall be applied by seller to the amount due by the District under this agreement; The seller may take whatever action at law or in equity necessary or desirable to enforce its rights under this agreement. Per article XII section 12.01-12.03 of Installment Purchase Agreement dated May 2009.

2015 QZAB

Whenever any event of default exists, the seller shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps: (a) Without terminating this agreement, and by written notice to the District, the seller may declare all installment payments and other amounts payable by the District hereunder to the end of the then current budget year of the District to be due, including without limitation delinquent installment payments from prior budget years; (b) terminating this agreement, and by written notice to the District, the seller may accelerate all outstanding installment payments, in which case the District agrees to pay to the seller an amount equal to the outstanding installment payments, as well as any other sums due hereunder; and upon written notice to the District, all funds in the project account, shall be paid to seller and shall be applied by seller to the amount due by the District under this agreement; (c) The seller may take whatever action at law or in equity necessary or desirable to enforce its rights under this agreement. Per article XII section 12.01-12.04 of Installment Purchase Agreement dated December 9, 2015.

10. DEBT (CONTINUED)

BONDS

GO Bond Series 2011A and B

Upon the occurrence and continuance of any event of default the owners of fifty-one (51%) percent or more of the principal amount of bonds then outstanding may take whatever action may appear necessary or desirable to enforce or to protect any of the rights of the owners of bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in the resolution or the bonds or in aid of the exercise of any power granted in the resolution or in the bonds or for the enforcement of any other legal or equitable right vested in the owners of bonds by the resolution or the bonds or by law. However, the bonds shall not be subject to acceleration. Per General Obligation official statement dated July 28, 2011. Refer to defaulted remedies page 4 of the Official Statement. This series was partially refunded in 2019.

GO Refunding Bond 2019A

Refunding Bonds were issued in September of 2019 to refund a portion of the 2011 Series. The bonds are federally taxable. The net present value of the savings is $4,702,011.

The Issuer's obligation to provide notices of material events shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Securities. This certificate, or any provision hereof, shall be null and void if the Issuer a) obtains an opinion of a nationally recognized bond counsel to the effect that those portions of the Rule which require this certificate, or any provision of this certificate,, are invalid, have been repealed retroactively or otherwise do not apply to the Securities; and b) notifies the MSRB of such opinion and the termination of its obligations under this Certificate.

Upon the occurrence and continuance of any event of default the owners of fifty-one (51%) percent or more of the principal amount of the bonds then outstanding may take whatever action may appear necessary or desirable to enforce or to protect any of the rights of the owners of the bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in the resolution or the bonds or in aid of the exercise of any power granted in the resolution or in the bonds or for the enforcement of any other legal or equitable right vested in the owners of the bonds by the resolution or the bonds or by law. However, the bonds shall not be subject to acceleration.

2018 PENSION PERS BOND

Upon the occurrence and continuance of any event of default, the series 2018 trustee may, and if the owners of not less than fifty-one percent (51%) in outstanding principal amount of series 2018 obligations so request, shall take whatever action at law or in equity may appear necessary or desirable to enforce or to protect any of the rights vested in the series 2018 trustee or the owners of series 2018 obligations by this series 2018 trust agreement, the intercept agreement or the series 2018 pension bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this series 2018 trust agreement or the intercept agreement or in aid of the exercise of any power granted in this series 2018 trust agreement or the intercept agreement or for the enforcement of any other legal or equitable right vested in the series 2018 trustee by this series 2018 trust agreement or the intercept agreement or by law; provided that in no event shall the series 2018. Trustee have the right to accelerate the pension bond payments or the series 2018 obligations. Per the Trustee Agreement dated December 20, 2018. Article 9 – Events of Default, section 9.1-9.7, page 20-22.

10. DEBT (CONTINUED)

2022 PENSION PERS BOND

Upon the occurrence and continuance of any Event of Default, the Series 2022A Trustee may, and if the Lender so requests, upon being indemnified by the Lender to its reasonable satisfaction therefor, shall take whatever action may appear necessary or desirable to enforce or to protect any of the rights vested in the Series 2022A Trustee or the Lender by this Series 2022A Trust Agreement, the Intercept Agreement or the Series 2022A Pension Bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Series 2022A Trust Agreement or the Intercept Agreement or in aid of the exercise of any power granted in this Series 2022A Trust Agreement or the Intercept Agreement or for the enforcement of any other legal or equitable right vested in the Series 2022A Trustee by this Series 2022A Trust Agreement or the Intercept Agreement or by law; provided that in no event shall the Series 2022A Trustee have the right to accelerate the Pension Bond Payments or the Series 2022A Obligation.

OTHER DEBT - LEASED EQUIPMENT

On 07/01/2021, the District entered into a 29 month lease as Lessee for the use of Canon Copiers. An initial lease liability was recorded in the amount of $62,427. The District required to make monthly fixed payments of $2,211. The lease has an interest rate of 2.27%. The Equipment estimated useful life was 29 months as of the contract commencement. The value of the right to use asset and amortization is included with leased equipment in the capital asset note.

On 07/01/2021, the District entered into a 50 month lease as Lessee for the use of Pitney Bowes. An initial lease liability was recorded in the amount of $13,031. The District is required to make quarterly fixed payments of $858. The lease has an interest rate of 2.51%. The Equipment estimated useful life was 50 months as of the contract commencement. The value of the right to use asset and amortization is included with leased equipment in the capital asset note.

On 07/01/2021, the District entered into a 25 month lease as Lessee for the use of Copiers Northwest. An initial lease liability was recorded in the amount of $856. The District is required to make monthly fixed payments of $37. The lease has an interest rate of 2.27%. The Equipment estimated useful life was 25 months as of the contract commencement. The value of the right to use asset and amortization is included with leased equipment in the capital asset note.

OTHER DEBT – SUBSCRIPTION LIABILITIES

On 09/01/2022, the District entered into a 60 month subscription for the use of FlashAlert Newswire. An initial subscription liability was recorded in the amount of $666. The District is required to make annual fixed payments of $140. The subscription has an interest rate of 2.5360%. The District has 1 extension option for 48 months. The value of the right to use asset and amortization is included in the capital asset note.

On 08/23/2022, the District entered into a 36 month subscription for the use of HelpCounter. An initial subscription liability was recorded in the amount of $440. The District is required to make annual fixed payments of $150. The subscription has an interest rate of 2.3540%. The District has 1 extension option for 24 months. The value of the right to use asset and amortization is included in the capital asset note.

10. DEBT (CONTINUED)

On 06/05/2023, the District entered into a 60 month subscription for the use of Pelican Wireless System. An initial subscription liability was recorded in the amount of $283. The District is required to make annual fixed payments of $59. The subscription has an interest rate of 2.4500%. The District has 1 extension option for 48 months. The value of the right to use asset and amortization is included in the capital asset note.

On 12/31/2022, the District entered into a 60 month subscription for the use of PowerSchool. An initial subscription liability was recorded in the amount of $39,699. The District is required to make annual fixed payments of $8,441. The District has 1 extension option for 48 months. The value of the right to use asset and amortization is included in the capital asset note.

On 03/14/2023, the District entered into a 60 month subscription for the use of Scenario Learning, LLC. An initial subscription liability was recorded in the amount of $3,457. The District is required to make annual fixed payments of $730. The subscription has an interest rate of 2.8220%. The District has 1 extension option for 48 months. The value of the right to use asset and amortization is included in the capital asset note.

On 11/09/2022, the District entered into a 36 month subscription for the use of Grammarly. An initial subscription liability was recorded in the amount of $2,177. The District is required to make annual fixed payments of $750. The subscription has an interest rate of 3.3780%. The District has 1 extension option for 24 months. The value of the right to use asset and amortization is included in the capital asset note.

On 09/25/2022, the District entered into a 36 month subscription for the use of Grammarly. An initial subscription liability was recorded in the amount of $210. The District is required to make annual fixed payments of $72. The subscription has an interest rate of 2.3540%. The District has 1 extension option for 24 months. The value of the right to use asset and amortization is included in the capital asset note.

On 11/03/2022, the District entered into a 36 month subscription for the use of Junior Library Guild - Russell. An initial subscription liability was recorded in the amount of $3,043. The District is required to make annual fixed payments of $1,048. The subscription has an interest rate of 3.3780%. The District has 1 extension option for 24 months. The value of the right to use asset and amortization is included in the capital asset note.

On 12/02/2022, the District entered into a 60 month subscription for the use of Northwest Regional Education. An initial subscription liability was recorded in the amount of $197,017. The District is required to make annual fixed payments of $42,117. The subscription has an interest rate of 3.4450%. The District has 1 extension option for 48 months. The value of the right to use asset and amortization is included in the capital asset note.

On 05/01/2023, the District entered into a 36 month subscription for the use of Junior Library Guild - Shaver. An initial subscription liability was recorded in the amount of $2,518. The District is required to make annual fixed payments of $860. The subscription has an interest rate of 2.5030%. The District has 1 extension option for 24 months. The value of the right to use asset and amortization is included in the capital asset note.

On 11/03/2022, the District entered into a 36 month subscription for the use of Junior Library Guild. An initial subscription liability was recorded in the amount of $2,680. The District is required to make annual fixed payments of $923. The subscription has an interest rate of 3.3780%. The District has 1 extension option for 24 months. The value of the right to use asset and amortization is included in the capital asset note.

10. DEBT (CONTINUED)

On 08/01/2022, the District entered into a 60 month subscription for the use of Scenario Learning, LLC. An initial subscription liability was recorded in the amount of $2,216. The District is required to make annual fixed payments of $466. The subscription has an interest rate of 2.5360%. The District has 1 extension option for 48 months. The value of the right to use asset and amortization is included in the capital asset note.

On 07/01/2022, the District entered into a 60 month subscription for the use of MealTime/The CLM Group, Inc. An initial subscription liability was recorded in the amount of $16,339. The District is required to make annual fixed payments of $3,437. The subscription has an interest rate of 2.5360%. The District has 1 extension option for 48 months. The value of the right to use asset and amortization is included in the capital asset note.

On 12/08/2022, the District entered into a 36 month subscription for the use of Hindenburg. An initial subscription liability was recorded in the amount of $1,742. The District is required to make annual fixed payments of $600. The subscription has an interest rate of 3.3780%. The District has 1 extension option for 24 months. The District had a termination period of 1 month as of the subscription commencement. The value of the right to use asset and amortization is included in the capital asset note.

On 08/10/2022, the District entered into a 60 month subscription for the use of Curriculum Associates. An initial subscription liability was recorded in the amount of $112,306. The District is required to make annual fixed payments of $23,600. The subscription has an interest rate of 2.5360%. The District has 1 extension option for 48 months. The value of the right to use asset and amortization is included in the capital asset note.

On 03/01/2023, the District entered into a 60 month subscription for the use of OperationsHERO. An initial subscription liability was recorded in the amount of $12,415. The District is required to make annual fixed payments of $2,623. The subscription has an interest rate of 2.8220%. The District has 1 extension option for 48 months. The value of the right to use asset and amortization is included in the capital asset note.

On 10/06/2022, the District entered into a 36 month subscription for the use of Smarty Symbols Web Access. An initial subscription liability was recorded in the amount of $1,809. The District is required to make annual fixed payments of $623. The subscription has an interest rate of 3.3378%. The District has 1 extension option for 24 months. The value of the right to use asset and amortization is included in the capital asset note.

On 08/16/2022, the District entered into a 36 month subscription for the use of Zoom. An initial subscription liability was recorded in the amount of $20,694. The District is required to make annual fixed payments of $7,059. The subscription has an interest rate of 2.3540%. The District has 1 extension option for 24 months. The District had a termination period of 1 month as of the subscription commencement. The Vendor had a termination period of 1 month as of the subscription commencement. The value of the right to use asset and amortization is included in the capital asset note.

On 12/13/2022, the District entered into a 60 month subscription for the use of Verdant Web Technologies. An initial subscription liability was recorded in the amount of $8,481. The District is required to make annual fixed payments of $1,813. The subscription has an interest rate of 3.4450%. The District has 1 extension option for 48 months. The District had a termination period of 2 months as of the subscription commencement. The Vendor had a termination period of 2 months as of the subscription commencement. The value of the right to use asset and amortization is included in the capital asset note.

10. DEBT (CONTINUED)

On 09/26/2022, the District entered into a 60 month subscription for the use of Tyler Technologies. An initial subscription liability was recorded in the amount of $61,133. The District is required to make annual fixed payments of $12,851. The subscription has an interest rate of 2.5360%. The District has 1 extension option for 48 months. The District had a termination period of 2 months as of the subscription commencement. The Vendor had a termination period of 2 months as of the subscription commencement. The value of the right to use asset and amortization is included in the capital asset note.

On 07/01/2022, the District entered into a 36 month subscription for the use of Care Solace, Inc. An initial subscription liability was recorded in the amount of $27,522. The District is required to make annual fixed payments of $9,450. The subscription has an interest rate of 3.0410%. The District has 1 extension option for 24 months. The District had a termination period of 2 months as of the subscription commencement. The Vendor had a termination period of 2 months as of the subscription commencement. The value of the right to use asset and amortization is included in the capital asset note.

On 09/01/2022, the District entered into a 60 month subscription for the use of Andrew-Scott, LLC (ESP). An initial subscription liability was recorded in the amount of $94,565. The District is required to make annual fixed payments of $19,872. The subscription has an interest rate of 2.5360%. The District has 1 extension option for 48 months. The District had a termination period of 3 months as of the subscription commencement. The Vendor had a termination period of 3 months as of the subscription commencement. The value of the right to use asset and amortization is included in the capital asset note.

On 01/01/2023, the District entered into a 60 month subscription for the use of TimeClock Plus. An initial subscription liability was recorded in the amount of $54,214. The District is required to make annual fixed payments of $11,455. The subscription has an interest rate of 2.8220%. The District has 1 extension option for 48 months. The value of the right to use asset and amortization is included in the capital asset note.

On 08/12/2022, the District entered into a 36 month subscription for the use of IXL. An initial subscription liability was recorded in the amount of $13,632. The District is required to make annual fixed payments of $4,650. The subscription has an interest rate of 2.3540%. The District has 1 extension option for 24 months. The value of the right to use asset and amortization is included in the capital asset note.

On 04/01/2023, the District entered into a 60 month subscription for the use of Follett Library Resources. An initial subscription liability was recorded in the amount of $50,890. The District is required to make quarterly fixed payments of $2,695. The subscription has an interest rate of 2.4500%. The District has 1 extension option for 48 months. The value of the right to use asset and amortization is included in the capital asset note.

On 11/06/2022, the District entered into a 36 month subscription for the use of N2Y, LLC. An initial subscription liability was recorded in the amount of $12,946. The District is required to make annual fixed payments of $4,462. The subscription has an interest rate of 3.4450%. The District has 1 extension option for 24 months. The value of the right to use asset and amortization is included in the capital asset note.

On 07/01/2022, the District entered into a 24 month subscription for the use of Discovery Education. An initial subscription liability was recorded in the amount of $8,886. The District is required to make annual fixed payments of $4,500. The subscription has an interest rate of 2.6100%. The District has 1 extension option for 12 months. The value of the right to use asset and amortization is included in the capital asset note.

10. DEBT (CONTINUED)

On 07/01/2022, the District entered into a 24 month subscription for the use of Remind101. An initial subscription liability was recorded in the amount of $12,998. The District is required to make annual fixed payments of $6,600. The subscription has an interest rate of 3.1580%. The District has 1 extension option for 12 months. The value of the right to use asset and amortization is included in the capital asset note.

On 12/10/2022, the District entered into a 36 month subscription for the use of 5 Star Students. An initial subscription liability was recorded in the amount of $3,922. The District is required to make annual fixed payments of $1,350. The subscription has an interest rate of 3.3050%. The District has 1 extension option for 24 months. The District had a termination period of 2 months as of the subscription commencement. The value of the right to use asset and amortization is included in the capital asset note.

On 12/05/2022, the District entered into a 60 month subscription for the use of Sign-up Genius. An initial subscription liability was recorded in the amount of $10,101. The District is required to make annual fixed payments of $2,160. The subscription has an interest rate of 3.4450%. The District has 1 extension option for 48 months. The value of the right to use asset and amortization is included in the capital asset note.

On 05/01/2023, the District entered into a 60 month subscription for the use of Transversa. An initial subscription liability was recorded in the amount of $35,533. The District is required to make annual fixed payments of $7,455. The subscription has an interest rate of 2.4500%. The District has 1 extension option for 48 months. The District had a termination period of 2 months as of the subscription commencement. The Vendor had a termination period of 2 months as of the subscription commencement. The value of the right to use asset and amortization is included in the capital asset note.

On 08/30/2022, the District entered into a 60 month subscription for the use of Imagine Learning. An initial subscription liability was recorded in the amount of $46,396. The District is required to make annual fixed payments of $9,750. The subscription has an interest rate of 2.5360%. The District has 1 extension option for 48 months. The District had a termination period of 1 month as of the subscription commencement. The Vendor had a termination period of 1 month as of the subscription commencement. The value of the right to use asset and amortization is included in the capital asset note.

11. OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Plan Description – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employer defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Annual Comprehensive Financial Report which can be found at:
https://www.oregon.gov/pers/Documents/Financials/CAFR/2022-Annual-Comprehensive-Financial-Report.pdf
If the link is expired please contact Oregon PERS for this information.

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

11. OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS) (CONTINUED)

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

ii. **Death Benefits**. Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following contributions are met:
   - member was employed by PERS employer at the time of death,
   - member died within 120 days after termination of PERS covered employment,
   - member died as a result of injury sustained while employed in a PERS-covered job, or
   - member was on an official leave of absence from a PERS-covered job at the time of death.

iii. **Disability Benefits**. A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

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

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

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

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

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

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

11. OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS) (CONTINUED)

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

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

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2019 actuarial valuation, which became effective July 1, 2021. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2023 were $1,434,167, excluding amounts to fund employer specific liabilities. In addition approximately $1,289,354 in employee contributions were paid or picked up by the District in fiscal 2023. At June 30, 2023, the District reported a net pension liability of $8,521,514 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2020. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

As of the measurement date of June 30, 2022 and 2021, the District's proportion was .056 percent and .125 percent, respectively. Pension expense for the year ended June 30, 2023 was $4,431,438.

The rates in effect for the year ended June 30, 2023 were:
(1) Tier 1/Tier 2 – 8.66%
(2) OPSRP general services – 5.55%

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ 413,651	$ 53,142
Changes in assumptions	1,337,072	12,216
Net difference between projected and actual earnings on pension plan investments	-	1,523,482
Net changes in proportionate share	-	14,293,425
Differences between contributions and proportionate share of contributions	28,733,514	-
Subtotal - Amortized Deferrals (below)	30,484,237	15,882,265
Contributions subsequent to measuring date	1,434,167	-
Deferred outflow (inflow) of resources	$ 31,918,404	$ 15,882,265

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

11. OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS) (CONTINUED)

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

Year ending June 30,	Amount
2024	$ 4,873,259
2025	2,756,131
2026	1,908,068
2027	3,555,528
2028	1,508,986
Thereafter	-
Total	$ 14,601,972

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated February 2, 2023. Oregon PERS produces an independently audited ACFR which can be found at:
https://www.oregon.gov/pers/Documents/Financials/CAFR/2022-Annual-Comprehensive-Financial-Report.pdf

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

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

11. OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS) (CONTINUED)

Actuarial Methods and Assumptions:

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

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

Assumed Asset Allocation:

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

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

11. OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS) (CONTINUED)

Long-Term Expected Rate of Return:

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

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

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

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

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

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Proportionate share of the net pension liability	$ 15,112,169	$ 8,521,514	$ 3,005,441

11. OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS) (CONTINUED)

Changes Subsequent to the Measurement Date

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

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

Deferred Compensation Plan

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

OPSRP Individual Account Program (OPSRP IAP)

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

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

11. OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS) (CONTINUED)

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

Contributions:
Employees of the District pay six (6) percent of their covered payroll. Effective July 1, 2020, currently employed Tier 1/Tier 2 and OPSRP members earning $2,500 or more per month (increased to $3,333 per month in 2022) will have a portion of their 6 percent monthly IAP contributions redirected to an Employee Pension Stability Account. The Employee Pension Stability Account will be used to pay part of the member's future benefit. Of the 6 percent monthly IAP contribution, Tier 1/Tier 2 will have 2.5 percent redirected to the Employee Pension Stability Account and OPSRP will have 0.75 percent redirected to the Employee Pension Stability Account, with the remaining going to the member's existing IAP account. Members may voluntarily choose to make additional after-tax contributions into their IAP account to make a full 6 percent contribution to the IAP. The District made optional contributions to member IAP accounts for the year ended June 30, 2023, in the amount of $2,359.

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

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

12. SINGLE EMPLOYER PENSION PLAN (GASB #73)

Plan Description: Multnomah County School District No. 3 provides a single employer defined benefit pension plan. To quality, an employee must be an administrative or certificated employee, be 55 years old at retirement date, retire under PERS, and have 15 years of service if retiring as a licensed employee, 3 years if retiring as an administrator with the District. Currently, nineteen retirees meet the eligibility requirements. The amount of the health insurance obligation on behalf of retirees was $11,269 and $34,344 for the 2022-23 and 2021-22 fiscal years respectively. Total retirement stipend obligation for the fiscal years 2022-23 and 2021-22 were $16,789 and $25,473 respectively. Future obligations will be funded through annual appropriations.

Funding Policy: The benefits from this program are fully paid and, consequently, no contributions by employees are required. There is no obligation to fund these benefits in advance. The only obligation is to make current benefit payments due each fiscal year. Payments are made on a pay-as-you-go basis each year out of the General Fund.

Actuarial Methods and Assumptions: The District engaged an actuary to perform an evaluation as of July 1, 2022 using entry age normal, level percent of salary Actuarial Cost Method. The Single Employer Pension Plan liability was determined using the following actuarial assumptions, applied to all periods including the measurement:

12. SINGLE EMPLOYER PENSION PLAN (GASB #73) (CONTINUED)

Discount Rate per year		3.75%
General Inflation Rate per year		2.50%
Salary Scale per year		3.50%
Annual Medical Premium increase rate	2022-23	4.00%
	2023-24	4.50%
	2024-25	5.00%
	2025-26	5.50%
	2026-27	6.00%
Decreasing 0.1% per year until 2041+	2027-28	5.90%

Mortality rates were based on the Pub-2010 Teachers Table, separate employee/health annuitant, sex distinct, generational, no setback. Mortality rates for active male participants are 125% of the rates, and for active female participants are 100% of the rates.

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

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

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

The projection of benefits for financial reporting purpose does not explicitly incorporate the potential effects of legal or contractual funding limitations.

	2023	2022	2021
Total Stipend Liability - Beginning	984,098	$1,010,100	$ 959,393
Changes for the Year:			
Service Cost	59,529	71,751	57,024
Interest	35,819	24,005	22,578
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(118,744)	-	(6,642)
Changes of Assumptions or Other Input	(62,790)	(91,821)	3,620
Benefit Payments	(40,464)	(29,937)	(25,873)
Net Changes for the Year	(126,650)	(26,002)	50,707
Total Stipend Liability - Ending	857,448	$ 984,098	$1,010,100

Sensitivity of the Single Employer Pension Plan Benefit Liability to Changes in Discount Rates: The following presents the Single Employer Pension Plan Benefit Liability, calculated using the discount rate of 3.75 percent, as well as what the liability would be if it was calculated using a discount rate 1-percentage-point lower (2.75 percent) or 1-percentage-point higher (4.75 percent) than the current rate:

12. SINGLE EMPLOYER PENSION PLAN (GASB #73) (CONTINUED)

	1% Decrease	Current Rate	1% Increase
Total Pension Liability	$ 916,524	$ 857,448	$ 801,192

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ -	$ 129,516
Changes in assumptions	61,704	138,474
Deferred outflow (inflow) of resources	$ 61,704	$ 267,990

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

Year ending June 30,	Amount
2024	$ (15,140)
2025	(15,140)
2026	(15,140)
2027	(15,140)
2028	(15,140)
Thereafter	(130,586)
Total	$ (206,286)

13. OTHER POST-EMPLOYMENT BENEFITS (GASB #75)

Plan Description: The District operates a single-employer retiree benefit plan that provides postemployment health, dental and vision insurance benefits to eligible employees and their spouses. There are active and retired members in the plan. All classes of employee are eligible to continue coverage upon retirement. Qualified spouses, domestic partners, and children may qualify for coverage. Coverage for retirees and eligible dependents continues until Medicare eligibility for each individual (or until dependent children become ineligible).

Benefits and eligibility for members are established through the collective bargaining agreements. The post-retirement healthcare plan is established in accordance with Oregon Revised Statutes (ORS) 243.303. ORS stipulated that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees. The difference between retiree claims cost, which because of the effect of age is generally higher in comparison to all plan members, and the amount of retiree healthcare premiums represents the District's implicit employer contribution. The District did not establish an irrevocable trust (or equivalent arrangement) to account for the plan.

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

13. OTHER POST-EMPLOYMENT BENEFITS (GASB #75) (CONTINUED)

Actuarial Methods and Assumptions: The District engaged an actuary to perform an evaluation as of July 1, 2022 using entry age normal, level percent of salary Actuarial Cost Method. The Single Employer Pension Plan liability was determined using the following actuarial assumptions, applied to all periods including the measurement:

Discount Rate per year		3.75%
General Inflation Rate per year		2.50%
Salary Scale per year		3.50%
Annual Medical Premium increase rate	2022-23	4.00%
	2023-24	4.50%
	2024-25	5.00%
	2025-26	5.50%
	2026-27	6.00%
Decreasing 0.1% per year until 2041+	2027-28	5.90%

Mortality rates were based on the Pub-2010 Teachers Table, separate employee/health annuitant, sex distinct, generational, no setback. Mortality rates for active male participants are 125% of the rates, and for active female participants are 100% of the rates.

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

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

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

The projection of benefits for financial reporting purpose does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Changes in Medical Benefit OPEB Liability:

Total OPEB Liability - Beginning	2023	2022	2021
	$ 1,906,446	$2,005,508	$2,467,660
Changes for the Year:			
Service Cost	136,214	164,551	152,066
Interest	70,258	47,636	57,835
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(162,047)	-	(364,241)
Changes of Assumptions or Other Input	(136,825)	(205,468)	(209,287)
Benefit Payments	(70,554)	(105,781)	(98,525)
Net Changes for the Year	(162,954)	(99,062)	(462,152)
Total Stipend Liability - Ending	$ 1,743,492	$1,906,446	$2,005,508

13. OTHER POST-EMPLOYMENT BENEFITS (GASB #75) (CONTINUED)

Sensitivity of the Net Other Post-Employment Benefit Liability to Changes in Discount and Trend Rates: The following presents the net other post-employment benefit liability (NOL), calculated using the discount rate of 3.75 percent, as well as what the liability would be if it was calculated using a discount rate 1-percentage-point lower (2.75 percent) or 1-percentage-point higher (4.75 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	$ 1,880,842	$ 1,743,492	$ 1,614,367

The following presents the net other post-employment benefit liability (NOL), calculated using trend rate of 4.0% trending up to 6.0% percent, then back down to 4.5%, as well as what the liability would be if it was calculated using a trend rate 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease 3.0%, trending up to 5.0%, then back down to 3.5%	Current Trend Rate 4.0%, trending up to 6.0%, then back down to 4.5%	1% Increase 5.0%, trending up to 7.0%, then back down to 5.5%
Total OPEB Liability	$ 1,531,611	$ 1,743,492	$ 1,995,488

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ -	$ 381,578
Changes in assumptions	103,427	445,026
Deferred outflow (inflow) of resources	$ 103,427	$ 826,604

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

Year ending June 30,	Amount
2024	$ (120,855)
2025	(120,855)
2026	(120,853)
2027	(104,727)
2028	(130,583)
Thereafter	(125,304)
Total	$ (723,177)

14. OTHER POST EMPLOYEMENT BENEFIT PLAN – RHIA

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

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

Participating districts are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the District currently contributes 0.05% of annual covered OPERF payroll and 0.00% of OPSRP payroll under a contractual requirement in effect until June 30, 2023. Consistent with GASB Statement 75, the OPERS Board of Trustees sets the employer contribution rates as a measure of the proportionate relationship of the employer to all employers consistent with the manner in which contributions to the OPEB plan are determined. The basis for the employer's portion is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the plan with the total actual contributions made in the fiscal year of all employers. The District's contributions to RHIA for the years ended June 30, 2021, 2022 and 2023 were $3,278, $2,604, and $3,244, respectively, which equaled the required contributions each year.

At June 30, 2023, the District reported a net OPEB (asset) of ($375,406) for its proportionate share of the net OPE (asset). The OPEB (asset) was measured as of June 30, 2022, and the total OPEB (asset) used to calculate the net OPEB 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 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 and 2021, the District's proportion was .11 percent and .12 percent, respectively. OPEB expense for the year ended June 30, 2023 was $15,147.

14. OTHER POST EMPLOYEMENT BENEFIT PLAN – RHIA

Components of OPEB Expense/(Income):

Employer's proportionate share of collective system OPEB Expense/(Income)	$	(56,207)
Net amortization of employer-specific deferred amounts from:		
- Changes in proportionate share (per paragraph 64 of GASB 75)		74,593
- Differences between employer contributions and employer's proportionate share of system contributions (per paragraph 65 of GASB 75)		-
Employer's Total OPEB Expense/(Income)	$	18,386

Components of Deferred Outflows/Inflows of Resources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ -	10,173
Changes in assumptions	2,939	12,513
Net difference between projected and actual earnings on pension plan investments	-	28,629
Net changes in proportionate share	104,229	-
Differences between contributions and proportionate share of contributions	-	-
Subtotal - Amortized Deferrals (below)	107,168	51,315
Contributions subsequent to measuring date	3,244	-
Deferred outflow (inflow) of resources	$ 110,412	$ 51,315

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

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

Year ending June 30,	Amount
2024	$ 73,615
2025	(8,865)
2026	(18,067)
2027	9,169
2028	-
Thereafter	-
Total	$ 55,852

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

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

14. OTHER POST EMPLOYEMENT BENEFIT PLAN – RHIA (CONTINUED)

Actuarial Methods and Assumptions:

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

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

Discount Rate:

The discount rate used to measure the total OPEB liability as of the measurement date of June 30, 2022 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.

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes

14. OTHER POST EMPLOYEMENT BENEFIT PLAN – RHIA (CONTINUED)

adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

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

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

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

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Proportionate share of the net OPEB liability (asset)	$ (338,346)	$ (375,406)	$ (407,174)

Changes Subsequent to the Measurement Date

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

15. PROPERTY TAX LIMITATION

The voters of the State of Oregon approved ballot measure 5, a constitutional limit on property taxes for schools and nonschool government operations, in November, 1990. School operations include community colleges, local school districts, and education service districts. The limitation provides that property taxes for school operations are limited to $5 for each $1,000 of property market value. This limitation does not apply to taxes levied for principal and interest on general obligation bonded debt. The result of this initiative has been that school districts have become more dependent upon state funding and less dependent upon property tax revenues as their major source of operating revenue. The voters of the State of Oregon passed ballot measure 50 in May 1997 to further reduce property taxes by replacing the previous constitutional limits on tax bases with a rate and value limit.

Measure 50 reduced the amount of operating property tax revenues available for its 1997-98 fiscal year, and thereafter. This reduction is accomplished by rolling property values back to their 1995-96 values less 10% and limiting future tax value growth of each property to no more than 3% per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the property tax limitations. The measure also sets restrictive voter approval requirements for most tax and many fee increases and new bond issues, and requires the State of Oregon to minimize the impact of the tax cuts to the school districts. The ultimate impact as a result of this measure is not determinable at this time.

2022-23 Current Tax Limits Imposed	
Permanent Rate	$4.8906 / $1,000
Bonded Debt Amount	$3,338,951

16. COMMITMENTS AND CONTINGENCIES

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

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

17. RISK MANAGEMENT

There is exposure to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which commercial insurance is purchased. There were no significant reductions in insurance coverage from coverage in prior years in any of the major categories of risk. Also, the amounts of any settlements have not exceeded insurance coverage for any of the past three fiscal years.

18. ARTS TAX

In November, 2012, voters in the City of Portland passed Ballot Measure 26-146 to restore school arts and music education, funded through an income tax of $35 per person per year. In December of 2012, the District entered into an intergovernmental agreement with the City of Portland to receive a portion of this tax, to be used to provide arts and music education, through certified arts and music teacher, to all K-5 students within the District. Revenues and expenditures for the years ended June 30, 2023, 2022, and 2021 are as follows:

	FY 2022/23	FY 2021/22	FY 2020/21
Revenues	$ 257,566	$ 239,730	$ 265,490
Expenditures	444,958	439,200	448,518
Variance	(187,392)	(199,470)	(183,028)
FTE Funded	4	4	4
Number of Schools Funded	4	4	4

The District’s general fund is responsible for any variance needed to maintain these positions.

19. GASB STATEMENT #54 - FUND BALANCES

Fund balances by classification for the year ended June 30, 2023 are as follows:

	General Fund	Thompson Special Fund	Federal and State Grants Fund	Debt Service Fund	Non-Major Funds	Total
Fund Balances:						
Nonspendable:	$ 304,441	$ -	$ -	$ -	$ -	$ 304,441
Restricted:						
Debt Service	-	-	-	1,608,084	69,961	1,678,045
Food Service	-	-	-	-	222,491	222,491
Capital	-	-	-	-	1,090,988	1,090,988
Total Restricted	-	-	-	1,608,084	1,383,440	2,991,524
Committed:						
Transportation	-	-	-	-	203,326	203,326
Student Body	-	-	-	-	446,497	446,497
Risk Management	-	-	-	-	656,715	656,715
Special Revenue	-	3,077,782	-	-	160,148	3,237,930
Technology Replacement	39,928	-	-	-		39,928
Textbook	124	-	-	-	-	124
Early Retirement	-	-	-	-	17,818	17,818
PERS	245,139	-	-	-	-	245,139
Total Committed	285,191	3,077,782	-	-	1,484,504	4,847,477
Unassigned:						
General	2,853,683	-	-	-	-	2,853,683
Total Unassigned	2,853,683	-	-	-	-	2,853,683
Total Fund Balances	$ 3,443,315	$ 3,077,782	$ -	$ 1,608,084	$ 2,867,944	$ 10,997,125

20. TAX ABATEMENTS (GASB #77)

As of June 30, 2023, the Multnomah County School District No. 3 had tax abatements through 6 programs: Enterprise Zone, Not-For-Profit Low Income Rental Housing, Homebuyer Opportunity Limited Tax Exemption, Renewable Energy and Related Incentives, Industrial Apprenticeship or Training Trust, and Day Care Centers, Student Housing and Religious Schools, all of which impacted their levied taxes.

Enterprise Zone (ORS 285C.175):

- The Oregon Enterprise Zone program is a State of Oregon economic development program established, that allows for property tax exemptions for up to five years. In exchange for receiving property tax exemption, participating firms are required to meet the program requirements set by state statute and the local sponsor.

  The Enterprise Zone program allows industrial firms that will be making a substantial new capital investment a waiver of 100% of the amount of real property taxes attributable to the new investment for a 5-year period after completion. Land or existing machinery or equipment is not tax exempt; therefore, there is no loss of current property tax levies to local taxing jurisdiction.

Not-for-Profit Low Income Rental Housing (ORS 307.540 to 307.548):

- In 1985, Oregon legislature authorized a property tax exemption for low-income housing held by charitable, nonprofit organizations. The tax exemption is intended to benefit low-income renters by alleviating property tax burden on those agencies that provide this housing opportunity. The qualifying property must be located within the County.

  Charitable, nonprofit organizations that provide housing to low-income persons are eligible. Organizations must be certified by the Internal Revenue Service as 501(c)(3) or (4). Organizations must own or have a leasehold interest in the property or participate in a partnership as long as the non-profit organization is responsible for the day-to-day management of the property. Applicants who are leaseholders must have a signed leasehold agreement by the application deadline.

  Vacant land intended to be developed as low-income housing is also eligible for the exemption.

  The property tax exemption applies only to the tax levy of a governing body that adopts the provisions of ORS 307.540 to 307.548

Homebuyer Opportunity Limited Tax Exemption (ORS 307.651 to 307.687):

- The Homebuyer Opportunity Limited Tax Exemption program exempts the residential improvement value from real property taxation for a 10-year period, while the land remains taxable. At the end of the 10-year exemption period, the taxes due will reflect the full assessed value of the property. Homes approved for the HOLTE program must sell for less than the annually established price cap to homebuyers who will live in the homes and meet program income requirements. There is a 100-unit cap on the number of new applications approved each year, although the cap does not apply to applications for properties including long-term affordability covenants.

20. TAX ABATEMENTS (GASB #77) (CONTINUED)

Renewable Energy and Related Incentives (ORS 307.175):

- A three to five year exemption from property taxes on new investments in solar energy farms, geothermal power generation, biofuel production facilities and other eligible projects in a designed County. Pursuant to executing an agreement with the County, any solar project may be exempt for up to 20 years, contingent on annual payments to the County of a fee equal to $7,000 per megawatt of the project's nameplate capacity, and provided that the project is or was not subject to any other exemption.

  State Energy Loan Program (SELP) is for renewable energy, including manufacturing facilities. Loans range from 5 to 20 years and $20,000 to $20 million, depending on the borrower's need and financial situation. The Oregon Department of Energy finances these low-interest loans with authority to issue state general obligation bonds.

  Alternative Energy Systems (ORS 307.175) exempts the additional taxable value of equipping a property with net metering or with alternative systems for onsite electricity or climate control as compared to a conventional system until 2023.

Industrial Apprenticeship or Training Trust (ORS 307.580):

- All real and personal property or proportion thereof owned or being purchased by an industry apprenticeship or training trust is exempt from property taxation if:
  (a) The trust is organized pursuant to a trust instrument solely for the purpose of aiding or assisting in the implementation or operation of one or more apprenticeship or training programs that conform to and are conducted under ORS 660.002 to 660.210;
  (b) The property or proportion thereof that is the subject of the exemption is actually and exclusively occupied and used in the implementation or operation of an apprenticeship or training program or programs that are established under, conform to and are conducted under ORS 660.002 to 660.210; and
  (c) The trust is considered an organization exempt from federal income taxes under the federal Internal Revenue Code or other laws of the United States relating to federal income taxes.

  (2) If property described under subsection (1) of this section would be exempt from taxation except that it is held under lease or lease-purchase agreement by the trust rather than owned or being purchased by it, the property shall be exempt from taxation upon compliance with and subject to ORS 307.112.
  (3) No exemption shall be allowed under subsection (1) or (2) of this section if the property is used in the implementation or operation of an apprenticeship or training program that discriminates with respect to its participants on the basis of age, race, religion, sex or national origin.

20. TAX ABATEMENTS (GASB #77) (CONTINUED)

Day Care Centers, Student Housing and Religious Schools (ORS 307.145):

- The child care facilities, schools, academies and student housing accommodations, owned or being purchased by incorporated eleemosynary institutions or by incorporated religious organizations, used exclusively by such institutions or organizations for or in immediate connection with educational purposes, are exempt from taxation.
  (2) Property described in subsection (1) of this section which is exclusively for or in the immediate connection with educational purposes shall continue to be exempt when leased to a political subdivision of the State of Oregon, or to another incorporated eleemosynary institution or incorporated religious organization for an amount not to exceed the cost of repairs, maintenance and upkeep.
  (3)(a) As used in this section, "child care facility" means a child care center certified by the Office of Child Care under ORS 329A.280 to provide educational child care.
  (b) Before an exemption for a child care facility is allowed under this section, in addition to any other information required under ORS 307.162, the statement shall:
  (A) Describe the property and declare or be accompanied by proof that the corporation is an eleemosynary institution or religious organization.
  (B) Declare or be accompanied by proof that the office has issued the child care facility a certification to provide educational child care.

For the fiscal year ended June 30, 2023, Multnomah County School District No. 3 had abated property taxes totaling $220,338 under these programs.

Tax Abatement Program	Fiscal Year	Percentage of Total
New Housing HBO	$ 3,811	1.7%
COP Low Income Rental Housing	22,310	10.1%
Religious School/Student	68,293	31.0%
IND Appr of Trng Trust	9,029	4.1%
Enterprise Zone	111,185	50.5%
Alternative Energy	5,710	2.6%
Total	$ 220,338	100%

REQUIRED SUPPLEMENTAL INFORMATION

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

SCHEDULE OF CHANGES IN TOTAL POST-EMPLOYMENT BENEFITS (OPEB) LIABILITY AND RELATED RATIOS STIPEND BENEFITS
For the Year Ended June 30, 2023

	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability - Beginning	$ 984,098	$ 1,010,100	$ 959,393	$ 845,035	$ 482,586	$ 489,226	$ 516,784
Changes for the year:							
Service Cost	59,529	71,751	57,024	55,096	24,793	24,188	24,188
Interest	35,819	24,005	22,578	30,520	18,018	17,886	18,516
Changes of Benefit Terms	-	-	-	-	398,646	-	-
Differences Between Expected and Actual Experience	(118,744)	-	(6,642)	-	(22,809)	-	-
Changes of Assumptions or Other Input	(62,790)	(91,821)	3,619	85,022	(2,386)	-	-
Benefit Payments	(40,464)	(29,937)	(25,872)	(56,280)	(53,812)	(48,714)	(70,262)
Net Changes for the Year	(126,650)	(26,002)	50,707	114,358	362,450	(6,640)	(27,558)
Total OPEB Liability - Ending	$ 857,448	$ 984,098	$ 1,010,100	$ 959,393	$ 845,035	$ 482,586	$ 489,226
Covered Payroll	$ 15,133,926	$ 14,354,082	$ 13,868,678	$ 13,657,327	$ 13,195,485	$ 13,327,001	$ 12,938,836
Net Single Employer Pension Plan as a Percentage of Covered Payroll	5.67%	6.86%	7.28%	7.02%	6.40%	3.62%	3.78%

Note: This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full year trend has been compiled, information is presented for the years for which the required supplementary schedule information is available. The District implemented GASB 73 and GASB 75 in the fiscal year ending June 30, 2017.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

SCHEDULE OF CHANGES IN OTHER POST-EMPLOYMENT BENEFITS (OPEB) LIABILITY
HEALTH INSURANCE SUBSIDY
For the Year Ended June 30, 2023

Total OPEB Liability - Beginning	2023	2022	2021	2020	2019	2018	2017
	$ 1,906,446	$ 2,005,508	$ 2,467,660	$ 2,164,322	$ 2,226,997	$ 2,174,136	$ 2,124,463
Changes for the year:							
Service Cost	136,214	164,551	152,066	146,924	118,216	115,333	115,333
Interest	70,258	47,636	57,835	100,607	85,372	81,002	79,115
Changes of Benefit Terms	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	(162,047)	-	(364,241)	-	(26,360)	-	-
Changes of Assumptions or Other Input	(136,825)	(205,468)	(209,287)	206,855	(102,670)	-	-
Benefit Payments	(70,554)	(105,781)	(98,525)	(151,048)	(137,234)	(143,474)	(144,775)
Net Changes for the Year	(162,954)	(99,062)	(462,152)	303,338	(62,676)	52,861	49,673
Total OPEB Liability - Ending	$ 1,743,492	$ 1,906,446	$ 2,005,508	$ 2,467,660	$ 2,164,322	$ 2,226,997	$ 2,174,136
Covered Payroll	$ 21,446,197	$ 20,018,183	$ 19,341,240	$ 19,185,992	$ 18,537,190	$ 18,337,003	$ 17,802,916
Net Single Employer Pension Plan as a Percentage of Covered Payroll	8.13%	9.52%	10.37%	12.86%	11.68%	12.14%	12.21%

Note: This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full year trend has been compiled, information is presented for the years for which the required supplementary schedule information is available. The District implemented GASB 73 and GASB 75 in the fiscal year ending June 30, 2017.

REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2023

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) Entity's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.06 %	$ 8,521,514	$ 22,449,811	38.0 %	84.5 %
2022	0.13	15,003,939	20,329,441	73.8	87.6
2021	0.15	31,855,760	19,815,793	160.8	75.8
2020	0.15	26,505,366	19,012,659	139.4	80.2
2019	0.23	34,357,758	19,052,826	180.3	82.1
2018	0.24	32,625,181	18,320,426	178.1	83.1
2017	0.28	41,925,383	17,832,119	235.1	80.5
2016	0.32	18,626,897	17,422,657	106.9	91.9
2015	0.36	(8,175,753)	16,231,106	(50.4)	103.6
2014	0.36	18,406,404	16,303,974	112.9	92.0

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

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

SCHEDULE OF CONTRIBUTIONS

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2023	$ 1,434,167	$ 1,434,167	$ -	$ 24,034,628	6.0 %
2022	3,356,502	3,356,502	-	22,449,811	15.0
2021	3,967,382	3,967,382	-	20,329,441	19.5
2020	3,800,250	3,800,250	-	19,815,793	19.2
2019	3,328,072	3,328,072	-	19,012,659	17.5
2018	4,295,742	4,295,742	-	19,052,826	23.5
2017	3,334,315	3,334,315	-	18,320,426	18.2
2016	3,298,416	3,298,416	-	17,832,119	18.5
2015	3,569,537	3,569,537	-	17,422,657	20.5
2014	3,362,302	3,362,302	-	16,231,106	20.7

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

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

REQUIRED SUPPLEMENTARY INFORMATION
OTHER POSTEMPLOYMENT BENEFITS (OPEB)
RETIREMENT HEALTH INSURANCE ACCOUNT (RHIA)
For the Year Ended June 30, 2023

SCHEDULE OF CHANGES IN THE TOTAL OPEB - RHIA LIABILITY (ASSET)

Year Ended June 30,	Service Cost	Difference Between Expected and Actual Experience	Changes in Assumptions	Difference Between Projected and Actual Investment Earnings	Employer Actual Contributions	Changes in Employer Proportion	Employer Total Expense
2023	$ -	$ (10,173)	$ (9,574)	$ (28,629)	$ 3,244	$ 104,229	$ 18,386
2022	-	(11,705)	2,019	(99,983)	2,604	136,004	(16,311)
2021	-	(57,920)	(30,116)	63,007	3,278	(114,433)	151,526
2020	-	(41,906)	(329)	(19,615)	19,857	1,964	40,947
2019	-	(10,738)	(601)	(40,849)	81,506	(1,925)	(18,779)

SCHEDULE OF TOTAL OPEB LIABILITY AND RELATED RATIOS

Year Ended June 30,	Total OPEB Liability Beginning (Asset)	Net Change in Total OPEB Liability (Asset)	Total OPEB Liability (Asset) Ending	Covered Payroll	Total OPEB Liability (Asset) as a Percentage of Covered Payroll	Discount Rate
2023	$ (420,711)	$ 45,305	$ (375,406)	$ 22,449,811	-1.67%	6.90%
2022	(566,566)	145,855	(420,711)	20,329,441	-2.07%	6.90%
2021	(317,782)	(248,784)	(566,566)	19,815,793	-2.86%	7.20%
2020	(189,469)	(128,313)	(317,782)	19,012,659	-1.67%	7.20%
2019	(68,465)	(121,004)	(189,469)	19,052,826	-0.99%	7.20%

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

MULTNOMAH COUNTY SCHOOL DISTRICT # 3
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS
For the Year Ended June 30, 2023

General Fund

	BUDGET ORIGINAL	BUDGET FINAL	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:				
Local Sources:				
Property Taxes	$ 22,500,000	$ 22,500,000	$ 21,366,147	$ (1,133,853)
Interest	184,800	184,800	329,054	144,254
Other Local Sources	251,214	251,214	295,695	44,481
Intermediate Sources	375,480	375,480	347,139	(28,341)
State Sources	9,469,305	9,469,305	11,088,269	1,618,964
Federal Sources	3,000	3,000	6,241	3,241
Total Revenues	32,783,799	32,783,799	33,432,545	648,746
EXPENDITURES:				
Instruction:				
Salaries	12,540,120	12,540,120	12,270,791	269,329
Employee Benefits	7,148,940	6,399,373	5,593,155	806,218
Purchased Services	1,951,923	1,951,923	1,899,320	52,603
Supplies and Materials	220,736	220,736	241,996	(21,260)
Other Objects	13,095	13,095	83,333	(70,238)
Total Instruction	21,874,814	21,125,247 (1)	20,088,595	1,036,652
Support Services:				
Salaries	6,338,539	6,338,539	6,003,492	335,047
Employee Benefits	3,966,027	3,748,587	3,041,047	707,540
Purchased Services	2,508,154	2,508,154	2,795,294	(287,140)
Supplies and Materials	475,101	475,101	426,633	48,468
Other Objects	736,897	736,897	571,636	165,261
Total Support Services	14,024,718	13,807,278 (1)	12,838,102	969,176
Contingency	500,000	500,000 (1)	-	500,000
Total Expenditures	36,399,532	35,432,525	32,926,697	2,505,828
Excess of Revenues Over (Under) Expenditures	(3,615,733)	(2,648,726)	505,848	3,154,574
Other Financing Sources, (Uses):				
Sale of Capital Assets	1,500	1,500	5,050	3,550
Transfers Out	(142,857)	- (1)	-	-
Total Other Financing Sources, (Uses)	(141,357)	1,500	5,050	3,550
Net Change in Fund Balance	(3,757,090)	(2,647,226)	510,898	3,158,124
Beginning Fund Balance	3,757,090	2,647,226	2,647,226	-
Ending Fund Balance	$ -	$ -	3,158,124	$ 3,158,124

RECONCILIATION TO GAAP FUND BALANCE

PERS Stabilization Fund	245,139
Technology Replacement Fund	39,928
Textbook Fund	124
Total	$ 3,443,315

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS
For the Year Ended June 30, 2023

Thompson Special Fund

	BUDGET				
	ORIGINAL	FINAL		ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:					
Local Sources	$ 960,683	$ 960,683		$ 1,271,296	$ 310,613
Total Revenues	960,683	960,683		1,271,296	310,613
EXPENDITURES:					
Support Services:					
Salaries	156,973	192,573		143,123	49,450
Employee Benefits	82,852	91,252		61,332	29,920
Purchased Services	1,830,480	1,899,480		435,613	1,463,867
Supplies and Materials	447,587	487,587		96,779	390,808
Other Objects	52,315	52,315		28,918	23,397
Total Support Services	2,570,207	2,723,207	(1)	765,765	1,957,442
Enterprise and Community Service:					
Salaries	65,116	73,470		59,555	13,915
Employee Benefits	42,161	48,881		27,036	21,845
Total Enterprise and Community Service	107,277	122,351	(1)	86,591	35,760
Facilities Acquisition and Construction:					
Capital Outlay	-	50,000		-	50,000
Total Facilities Acquisition and Construction	-	50,000	(1)	-	50,000
Contingency	723,967	723,967	(1)	-	723,967
Total Expenditures	3,401,451	3,619,525		852,356	2,767,169
Net Change in Fund Balance	(2,440,768)	(2,658,842)		418,940	3,077,782
Beginning Fund Balance	2,440,768	2,658,842		2,658,842	-
Ending Fund Balance	$ -	$ -		$ 3,077,782	$ 3,077,782

(1) Appropriation Level

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS
For the Year Ended June 30, 2023

Federal Grants Fund

	BUDGET				
	ORIGINAL	FINAL		ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:					
Federal Sources	$ 10,178,356	$ 10,610,006		$ 4,867,978	$ (5,742,028)
Total Revenues	10,178,356	10,610,006		4,867,978	(5,742,028)
EXPENDITURES:					
Instruction:					
Salaries	969,843	1,057,837		1,026,068	31,769
Employee Benefits	761,777	815,745		511,446	304,299
Purchased Services	3,308,870	3,318,716		482,276	2,836,440
Supplies and Materials	470,503	720,878		95,675	625,203
Other Objects	-	-		32,360	(32,360)
Total Instruction	5,510,993	5,913,176	(1)	2,147,825	3,765,351
Support Services:					
Salaries	809,633	792,022		899,150	(107,128)
Employee Benefits	404,317	389,439		351,521	37,918
Purchased Services	188,529	199,612		1,127,698	(928,086)
Supplies and Materials	3,008,809	3,040,217		240,972	2,799,245
Other Objects	47,063	66,528		71,860	(5,332)
Total Support Services	4,458,351	4,487,818	(1)	2,691,201	1,796,617
Enterprise and Community Services:					
Salaries	-	-		2,809	(2,809)
Employee Benefits	-	-		570	(570)
Purchased Services	200,127	200,000		17,554	182,446
Supplies and Materials	7,512	7,512		8,019	(507)
Other Objects	1,500	1,500		-	1,500
Total Enterprise and Community Services	209,139	209,012	(1)	28,952	180,060
Total Expenditures	10,178,483	10,610,006		4,867,978	5,742,028
Net Change in Fund Balance	(127)	-		-	-
Beginning Fund Balance	127	-		-	-
Ending Fund Balance	$ -	$ -		$ -	$ -

(1) Appropriation Level

SUPPLEMENTARY INFORMATION

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET -BUDGETARY (NON-GAAP) BASIS
For the Year Ended June 30, 2023

Debt Service Fund

	BUDGET			
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:				
Local Sources:				
Property Taxes	$ 3,413,951	$ 3,413,951	$ 3,233,871	$ (180,080)
Interest	7,000	7,000	95,004	88,004
Federal Sources	690,900	690,900	693,105	2,205
Total Revenues	4,111,851	4,111,851	4,021,980	(89,871)
EXPENDITURES:				
Support Services:				
Other Objects	-	5,000	4,324	676
Total Support Services	-	5,000 (1)	4,324	676
Debt Service:				
Principal	1,264,011	1,264,011	1,264,011	-
Interest and Other	1,577,904	1,567,904	1,567,892	12
Total Debt Service	2,841,915	2,831,915 (1)	2,831,903	12
Contingency	2,097,337	1,863,421 (1)	-	1,863,421
Total Expenditures	4,939,252	4,700,336	2,836,227	1,864,109
Excess of Revenues Over (Under) Expenditures	(827,401)	(588,485)	1,185,753	1,774,238
Other Financing Sources, (Uses):				
Transfers In	309,011	166,154	-	166,154
Total Other Financing Sources, (Uses)	309,011	166,154	-	166,154
Net Change in Fund Balance	(518,390)	(422,331)	1,185,753	1,608,084
Beginning Fund Balance	518,390	422,331	422,331	-
Ending Fund Balance	$ -	$ -	$ 1,608,084	$ 1,608,084

(1) Appropriation Level

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
June 30, 2023

	COMBINED NONMAJOR SPECIAL REVENUE FUNDS	NONMAJOR PERS DEBT SERVICE FUND	COMBINED NONMAJOR CAPITAL PROJECTS FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS:				
Cash and Investments	$ 2,370,596	$ -	$ 1,090,988	$ 3,461,584
Accounts and Grants Receivable	831,070	-	-	831,070
Total Assets	$ 3,201,666	$ -	$ 1,090,988	$ 4,292,654
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts Payable	$ 123,061	$ -	$ -	$ 123,061
Deferred Revenue	457,479	-	-	457,479
Due To Other Funds	844,170	-	-	844,170
Total Liabilities	1,424,710	-	-	1,424,710
Fund Balances:				
Restricted	292,452	-	1,090,988	1,383,440
Committed	1,484,504	-	-	1,484,504
Total Fund Balances	1,776,956	-	1,090,988	2,867,944
Total Liabilities and Fund Balances	$ 3,201,666	$ -	$ 1,090,988	$ 4,292,654

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

COMBINING BALANCE SHEET
SPECIAL REVENUE NONMAJOR GOVERNMENTAL FUNDS
June 30, 2023

	TAX ANTICIPATION NOTE FUND	FOOD SERVICE FUND	RISK MANAGEMENT FUND	STUDENT INVESTMENT FUND
ASSETS:				
Cash and Investments	$ 69,961	$ 323,586	$ 669,715	$ 464,974
Accounts and Grants Receivable	-	144,609	-	-
Total Assets	$ 69,961	$ 468,195	$ 669,715	$ 464,974
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts Payable	$ -	$ 246	$ 13,000	$ 7,578
Unearned Revenue	-	-	-	457,396
Due To Other Funds	-	245,458	-	-
Total Liabilities	-	245,704	13,000	464,974
Fund Balances:				
Restricted	69,961	222,491	-	-
Committed	-	-	656,715	-
Total Fund Balances	69,961	222,491	656,715	-
Total Liabilities and Fund Balances	$ 69,961	$ 468,195	$ 669,715	$ 464,974

MEASURE 98 FUND	PRIVATE AND STATE GRANTS FUND	TRANS-PORTATION FUND	EARLY RETIREMENT FUND	STUDENT BODY FUND	TOTAL NONMAJOR SPECIAL REVENUE FUNDS
$ -	$ 144,275	$ 203,326	$ 17,818	$ 476,941	$ 2,370,596
294,702	391,344	-	-	415	831,070
$ 294,702	$ 535,619	$ 203,326	$ 17,818	$ 477,356	$ 3,201,666
$ 2,797	$ 68,581	$ -	$ -	$ 30,859	$ 123,061
-	83	-	-	-	457,479
291,905	306,807	-	-	-	844,170
294,702	375,471	-	-	30,859	1,424,710
-	-	-	-	-	292,452
-	160,148	203,326	17,818	446,497	1,484,504
-	160,148	203,326	17,818	446,497	1,776,956
$ 294,702	$ 535,619	$ 203,326	$ 17,818	$ 477,356	$ 3,201,666

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

COMBINING BALANCE SHEET
CAPITAL PROJECTS NONMAJOR GOVERNMENTAL FUNDS
June 30, 2023

	CAPITAL PROJECTS FUND	CAPITAL EQUIPMENT FUND	CAPITAL GO BOND FUND	CAPITAL FLEET REPLACEMENT FUND	TOTAL NONMAJOR CAPITAL PROJECTS FUNDS
ASSETS:					
Cash and Investments	$ 809,609	$ 116,151	$ 61,492	$ 103,736	$ 1,090,988
Total Assets	$ 809,609	$ 116,151	$ 61,492	$ 103,736	$ 1,090,988
LIABILITIES AND FUND BALANCES:					
Fund Balances:					
Restricted	$ 809,609	$ 116,151	$ 61,492	$ 103,736	$ 1,090,988
Total Fund Balances	809,609	116,151	61,492	103,736	1,090,988
Total Liabilities and Fund Balances	$ 809,609	$ 116,151	$ 61,492	$ 103,736	$ 1,090,988

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2023

	COMBINED NONMAJOR SPECIAL REVENUE FUNDS	NONMAJOR PERS DEBT SERVICE FUND	COMBINED NONMAJOR CAPITAL PROJECTS FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES:				
Local Sources:				
Interest	$ 1,970	$ -	$ 13,996	$ 15,966
Other Local Sources	837,361	-	213,901	1,051,262
State Sources	5,258,940	3,310,565	-	8,569,505
Federal Sources	1,401,171	-	-	1,401,171
Total Revenues	7,499,442	3,310,565	227,897	11,037,904
EXPENDITURES:				
Instruction	4,496,914	-	-	4,496,914
Support Services	1,219,841	-	49,578	1,269,419
Enterprise and Community Services	1,760,328	-	-	1,760,328
Facilities Acquisition and Construction	-	-	4,019	4,019
Debt Service	-	3,310,565	-	3,310,565
Total Expenditures	7,477,083	3,310,565	53,597	10,841,245
Net Change in Fund Balance	22,359	-	174,300	196,659
Beginning Fund Balance	1,754,597	-	916,688	2,671,285
Ending Fund Balance	$ 1,776,956	$ -	$ 1,090,988	$ 2,867,944

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2023

	TAX ANTICIPATION NOTE FUND	FOOD SERVICE FUND	RISK MANAGEMENT FUND	STUDENT INVESTMENT FUND
REVENUES:				
Local Sources:				
Interest	$ 1,970	$ -	$ -	$ -
Other Local Sources	-	4,924	27,981	-
State Sources	-	289,007	-	2,459,869
Federal Sources	-	1,401,171	-	-
Total Revenues	1,970	1,695,102	27,981	2,459,869
EXPENDITURES:				
Instruction	-	-	-	2,130,669
Support Services	-	-	56,856	329,200
Enterprise and Community Services	-	1,753,233	-	-
Total Expenditures	-	1,753,233	56,856	2,459,869
Net Change in Fund Balance	1,970	(58,131)	(28,875)	-
Beginning Fund Balance	67,991	280,622	685,590	-
Ending Fund Balance	$ 69,961	$ 222,491	$ 656,715	$ -

MEASURE 98 FUND	PRIVATE AND STATE GRANTS FUND	TRANS-PORTATION FUND	EARLY RETIREMENT FUND	STUDENT BODY FUND	TOTAL NONMAJOR SPECIAL REVENUE FUNDS
$ -	$ -	$ -	$ -	$ -	$ 1,970
-	467,485	-	2,646	334,325	837,361
848,918	1,661,146	-	-	-	5,258,940
-	-	-	-	-	1,401,171
848,918	2,128,631	-	2,646	334,325	7,499,442
848,918	1,197,536	-	-	319,791	4,496,914
-	805,270	-	28,515	-	1,219,841
-	7,095	-	-	-	1,760,328
848,918	2,009,901	-	28,515	319,791	7,477,083
-	118,730	-	(25,869)	14,534	22,359
-	41,418	203,326	43,687	431,963	1,754,597
$ -	$ 160,148	$ 203,326	$ 17,818	$ 446,497	$ 1,776,956

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2023

	CAPITAL PROJECTS FUND	CAPITAL EQUIPMENT FUND	CAPITAL GO BOND FUND	CAPITAL FLEET REPLACEMENT FUND	TOTAL NONMAJOR CAPITAL PROJECTS FUNDS
REVENUES:					
Local Sources:					
Interest	$ -	$ -	$ 13,996	$ -	$ 13,996
Other Local Sources	213,901	-	-	-	213,901
Total Revenues	213,901	-	13,996	-	227,897
EXPENDITURES:					
Support Services	37,145	-	-	12,433	49,578
Facilities Acquisition and Construction	-	-	4,019	-	4,019
Total Expenditures	37,145	-	4,019	12,433	53,597
Net Change in Fund Balance	176,756	-	9,977	(12,433)	174,300
Beginning Fund Balance	632,853	116,151	51,515	116,169	916,688
Ending Fund Balance	$ 809,609	$ 116,151	$ 61,492	$ 103,736	$ 1,090,988

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS
For the Year Ended June 30, 2023

Tax Anticipation Note Fund

	BUDGET ORIGINAL	BUDGET FINAL		ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:					
Local Sources:					
Interest	$ 1,940	$ 2,085		$ 1,970	$ (115)
Total Revenues	1,940	2,085		1,970	(115)
EXPENDITURES:					
Support Services:					
Purchased Services	15,076	15,076		-	15,076
Total Support Services	15,076	15,076	(1)	-	15,076
Debt Services					
Principal	4,035,000	4,035,000		-	4,035,000
Interest	55,000	55,000		-	55,000
Total Debt Services	4,090,000	4,090,000	(1)	-	4,090,000
Total Expenditures	4,105,076	4,105,076		-	4,105,076
Excess of Revenues Over (Under) Expenditures	(4,103,136)	(4,102,991)		1,970	(4,104,961)
Other Financing Sources, (Uses):					
Proceeds	4,035,000	4,035,000		-	(4,035,000)
Total Other Financing Sources, (Uses)	4,035,000	4,035,000		-	(4,035,000)
Net Change in Fund Balance	(68,136)	(67,991)		1,970	69,961
Beginning Fund Balance	68,136	67,991		67,991	-
Ending Fund Balance	$ -	$ -		$ 69,961	$ 69,961

(1) Appropriation Level

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS
For the Year Ended June 30, 2023

Food Service Fund

	BUDGET			
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:				
Local Sources	$ 74,188	$ 29,688	$ 4,924	$ (24,764)
State Sources	27,000	27,000	289,007	262,007
Federal Sources	1,581,355	1,365,233	1,401,171	35,938
Total Revenues	1,682,543	1,421,921	1,695,102	273,181
EXPENDITURES:				
Enterprise and Community Services:				
Salaries	591,712	591,712	512,583	79,129
Employee Benefits	539,050	539,050	363,520	175,530
Purchased Services	267,747	267,747	82,701	185,046
Supplies and Materials	289,234	289,234	792,400	(503,166)
Capital Outlay	7,000	7,000	-	7,000
Other Objects	7,800	7,800	2,029	5,771
Total Enterprise and Community Services	1,702,543	1,702,543 (1)	1,753,233	(50,690)
Net Change in Fund Balance	(20,000)	(280,622)	(58,131)	222,491
Beginning Fund Balance	20,000	280,622	280,622	-
Ending Fund Balance	$ -	$ -	$ 222,491	$ 222,491

(1) Appropriation Level

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS
For the Year Ended June 30, 2023

Risk Management Fund

	BUDGET				
	ORIGINAL	FINAL		ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:					
Local Sources	$ 35,000	$ 35,000		$ 27,981	$ (7,019)
Total Revenues	35,000	35,000		27,981	(7,019)
EXPENDITURES:					
Support Services:					
Employee Benefits	60,000	60,000		2,100	57,900
Purchased Services	100,649	100,649		22,672	77,977
Supplies and Materials	25,250	503,151		7,419	495,732
Other Objects	10,000	40,000		24,665	15,335
Total Support Services	195,899	703,800	(1)	56,856	646,944
Contingency:	16,790	16,790	(1)	-	16,790
Total Expenditures	212,689	720,590		56,856	663,734
Net Change in Fund Balance	(177,689)	(685,590)		(28,875)	656,715
Beginning Fund Balance	177,689	685,590		685,590	(0)
Ending Fund Balance	$ -	$ -		$ 656,715	$ 656,715

(1) Appropriation Level

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS
For the Year Ended June 30, 2023

Student Investment Fund

	BUDGET				
	ORIGINAL	FINAL		ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:					
State Sources	$ 2,836,105	$ 2,917,265		$ 2,459,869	$ (457,396)
Total Revenues	2,836,105	2,917,265		2,459,869	(457,396)
EXPENDITURES:					
Instruction:					
Salaries	1,040,361	1,121,521		1,057,823	63,698
Employee Benefits	609,932	609,932		480,293	129,639
Purchased Services	118,826	118,826		335,795	(216,969)
Supplies & Materials	249,530	249,530		139,805	109,725
Other Objects	120,447	120,447		116,953	3,494
Total Instruction	2,139,096	2,220,256	(1)	2,130,669	89,587
Support Services:					
Salaries	133,171	133,171		153,126	(19,955)
Employee Benefits	118,435	118,435		53,533	64,902
Purchased Services	165,000	165,000		110,082	54,918
Supplies & Materials	30,403	30,403		10,293	20,110
Other Objects	-	-		2,166	(2,166)
Total Support Services	447,009	447,009	(1)	329,200	117,809
Enterprise and Community Services:					
Purchased Services	250,000	250,000		-	250,000
Total Enterprise and Community Services	250,000	250,000	(1)	-	250,000
Total Expenditures	2,836,105	2,917,265		2,459,869	457,396
Net Change in Fund Balance	-	-		-	-
Beginning Fund Balance	-	-		-	-
Ending Fund Balance	$ -	$ -		$ -	$ -

(1) Appropriation Level

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS
For the Year Ended June 30, 2023

Measure 98 Fund

	BUDGET ORIGINAL	BUDGET FINAL		ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:					
State Sources	$ 1,136,999	$ 968,434		$ 848,918	$ (119,516)
Total Revenues	1,136,999	968,434		848,918	(119,516)
EXPENDITURES:					
Instruction:					
Salaries	491,007	401,007		489,133	(88,126)
Employee Benefits	370,089	291,524		173,254	118,270
Purchased Services	167,197	167,197		129,415	37,782
Supplies & Materials	98,706	98,706		15,578	83,128
Other Objects	-	-		41,538	(41,538)
Total Instruction	1,126,999	958,434	(1)	848,918	109,516
Support Services					
Capital Outlay	10,000	10,000		-	10,000
Total Support Services	10,000	10,000	(1)	-	10,000
Total Expenditures	1,136,999	968,434		848,918	119,516
Net Change in Fund Balance	-	-		-	-
Beginning Fund Balance	-	-		-	-
Ending Fund Balance	$ -	$ -		$ -	$ -

(1) Appropriation Level

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS
For the Year Ended June 30, 2023

Private and State Grants Fund

	BUDGET				
	ORIGINAL	FINAL		ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:					
Local Sources	$ 440,145	$ 442,437		$ 467,485	$ 25,048
State Sources	1,490,848	2,162,268		1,661,146	(501,122)
Total Revenues	1,930,993	2,604,705		2,128,631	(476,074)
EXPENDITURES:					
Instruction:					
Salaries	747,462	1,103,561		702,414	401,147
Employee Benefits	413,245	333,610		176,822	156,788
Purchased Services	85,237	170,320		198,696	(28,376)
Supplies and Materials	164,462	170,066		83,278	86,788
Other Objects	15,051	35,323		36,326	(1,003)
Total Instruction	1,425,457	1,812,880	(1)	1,197,536	615,344
Support Services:					
Salaries	159,000	383,571		494,324	(110,753)
Employee Benefits	47,920	93,005		97,594	(4,589)
Purchased Services	298,388	162,126		114,470	47,656
Supplies and Materials	136,977	147,279		88,367	58,912
Other Objects	36,113	29,554		10,515	19,039
Total Support Services	678,398	815,535	(1)	805,270	10,265
Enterprise and Community Services:					
Salaries	9,000	1,887		1,887	-
Employee Benefits	2,713	725		725	-
Purchased Services	26,234	11,519		3,833	7,686
Supplies and Materials	-	-		650	(650)
Capital Outlay	3,577	3,577		-	3,577
Total Enterprise and Community Services	41,524	17,708	(1)	7,095	10,613
Total Expenditures	2,145,379	2,646,123		2,009,901	636,222
Net Change in Fund Balance	(214,386)	(41,418)		118,730	160,148
Beginning Fund Balance	214,386	41,418		41,418	-
Ending Fund Balance	$ -	$ -		$ 160,148	$ 160,148

(1) Appropriation Level

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS
For the Year Ended June 30, 2023

Transportation Fund

	BUDGET				
	ORIGINAL	FINAL		ACTUAL	VARIANCE TO FINAL BUDGET
EXPENDITURES:					
Support Services:					
Supplies and Materials	$ 32,172	$ 32,172		$ -	$ 32,172
Total Support Services	32,172	32,172	(1)	-	32,172
Contingency:	5,000	5,000	(1)	-	5,000
Total Expenditures	37,172	37,172		-	37,172
Excess of Revenues Over (Under) Expenditures	(37,172)	(37,172)		-	37,172
Other Financing Sources, (Uses):					
Transfers Out	(166,154)	(166,154)	(1)	-	166,154
Total Other Financing Sources, (Uses)	(166,154)	(166,154)		-	(166,154)
Net Change in Fund Balance	(203,326)	(203,326)		-	203,326
Beginning Fund Balance	203,326	203,326		203,326	-
Ending Fund Balance	$ -	$ -		$ 203,326	$ 203,326

(1) Appropriation Level

MULTNOMAH SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS
For the Year Ended June 30, 2023

Early Retirement Fund

	BUDGET				
	ORIGINAL	FINAL		ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:					
Local Sources	$ 2,575	$ 2,575		$ 2,646	$ 71
Total Revenues	2,575	2,575		2,646	71
EXPENDITURES:					
Support Services:					
Salaries	105,037	38,727		26,507	12,220
Employee Benefits	22,377	7,535		2,008	5,527
Total Support Services	127,414	46,262	(1)	28,515	17,747
Net Change in Fund Balance	(124,839)	(43,687)		(25,869)	17,818
Beginning Fund Balance	124,839	43,687		43,687	-
Ending Fund Balance	$ -	$ -		$ 17,818	$ 17,818

(1) Appropriation Level

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS
For the Year Ended June 30, 2023

Student Body Fund

	BUDGET			
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
Local Sources	$ 450,000	$ 399,629	$ 334,325	$ (65,304)
Total Revenues	450,000	399,629	334,325	(65,304)
EXPENDITURES:				
Instruction:				
Purchased Services	-	-	2,534	(2,534)
Supplies and Materials	831,592	831,592	317,257	514,335
Total Instruction	831,592	831,592 (1)	319,791	511,801
Net Change in Fund Balance	(381,592)	(431,963)	14,534	446,497
Beginning Fund Balance	381,592	431,963	431,963	-
Ending Fund Balance	$ -	$ -	$ 446,497	$ 446,497

(1) Appropriation Level

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS
For the Year Ended June 30, 2023

PERS Debt Service Fund

	BUDGET			
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:				
State Sources	$ 1,647,706	$ 3,323,592	$ 3,310,565	$ (13,027)
Total Revenues	1,647,706	3,323,592	3,310,565	(13,027)
EXPENDITURES:				
Debt Service:				
Principal	860,000	1,300,562	1,300,562	-
Interest	787,706	2,023,030	2,010,003	13,027
Total Debt Service	1,647,706	3,323,592 (1)	3,310,565	13,027
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	$ -	$ -	$ -	$ -

(1) Appropriation Level

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET -BUDGETARY (NON-GAAP) BASIS
For the Year Ended June 30, 2023

Capital Projects Fund

	BUDGET				
	ORIGINAL	FINAL		ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:					
Local Revenue	$ 179,001	$ 259,001		$ 213,901	$ (45,100)
Total Revenues	179,001	259,001		213,901	(45,100)
EXPENDITURES:					
Support Services:					
Purchased Services	512,850	591,854		37,145	554,709
Capital Outlay	150,000	150,000		-	150,000
Total Support Services	662,850	741,854	(1)	37,145	704,709
Contingency	150,000	150,000	(1)	-	150,000
Total Expenditures	812,850	891,854		37,145	854,709
Net Change in Fund Balance	(633,849)	(632,853)		176,756	809,609
Beginning Fund Balance	633,849	632,853		632,853	-
Ending Fund Balance	$ -	$ -		$ 809,609	$ 809,609

(1) Appropriation Level

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET -BUDGETARY (NON-GAAP) BASIS
For the Year Ended June 30, 2023

Capital Equipment Fund

	BUDGET			
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET
EXPENDITURES:				
Support Services:				
Supplies and Materials	$ 132,400	$ 116,151	$ -	$ 116,151
Total Support Services	132,400	116,151 (1)	-	116,151
Net Change in Fund Balance	(132,400)	(116,151)	-	116,151
Beginning Fund Balance	132,400	116,151	116,151	-
Ending Fund Balance	$ -	$ -	$ 116,151	$ 116,151

(1) Appropriation Level

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS
For the Year Ended June 30, 2023

Capital GO Bond Fund

	BUDGET				
	ORIGINAL	FINAL		ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:					
Local Sources:					
Interest	$ 1,000	$ 1,000		$ 13,996	$ 12,996
Total Revenues	1,000	1,000		13,996	12,996
EXPENDITURES:					
Instruction:					
Supplies and Materials	9,000	9,000		-	9,000
Total Instruction	9,000	9,000	(1)	-	9,000
Facilities Acquisition and Construction:					
Purchased Services	31,250	33,151		4,019	29,132
Other Objects	10,363	10,363		-	10,363
Total Facilities Acquisition and Construction	41,613	43,514	(1)	4,019	39,495
Total Expenditures	50,613	52,514		4,019	48,495
Net Change in Fund Balance	(49,613)	(51,514)		9,977	61,491
Beginning Fund Balance	49,613	51,514		51,515	1
Ending Fund Balance	$ -	$ -		$ 61,492	$ 61,492

(1) Appropriation Level

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS
For the Year Ended June 30, 2023

Capital Fleet Replacement Fund

	BUDGET			
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET
EXPENDITURES:				
Support Services:				
Materials and Services	$ -	$ -	$ 12,433	$ (12,433)
Capital Outlay	116,169	116,169	-	116,169
Total Support Services	116,169	116,169 (1)	12,433	103,736
Net Change in Fund Balance	(116,169)	(116,169)	(12,433)	103,736
Beginning Fund Balance	116,169	116,169	116,169	-
Ending Fund Balance	$ -	$ -	$ 103,736	$ 103,736

(1) Appropriation Level

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS
For the Year Ended June 30, 2023

Technology Replacement Fund

	BUDGET			
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET
EXPENDITURES:				
Support Services:				
Purchased Services	$ -	$ 2,000	$ 3,376	$ (1,376)
Supplies and Materials	8,058	16,741	12,234	4,507
Other Objects	-	41,000	4,204	36,796
Total Support Services	8,058	59,741 (1)	19,814	39,927
Net Change in Fund Balance	(8,058)	(59,741)	(19,814)	39,927
Beginning Fund Balance	8,058	59,741	59,742	1
Ending Fund Balance	$ -	$ -	$ 39,928	$ 39,928

(1) Appropriation Level

Note: This fund's activities have been combined with the General Fund activities in accordance with GASB 54 due to its financing sources being derived primarily from General Fund transfers.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS
For the Year Ended June 30, 2023

Textbook Fund

	BUDGET			
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET
EXPENDITURES:				
Instruction:				
Salaries	$ 15,589	$ 589	$ 300	$ 289
Employee Benefits	4,698	778	62	716
Purchased Services	11,117	-	-	-
Supplies & Materials	67,070	37,276	38,157	(881)
Other Objects	10,000	60,730	60,730	-
Total Instruction	108,474	99,373 (1)	99,249	124
Total Expenditures	108,474	99,373	99,249	124
Net Change in Fund Balance	(108,474)	(99,373)	(99,249)	124
Beginning Fund Balance	108,474	99,373	99,373	-
Ending Fund Balance	$ -	$ -	$ 124	$ 124

(1) Appropriation Level

Note: This fund's activities have been combined with the General Fund activities in accordance with GASB 54 due to its financing sources being derived primarily from General Fund transfers.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS
For the Year Ended June 30, 2023

PERS Stabilization Fund

	BUDGET				
	ORIGINAL	FINAL		ACTUAL	VARIANCE TO FINAL BUDGET
EXPENDITURES:					
Support Services:					
Employee Benefits	$ 248,475	$ 245,139		$ -	$ 245,139
Total Support Services	248,475	245,139	(1)	-	245,139
Net Change in Fund Balance	(248,475)	(245,139)		-	245,139
Beginning Fund Balance	248,475	245,139		245,139	-
Ending Fund Balance	$ -	$ -		$ 245,139	$ 245,139

(1) Appropriation Level

Note: This fund's activities have been combined with the General Fund activities in accordance with GASB 54 due to its financing sources being derived primarily from General Fund transfers.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

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

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/22	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED 6/30/23
Current:						
2022-2023	$ 22,094,249	$ 580,144	(62,518)	4,652	21,148,748	$ 307,491
Prior Years:						
2021-2022	249,758	(909)	(38,037)	7,399	105,687	114,342
2020-2021	110,624	(294)	(17,795)	5,620	29,240	69,503
2019-2020	70,459	(135)	(6,106)	10,443	39,446	35,485
2018-2019	31,435	(152)	(5,740)	6,896	25,129	7,614
Prior	54,322	(2)	(2,400)	2,807	6,463	48,268
Total Prior	516,598	(1,492)	(70,078)	33,165	205,965	275,212
Total General Fund	$ 22,610,847	$ 578,652	$ (132,596)	$ 37,817	$ 21,354,713	$ 582,703

RECONCILIATION TO REVENUE:

Cash Collections by County Treasurers Above	$ 21,354,713
June 30, 2022	(51,079)
June 30, 2023	53,037
Taxes In Lieu	9,476
Total Revenue	$ 21,366,147

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

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

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/22	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED 6/30/23
Current:						
2022-2023	$ 3,339,111	$ 87,677	$ (9,448)	$ 703	$ 3,196,217	$ 46,472
Prior Years:						
2021-2022	36,642	(133)	(5,581)	1,085	15,505	16,774
2020-2021	29,916	(80)	(4,829)	1,525	4,933	21,759
2019-2020	12,700	(24)	(1,099)	1,879	7,099	6,405
2018-2019	5,549	(27)	(1,011)	1,215	4,426	1,354
Prior	10,735	-	(438)	542	4,222	6,617
Total Prior	95,542	(264)	(12,958)	6,246	36,185	52,909
Total Debt Service Fund	$ 3,434,653	$ 87,413	$ (22,406)	$ 6,949	$ 3,232,402	$ 99,381

RECONCILIATION TO REVENUE:

Cash Collections by County Treasurers Above	$ 3,232,402
Accrual of Receivables:	
June 30, 2022	(8,682)
June 30, 2023	8,912
Taxes In Lieu	1,239
Total Revenue	$ 3,233,871

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2023

PROGRAM TITLE	PASS-THROUGH ORGANIZATION	FEDERAL AL NUMBER	SUB GRANT NUMBER	GRANT PERIOD	EXPENDITURES	PASS THROUGH EXPENDITURES
U.S. Department of Education:						
Title I Grants to Local Educational Agencies						
	Oregon Department of Education	84.010	67043	7/1/21-9/30/22	$ 33,135	$ -
	Oregon Department of Education	84.010	72583	7/1/22-9/30/23	853,900	-
	Oregon Department of Education	84.010	67997	10/1/21-9/30/23	40,946	-
Total Title I Grants to Local Educational Agencies					927,981	-
Special Education Cluster (IDEA)	Oregon Department of Education	84.027	68698	7/1/21-9/30/23	132,457	-
	Oregon Department of Education	84.027	74094	7/1/22-9/30/24	458,647	-
	Oregon Department of Education	84.027	68449	7/1/21-9/30/23	62,650	-
	Oregon Department of Education	84.027	75364	7/1/21-9/30/23	17,910	-
	Oregon Department of Education	84.173	68974	7/1/21-9/30/23	3,112	-
	Oregon Department of Education	84.173	74276	7/1/22-9/30/24	3,000	-
	Oregon Department of Education	84.173	69218	7/1/21-9/30/23	233	-
Total Special Education Cluster (IDEA)					678,009	-
Student Support and Academic Enrichment State Grant	Oregon Department of Education	84.424	66832	7/1/21-9/30/22	13,687	-
	Oregon Department of Education	84.424	72977	7/1/22-9/30/23	72,746	-
Total Student Support and Academic Enrichment State Grat					86,433	-
Supporting Effective Instruction State Grant	Oregon Department of Education	84.367	67476	7/1/21-9/30/22	37,229	-
	Oregon Department of Education	84.367	72780	7/1/22-9/30/23	152,857	-
Total Supporting Effective Instruction State Grant					190,086	-
English Language Acquisition State Grants	Oregon Department of Education	84.365	67158	7/1/21-9/30/22	8,483	-
	Oregon Department of Education	84.365	73117	7/1/22-9/30/23	72,990	-
Total English Language Acquisition State Grants					81,473	-
Education for Homeless Children and Youths Grants	Oregon Department of Education	84.196	66235	7/1/21-9/30/22	6,637	-
LEA ESSER Fund - Formula						
Elementary and Secondary School Emergency Relief (ESSER) Fund COVID-19	Oregon Department of Education	84.425D	57881	3/13/20-6/30/21	8,337	-
Elementary and Secondary School Emergency Relief (ESSER) Fund COVID-19	Oregon Department of Education	84.425D	64651	3/13/20-6/30/23	122,284	-
American Rescue Plan - Elementary and Secondary Schools COVID-19	Oregon Department of Education	84.425U	64956	3/13/21-9/30/24	2,616,640	-
American Rescue Plan - Elementary and Secondary Schools COVID-19	Oregon Department of Education	84.425U	69306	4/23/21-9/30/24	20,947	-
American Rescue Plan - Elementary and Secondary Schools COVID-19	Oregon Department of Education	84.425U	74702	5/1/22-9/30/24	129,151	-
Total LEA ESSER Fund - Formula					2,897,359	- (1) (2)
Total U.S. Department of Education					$ 4,867,978	$ -

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2023

PROGRAM TITLE	PASS-THROUGH ORGANIZATION	FEDERAL AL NUMBER	SUB GRANT NUMBER	GRANT PERIOD	EXPENDITURES	PASS THROUGH EXPENDITURES
U. S. Department of Agriculture:						
Child Nutrition Cluster						
National School Breakfast	Oregon Department of Education	10.553	Fund 202	7/1/22-6/30/23	$ 265,898	$ -
National School Lunch	Oregon Department of Education	10.555	Fund 202	7/1/22-6/30/23	765,709	-
Supply Chain Assistance Program	Oregon Department of Education	10.555	Fund 202	7/1/22-6/30/23	82,722	
Donated Commodity National School Lunch Program - Non Cash Assistance	Oregon Department of Education	10.555	Fund 202	7/1/22-6/30/23	126,907	-
Summer Food Service Program for Children	Oregon Department of Education	10.559	Fund 202	7/1/22-6/30/23	42,956	-
Fresh Fruit and Vegetable Program	Oregon Department of Education	10.582	*see list	10/1/20-9/30/22	33,894	-
Total Child Nutrition Cluster					1,318,086	-
Child and Adult Food Care Program	Oregon Department of Education	10.558	Fund 202	7/1/22-6/30/23	79,629	-
NSLP Equipment Assistance Grant	Oregon Department of Education	10.879	Fund 202	6/1/21-9/30/23	3,458	-
Total U. S. Department of Agriculture					1,401,173	-
U. S. Department of Health and Human Services:						
Teenage Pregnancy Prevention Program	Multnomah County	93.297	HD-IGA-E-12812-2021	7/1/22-6/30/23	5,000	-
Total U.S. Department of Health and Human Services					5,000	-
Total Federal Financial Assistance					$ 6,274,151	$ -

(1) - Major Program
(2) COVID-19 funding

* List of Fresh Fruit and Vegetable Grant Numbers: 69627, 69628, 69629, 6960, 75042, 75043, 75044, and 75045
**Difference between Federal Revenues and SEFA Expenditures are due to QZAB Bond rebate and federal forest fees not reported on the SEFA

INDEPENDENT AUDITORS' REPORT AS REQUIRED BY OREGON STATE REGULATIONS

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November 20, 2023

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the Multnomah County School District No. 3, Multnomah County, Oregon, as of and for the year ended June 30, 2023, and have issued our report thereon dated November 20, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards and Government Auditing Standards.

Compliance

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

We performed procedures to the extent we considered necessary to address the required comments and disclosures, 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 Multnomah County School District No. 3, Multnomah County, Oregon, was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, except for the following:

1. A budget over expenditure as noted on page 18.
2. During our testing of the adoption of the 23-24 budget, the District did not include the fund appropriations with the resolution.

OAR 162-10-0230 Internal Control

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

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

Tara M Kamp, CPA

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

GRANT COMPLIANCE REVIEW

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November 20, 2023

To the Board of Directors
Multnomah County School District No. 3
Multnomah County, Oregon

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Multnomah County School District No. 3 as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated November 20, 2023.

Report on Internal Control over Financial Reporting

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

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Tara M Kamp, CPA

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

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November 20, 2023

To the Board of Directors
Multnomah County School District No. 3
Multnomah County, Oregon

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

Opinion on Each Major Federal Program

We have audited Multnomah County School District No. 3's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2023. The major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Multnomah County School District No. 3 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Multnomah County School District No. 3 and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

Tara M Kamp, CPA

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

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2023

SECTION I – SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	☐ yes	☒ no
Significant deficiency(s) identified that are not considered to be material weaknesses?	☐ yes	☒ none reported
Noncompliance material to financial statements noted?	☐ yes	☒ no
Any GAGAS audit findings disclosed that are required to be reporting in accordance with section the Uniform Guidance?	☐ yes	☒ no

FEDERAL AWARDS

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

IDENTIFICATION OF MAJOR PROGRAMS

CFDA NUMBER	NAME OF FEDERAL PROGRAM CLUSTER
84.425	Elementary and Secondary School Emergency Relief Fund

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

SECTION II – FINANCIAL STATEMENT FINDINGS

NONE

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

NONE

SECTION IV – PRIOR YEAR FINDINGS

SA-2022-1 – SIGNIFICANT DEFICIENCY

FEDERAL AWARD PROGRAM – 84.027 Special Education

SPECIFIC REQUIREMENT - OMB-87 requires that bi-annual certification be signed for all employees charged to the federal program.

CONDITION: We noted that bi-annual certifications were not performed for the prior year under audit.

STATUS: Appears to have been remedied as our sample was completed within a timely manner.

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. BASIS OF PRESENTATION

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The entity has not elected to use the ten percent de minimus indirect cost rate as allowed under Uniform Guidance.

SPECIAL THANKS

2022-23 Board Members

Brenda Rivas
Eva-Jeanette Rawlins
Sonja McKenzie
Elizabeth Durant
Paul Tabron, Jr.

Business Services

Jeanne Morgan
Maria Taylor